

Rooted Finance Limited

England & Wales · Charity number 1138351

Details

Other names	FAIR MONEY ADVICE, FMAUK Limited, Fair Money Advice, MONEY MATTERS PROJECT (FAIR MONEY ADVICE USED TO BE PART OF EAST END FAIR FINANCE LTD (AN IPS) AND THIS WAS THE NAME OF THE DIVISION), FMA (ACRONYM), Rooted Money Advice
Status	Registered
Legal form	Charitable company
Company number	07205478
Registered	2010-10-11
Register	View on the Charity Commission register

Contact

Address	Unit 4.6 244-254 Cambridge Heath Road London E2 9DA
Phone	02034758811
Email	info@rootedfinance.org.uk
Website	rootedfinance.org.uk

Activities

Objects: THE CHARITY'S OBJECTS (THE OBJECTS) ARE SPECIFICALLY RESTRICTED TO THE FOLLOWING: 3.1 THE PREVENTION AND RELIEF OF POVERTY THROUGH THE PROVISION OF IMPARTIAL DEBT ADVICE TO MEMBERS OF THE PUBLIC IN THE UK; 3.2 THE ADVANCEMENT OF THE EDUCATION OF THE PUBLIC IN THE SUBJECT OF DEBT AND PERSONAL FINANCIAL MANAGEMENT THROUGH THE PROVISION OF ADVICE ABOUT SELF-HELP AND THE ROLE OF APPROPRIATE FINANCIAL SERVICES IN SELF-HELP; AND 3.3 THE ASSISTANCE AND SUPPORT OF THE DEVELOPMENT AND USE OF FINANCIAL PRODUCTS CREATED TO PROVIDE RELIEF TO THOSE IN NEED BY REASON OF FINANCIAL HARDSHIP, SOCIAL EXCLUSION AND OTHER DISADVANTAGES.

Activities: Prevention and relief of poverty through the provision of impartial debt advice to members of the public
Advancement of the education of the public in the subject of debt and personal financial management
Assistance and support of the development and use of financial products to provide relief to those in need by reason of financial hardship, social exclusion and other disadvantages.

Classification

- **How:** Provides Services, Provides Advocacy/advice/information, Sponsors Or Undertakes Research
- **What:** Education/training, The Prevention Or Relief Of Poverty
- **Who:** Other Defined Groups, The General Public/mankind

Geography

- **Area of benefit:** THE UK
- Central Bedfordshire
- Luton
- Throughout London

Finances

Period end	Income	Expenditure	Assets	Employees
2025-03-31	£468,000	£482,000	-	-
2024-03-31	£655,000	£591,000	£417,464	8
2023-03-31	£499,757	£405,705	-	-
2022-03-31	£517,819	£469,471	£252,960	11
2021-03-31	£373,000	£323,000	-	-

Trustees

Name	Role	Appointed
Erik James Porter	Chair	2022-08-11
Amanda Scott		2020-01-21
Guillaume Foucaud		2026-04-22
Montserrat Tojeiro		2025-11-26
Sope Olutana		2025-07-03
Victoria Tutt		2025-02-27

Rooted Finance Limited

England & Wales - Charity number 1138351

Accounts

Companies House Registration Number: 7205478

Charity Registration Number: 1138351

Report of the Trustees and
Unaudited Financial Statements for the Year Ended 31 March 2025
for
Rooted Finance
(A Company limited by guarantee)

Green Accountancy Limited
Chartered Certified Accountants
Windrush House
Windrush Park Road
Witney
Oxfordshire
OX29 7DX

Rooted Finance

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Rooted Finance**Reference and administrative details****Registered Company limited by guarantee number in England and Wales**

7205478

Registered Charity number

1138351

Registered office

The Green House Unit 3.2
244-254 Cambridge Heath Road
London
England
E2 9DA

Trustees

Erik James Porter
Amanda Scott
Jennifer Page
Victoria Tutt
Sope Olutana

Independent Examiner

Barry Coles FCCA
Green Accountancy Limited
Chartered Certified Accountants
Windrush House
Windrush Park Road
Witney
Oxfordshire
OX29 7DX

Rooted Finance Limited

Report of the trustees for the year ended 31 March 2025

Rooted Finance Limited is a Company limited by guarantee whose only Members are the Trustees. The objectives of the charity and the powers of the Trustees are set out in the Constitution as are the regulations concerning the appointment of new Trustees.

The trustees present their report with the financial statements of the charity for the year ended 31 March 2024. The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland.

The trustees are responsible for keeping proper accounting records which disclose the financial position of the charity with reasonable accuracy at any time and enable them to ensure that the accounts comply with the Companies Act 2006.

They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

New trustees are appointed by a majority of trustees in office at that time.

Objectives and Activities

The Charity's objects (the "Objects") are specifically restricted to the following:

- the prevention and relief of poverty through the provision of impartial debt advice to members of the public in the UK;
- the advancement of the education of the public in the subject of debt and personal financial management through the provision of advice about self-help and the role of appropriate financial services in self-help; and
- the assistance and support of the development and use of financial products created to provide relief to those in need by reason of financial hardship, social exclusion, and other disadvantages.

The aims of our Charity are to help prevent people from falling into unmanageable debt and helping to minimise the consequences of over indebtedness, once over indebted. Our aims continue to fully reflect the purposes which our Charity was set up to further.

Ensuring our work delivers our aims

Annually, we review our aims, objectives, and activities. The purpose of the annual review is to evaluate the work we have carried out and the impact that this has had on the groups we set out to serve. This review also ensures that we continue to further our aims, objectives, and activities in line with our stated purposes. We refer to the guidance contained in the Charity Commission's general guidance on public benefit when undertaking our annual review and planning our future activities. Specifically, the Board of Trustees consider how planned activities will contribute to the aims and objectives they have set.

Rooted Finance Limited

Report of the trustees for the year ended 31 March 2025

The focus of our activities

In line with our charitable objectives, the focus of our work in the last 12 months has continued to be based on providing information, guidance, and counselling to help prevent or minimise the consequences of over indebtedness. Our focus this year has also been on establishing the Charity as a significant contributor to policy and systemic change initiatives through the launch of our Equity in Finance project, aimed at improving outcomes and solutions for Minority Ethnic communities in financial services. Throughout the year, we were also pleased to conclude training for cohort-1 of our Grow Your Own Advice trainees, training 6 volunteers from six different grassroots organisations. We were featured at several sector and industry events, further increasing brand awareness and leveraging opportunities for new delivery and strategic partnerships. Toward the end of the year, we rolled out our digital referral tool EliApp, which we co-produced in partnership with our FinTech partner, Elifinty. This expansion was made possible by securing funding from the Money and Pensions Service's Debt Modernisation funding.

We used the following strategies to achieve these objectives and to continue to provide response to the deepening cost of living crisis faced by our beneficiaries:

- expansion of our core debt advice services to Food Bank settings
- continued the development and roll out of our Grow Your Own Advice training programme to encourage underserved and marginalised communities into the debt advice sector
- launched our expanded Lived Experience Steering Group (LESG) and empowered them to support across a mixed portfolio; including service improvements, strategy and co-creation of our new Equity in Finance project.
- secured funding for our new Equity in Finance project and commissioned a literature review led by ClearView Research to underpin the project focus and priorities for our Lived Experience Steering Committee
- delivered quality assured specialist debt advice services to clients face to face and remotely, using video calls, telephone calls and other channels as appropriate.
- delivered impactful preventative services by embedding them in our advice service and delivering training and guidance sessions for groups and individuals;
- identified and disseminated key financial messages and consumer campaigns, specifically to address entrenched problem debt, fuel poverty issues and prevention schemes and participated in ground-breaking research commissioned by Impact on Urban Health to examine the growing need; as well as strengthened our campaigning and advocacy capacity through our selection for the Stronger Voices project led and delivered by the Media Trust Charity
- further expansion of our service provision to include financial assistance payments for Debt Relief Orders and Bankruptcy Fees as well as the distribution of fuel vouchers through our Debt and Energy Advice Project funded by British Gas Energy Trust.
- continued to expand existing strategic partnerships with British Gas Energy Trust (BGET), Hackney Council, Impact on Urban Health, London Mayor's Office, Elifinty Ltd, Trust for London, Propel, Fair4All Finance, Rooted by Design and others; and developed new partnerships with Esmee Fairbairn, Fair By Design, Power 2 Prosper, Black Equity Organisation, Pathway Fund and others.

Report of the trustees for the year ended 31 March 2025

How our activities deliver public benefit

The continued increase in costs and negative impact of the cost-of-living crisis, marked 2024/25 as another difficult and challenging year experienced by the communities we serve. Clients continue to face prolonged financial uncertainty and over indebtedness because of several years of sustained cost-of living crisis increases on their finances, and over the year have further been burdened with the never-ending pressure of higher costs for essential goods and services. The Consumer Prices Index (CPI) rose by 2.6% in the 12 months to March 2025, and food and fuel costs continue to be at unprecedented levels adding further pressure to struggling households.

We continue to see a marked growth in negative budgets in the sector, and this remains consistent at one in two new clients for the second year running. Additionally, demand for food bank and fuel vouchers remains high, and we are seeing unprecedented levels of anxiety and health implications, with the corrosive combination of food insecurity and other indicators of destitution, resulting in an increase in the complexity of needs and support required for clients.

Client needs are multifaceted, and over the last year, we have witnessed a greater complexity in cases being referred to the Charity. The continued rise in negative budgets amongst our clients keep posing challenges for our organisation and necessitate the need for more financial assistance interventions and emergency case work. We have also had to expand our referral networks to ensure our clients receive the linked social welfare advice and services the complexity of their cases require. As a response to the increasing vulnerability in needs and complexity amongst our client group, this year we have worked closely with our Lived Experience Steering Committee (LESC) to review the appropriateness, efficiency and relevance of our services. We have explored pre-advice, and post-advice needs and are testing new service adaptations, as well as actively seeking new resourcing required to respond to client needs outside of the traditional advice journey.

We have expanded and improved how we embed Lived Experience into our service design and delivery through our LESC, and all our Lived Experts are paid for their contributions, and work closely with them to ensure our activities remain non-extractive. As a direct result of our work with our LESC this year, we have further expanded our income maximisation and charitable grant applications services, embedding them within our triage services to front-load support at the start of the debt advice journey.

Unfortunately, like last year, the long-term financial outlook continues to look challenging for our communities – with the exponential rise in priority debts continuing. It's been particularly alarming to see a steep rise in energy debt amongst financially vulnerable individuals and households. Consumer energy debt is at worryingly high levels, with £3.7 billion owed by domestic consumers for both electricity and gas in 2024 compared with £1.8 billion in 2021. Energy debt has become the highest debt in both value and numbers presented in 2024/25 amongst our clients – this is mirrored across the sector as energy and fuel debts increasingly create additional demand for debt advice charities nationwide. The difficulty in dealing with Energy companies adds to the complexity and the disproportionate level of resources being expended in supporting vulnerable households manage their fuel debts.

Rooted Finance Limited

Report of the trustees for the year ended 31 March 2025

As with the wider data seen across London and the UK, RF client data has continued to show a significant rise in utility and energy debts, with over a third of (39%) clients presenting with utility bill arrears. Whilst also just under a third of clients present with rent arrears (29%), with council tax debts affecting just under half (48%) of clients.

Council Tax arrears across Britain hit a record £8.3 billion in 2024/25. Records show that council tax arrears for England hit £6.6 billion in March 2025, an increase of 85% over the last 5 years. This tallies with our internal data which shows that over the last year, over 40% of clients supported have some form of council tax arrears.

The cost of living continued to be the leading reason for debt issues among our clients in 2024/25 accounting for one in four reasons for accessing advice.

Low-income households, and minority ethnic communities, continue to face particular challenges such as ever-increasing rent arrears and higher costs. Irregular incomes, reduced income or benefits, and one-off expenses push more people into debt. According to Stepchange research, Ethnic minorities in London are far more likely to struggle with debt. According to survey data from their report Understanding Society, over-indebtedness affects 28% of Black African Londoners, 24% of Black Caribbeans, and 22% of Pakistani or Bangladeshis – much higher than the 8% among White British groups. Just under two thirds of our clients for 2024/25 (59%) were from a minority ethnic background.

Over the last 12 months, our partnership activities have expanded to include policy and influencing initiatives to strengthen our systems change work at Rooted. Linked to these objectives were two key projects launched and expanded in 2024/25 – Grow Your Own Advice (GYOA) and Equity in Finance (EIF). In addition to our delivery of a bespoke training programme as part of the project, we have been working closely with other funded partners across the Propel Fund, London Legal Support and the GLA, to develop a wider Advice Workforce Strategy and a London Advice Strategy.

Personal debt in the UK stood at £1,899.7 billion at the end of March 2025, £54.3 billion from £1,845.4 billion at the end of March 2024, an extra £1,001.70 per UK adult over the year. Spanning this timeframe, RF has helped 1500 clients in managing their debt problems in the year ending 31 March 2025 (in 2024 the figure was 1923). This smaller number shows that despite the ongoing complexity of cases demand for debt advice is unabated and had we had more capacity, we would have been able to see 2000 clients or more this year. We have handled over £2.4 million of debt on behalf of our clients (2024 £4.6million), a decrease due to the reduction in clients supported, through capacity constraints and because of the continuing increase in priority debts. We also managed to write off over £400k in debt for our clients; and maximised their incomes by over £310,000 over the last 12 months.

Rooted Finance Limited

Report of the trustees for the year ended 31 March 2025

This reinforces the persistent rise of priority debts (trend of lower amounts, but more significant impact on people's living standards) and the continued reduction of higher value secondary debts such as credit cards and loans. It also continues to reinforce RF's role as a critical community-based charity that provides vital services to our most vulnerable communities. The financial gains secured for our clients highlight the importance of income maximisation services imbedded into our advice process, together with the value of specialist levels of advice provided by Rooted. Debt Relief Orders, Bankruptcies and negotiating and securing debt significant debt write offs reflect the technical skills within our advice team.

We continue to see a rise in food bank use, and our referrals to foodbank providers have risen again this year (26%). The average foodbank voucher/parcel is valued at £40, and on average, we are distributing vouchers valued at £200 or more per week. Like other debt advice services, demand for our services have continued to grow and we are continuing to train and develop new advisers to help us meet growing demand. means we are in a good place to meet this growing demand over the next year. Our debt advice services remain prioritised for referrals from our partners; whilst others are based on need and an initial assessment on their ability to self-help or gain assistance from another agency.

Throughout the year, we have maintained our pan-London provision with support from our funders and continue to work with partner organisations to ensure clients out of RF's scope can access services from other local agencies or self-help routes as appropriate.

Our main charitable activities are detailed below.

Counselling, advice and guidance services

We supported over 1500 clients in 2024/25, of which 784 received debt advice with casework. Of those 784 clients, 252 clients were supported through our Energy and Debt Advice service funded British Gas Energy Trust (BGET). RF continued to be funded by Hackney Council for debt advisory services to residents, and we supported 93 clients with complex casework support this year.

This year we concluded our 3-year partnership with Hackney Food Bank to deliver debt advice services to food bank service users. The project successfully showed the impact embedded debt and money advice services have on supporting with entrenched financial difficulties. For the period April 2024 to November 2004, we supported 132 clients with complex debt advice and casework. Our work with the Trussell Trust moved onto a new partnership with Tottenham Food Bank this year. This service whilst similar to our project developed with Hackney Food Bank, it was on a part time basis as funding was split between debt and welfare benefits advice. This has allowed RF debt advisers to work closely with an in-house welfare benefits adviser and test twin-track support for clients. Our advisers supported 132 clients in the year.

Rooted Finance Limited

Report of the trustees for the year ended 31 March 2025

We also received a further 6-month continuation funding from the Greater London Authority (Mayor of London) to expand our innovative partnership to help build a robust economic recovery for Londoners. RF continues to be the lead agency of the partnership which comprises nine different partners. The service continues to provide much needed debt and money advice services to low-income Londoners.

We continued our ground-breaking partnership with Hackney Food Bank/The Trussell Trust to deliver debt advice services to food bank service users. Each client continues to receive tailored support to assist them in managing their debt, help to maximise their income and access to additional linked services such as housing or welfare benefit support. Our advisers once again trained Food Bank volunteers to make targeted referrals, and RF receives fast-tacked referrals for clients who are on the brink of destitution. 81 clients have been supported through this service this year and RF will explore ways in which it can expand its services to these client groups in the future. The objective of our partnership is to reduce client reliance on foodbanks and to tackle the root problems of their financial difficulty through structured advice and support.

We also developed new funding relationships throughout the year. Our new partnership with Esmee Fairbairn will strengthen our Equity in Finance Project. Our reengagement with Money and Pensions Service (MaPS) through their Debt Modernisation Fund allowed the Charity to roll out its digital referral tool through a targeted campaign, funded by MaPS.

Educational and capability services

Our education and financial capability services remain fundamental to Rooted Finance's vision and mission. Our focus over the last few years has been on increasing capacity by training frontline teams and volunteers. This 'community-knowledge' approach means we can disseminate financial knowledge and messages through trusted intermediaries. This results in financial literacy being cascaded down from local anchor organisations, and results in the transfer of knowledge into the community. We have worked with Social Action for Health, Spring Community Hub, Newham Muslim Community and others across the year.

As well our training and group sessions, we continue to offer clients one-to-one coaching and embed a 'skill-pill' approach within the advice process.

We completed training for cohort-1 of our flagship training programme 'Grow Your Own Advice' (GYOA). Six volunteers were provided with a tailored 9-month debt and money advice training programme. Training included in-house developed soft skills training, combined with technical accredited training and work-placements with Rooted Finance. Of the six volunteers, 4 are now in paid employment within the advice sector.

Rooted Finance Limited

Report of the trustees for the year ended 31 March 2025

Through our ongoing work with Eifinty we continued to develop our new Eli Connect system – a Rooted Finance co-produced platform that provides links clients with advisers utilising smart technology. This year we have focused on understanding how we can utilise EliApp to deliver targeted training for both advisers and consumers and will continue the development of this in 2025/26.

In line with our strategic objectives, completed our insight project with Rooted by Design, Impact on Urban Health, Money and Pensions Service and Southwark CAB to collaborate on an innovative project aimed at demonstrating the important role and impact of community-based debt advice.

RF continues to be a member of both the VCSE Advisory Panel and VCSE Diversity Taskforce convened by Clair Dove, VCSE Crown Representative at the Cabinet Office.

Plans for future periods

Rooted Finance completed its 3-year business plan for 2025-2028 in December 2024 after a 3-month consultation period including staff, trustees, clients, partners, funders and other key stakeholders.

Financial Review

RF reported Net loss of £15k for the year ended 31 March 2025 (2024: £64k surplus) and the Charity ended the year with unrestricted funds of £396k (2024: £411k). Details of the Charity's reserves are given in the Reserves policy section below.

Incoming resources

The Charity's total income for the year was £468k (2024: £642k). In the year, the Charity continued to receive income from Money A+E (£144k), Hackney Council (£40k), Greater London Authority (£74k), Hackney Food Bank (£41k) as well as receiving income from several new sources including Guys & St Thomas (£70k), Esmee Fairbairn Foundation (£50k) and Tottenham Food Bank (£25k).

Resources expended

The Charity's total expenditure decreased by 17% to £482k (2024: £577k) in line with a decreased level of charitable activity and an decrease in staff to deliver the service.

Investment policy

The Board of Trustees consider the most appropriate investment policy is for surplus funds to be held on bank deposit.

Rooted Finance Limited

Report of the trustees for the year ended 31 March 2025

Financial risk

Over the last few years, the Charity has significantly diversified its income with the intention of reducing its reliance on one funder or contract. This funding diversity, and the increase in new funders during the year, has meant that the Charity remains financially stable after exiting its contract with the Toynbee Hall which represented 35% of income in the year ended 31 March 2024. The Charity will continue to develop its fundraising capability and identify new streams of income. The Board of Trustees has considered the financial risks in developing its reserves policy.

Reserves policy

The Charity holds reserves to enable it to continue activities and manage the negative impact on beneficiaries and staff should funding drop significantly. The Board of Trustees believe that it is appropriate for the charity to hold reserves of between three and six months of forecast expenditure.

The Board of Trustees review the reserve policy and the risks the Charity faces regularly, and at least annually. The Board of Trustees reviews the Charity's actual and forecast reserve level at least every quarter and where they differ from its policy, they agree what steps are needed to take to bring the amount of reserves it holds into line.

The Charity's unrestricted funds at 31 March 2024 were £396k (2024: £411k). This represented almost six months of forecast expenditure. The Board of Trustees is satisfied that the reserves held are sufficient and appropriate.

Organisational structure

Rooted Finance is an independent charity. It was established in August 2022 as a separate entity but operated under the previous name Fair Money Advice since its inception in 2010.

The Charity has a Board of Trustees who meet up to four times a year and are responsible for the strategic direction and policy of the Charity. At present the Board of Trustees has five members from a variety of professional backgrounds relevant to the work of the Charity. Erik Porter is Chair and day to day responsibilities for the provision of RF's services rest with the CEO along with the Director of Operations and Advice Manager. The CEO is responsible for ensuring that the Charity delivers the services specified and that key performance indicators are met. The Director of Operations has responsibility for the day-to-day operational management of the services, individual supervision of the staff team and ensuring that the team continue to develop their skills and working practices in line with best practice.

New Trustees are inducted via a full day of shadowing of frontline and management staff. New Trustees are supported by more experienced Trustees through the first 6 months. Access to formal training as identified is also available.

Rooted Finance benchmarks pay and remuneration with independent analysis provided by it's HR consultants. We benchmark pay against sector, roles, locations and size of organisation.

Rooted Finance Limited

Report of the trustees for the year ended 31 March 2025

Responsibilities of the Board of Trustees

The Board of Trustees of the Charity (who are also the Directors of Rooted Finance for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Directors to prepare financial statements for each financial year which give a true and fair view of the state of the affairs of the Charity and of its income and expenditure for that period. In preparing these financial statements, the Board of Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and 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; and
- prepare the financial statements on the going concern basis unless it is not appropriate to assume that the Charity will continue on that basis.

The Board of Trustees is responsible for maintaining proper accounting records which disclose with reasonable accuracy at any time the financial position of the Charity and to enable them to ensure that the financial statements comply with the Companies Act 2006. The Board of Trustees is also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Trustees regularly review all risks through a traffic light risk framework and Rooted Finance reviews all systems and procedures annually as part of its risk and regulatory framework.

Declaration

The trustees declare that they have approved the trustees' report above.

Signed: *Amanda Scott*

Amanda Scott

Date: 18/11/2025

Independent Examiner's Report to the Trustees of Rooted Finance ('the company')

I report to the charity trustees on my examination of the accounts of the charity for the year ended 31 March 2025.

Responsibilities and basis of report

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

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

Independent examiner's statement

Since your charity's gross income exceeded £250,000 your examiner must be a member of a listed body. I can confirm that I am qualified to undertake the examination because I am a registered member of Association of Chartered Certified Accountants which is one of the listed bodies.

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

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

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

Barry Coles

19/11/2025

Barry Coles FCCA
Green Accountancy Limited
Chartered Certified Accountants
Windrush House
Windrush Park Road
Witney
Oxfordshire
OX29 7DX

Rooted Finance

Statement of Financial Activities for the year ended 31 March 2025

	Unrestricted funds	Total 2025	Total 2024
Note	£	£	£
Incoming resources			
<i>Income and endowments from:</i>			
Charitable activities - income	3.2 467,612	467,612	641,892
Total Income	467,612	467,612	641,892
Resources expended			
<i>Expenditure on:</i>			
Charitable activities - expenditure	4.2 481,502	481,502	577,403
Total expenditure	481,502	481,502	577,403
Net income/(expenditure)	(13,890)	(13,890)	64,489
Net movement in funds	(13,890)	(13,890)	64,489
<i>Reconciliation of funds:</i>			
Total funds brought forward	411,501	411,501	347,012
Total funds carried forward	397,611	397,611	411,501

Continuing operations

All income and expenditure has arisen from continuing activities.

Balance Sheet as at 31 March 2025

CIO Number 7205478

	Note	Unrestricted funds £	Total 2025 £	Total 2024 £
Fixed assets				
Tangible assets	5	6,594	6,594	10,174
Total fixed assets		<u>6,594</u>	<u>6,594</u>	<u>10,174</u>
Current assets				
Debtors	6	2,260	2,260	4,211
Cash at bank and in hand	7	392,718	392,718	402,601
Total current assets		<u>394,978</u>	<u>394,978</u>	<u>406,812</u>
Creditors: amounts falling due within one year	8	3,960	3,960	5,486
Net current assets/(liabilities)		<u>391,018</u>	<u>391,018</u>	<u>401,326</u>
Total net assets		<u><u>397,612</u></u>	<u><u>397,612</u></u>	<u><u>411,500</u></u>
Funds of the Charity				
Unrestricted funds	10	397,611	397,611	411,500
Total funds		<u><u>397,611</u></u>	<u><u>397,611</u></u>	<u><u>411,500</u></u>

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 March 2025

The members have not required the company to obtain an audit of its financial statements for the year ended 31 March 2025 in accordance with Section 476 of the Companies Act 2006.

The trustees acknowledge their responsibilities for :

- a) ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- b) preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

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

Rooted Finance

Charity Number 1138351

Balance Sheet as at 31 March 2025

CIO Number 7205478

The financial statements were approved by the Board of Trustees and authorised for issue

on ^{18/11/2025} and were signed on its behalf by:

Amanda Scott

.....

Amanda Scott
Trustee (Director)

Rooted Finance

Notes to the Financial Statements for the year ended 31 March 2025

1 Basis of preparing the financial statements

These accounts have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) to these accounts.

The accounts have been prepared in accordance with:

- the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)',
- Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'
- and with the Charities Act 2011.

The charity is a Company limited by guarantee and constitutes a public benefit entity as defined by FRS 102.

2 Accounting Policies

Income

Income is included in the Statement of Financial Activities (SoFA) when:

- the charity becomes entitled to the resources;
- it is more likely than not that the trustees will receive the resources;
- the monetary value can be measured with sufficient reliability.

Grants and donations

Grants and donations are included in the SoFA when the general income recognition criteria are met.

In the case of performance related grants, income must only be recognised to the extent that the charity has provided the specified goods or services as entitlement to the grant only occurs when the performance related conditions are met.

Tax reclaims on donations and gifts

Gift Aid receivable is included in income when there is a valid declaration from the donor. Any Gift Aid amount recovered on a donation is considered to be part of that gift and is treated as an addition to the same fund as the initial donation unless the donor or the terms of the appeal have specified otherwise.

Donated goods, facilities and services

Donated services and facilities are included in the SOFA when received at the value of the gift to the charity provided the value of the gift can be measured reliably.

Donated services and facilities that are consumed immediately are recognised as income with an equivalent amount recognised as an expense under the appropriate heading in the SOFA.

Rooted Finance

Notes to the Financial Statements for the year ended 31 March 2025

Expenditure

Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Governance and support costs

Support costs have been allocated between governance costs and other support. Governance costs comprise all costs involving public accountability of the charity and its compliance with regulation and good practice.

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources, e.g. allocating property costs by floor areas, or per capita, staff costs by the time spent and other costs by their usage.

Tangible fixed assets

These are capitalised if they can be used for more than one year, and cost at least £1,000. They are valued at cost.

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Computer Equipment - 25% Straight Line Basis

Taxation

The charity registered as a charity on 11 October 2010 and since that date has been exempt from corporation tax on its charitable trading activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Debtors

Debtors (including trade debtors and loans receivable) are measured on initial recognition at settlement amount after any trade discounts or amount advanced by the charity. Subsequently, they are measured at the cash or other consideration expected to be received.

Cash at bank and in hand

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

Rooted Finance

Notes to the Financial Statements for the year ended 31 March 2025

Liability recognition

Liabilities are recognised where it is more likely than not that there is a legal or constructive obligation committing the charity to pay out resources and the amount of the obligation can be measured with reasonable certainty.

The charity has creditors which are measured at settlement amounts less any trade discounts

Pension costs and other post-retirement benefits

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

Rooted Finance

Notes to the Financial Statements for the year ended 31 March 2025

3.1 Income from charitable activities

	Unrestricted funds £	Total 2025 £	Total 2024 £
Grant Income	466,487	466,487	631,502
Contract Income	1,125	1,125	5,890
Donated services income	-	-	4,500
Total income from charitable activities	467,612	467,612	641,892

	Unrestricted funds £	Total 2025 £	Total 2024 £
<i>Grants included in the above amounts:</i>			
LB Hackney Council	40,000	40,000	44,000
Greater London Authority	74,160	74,160	51,500
Hackney Food Bank	40,888	40,888	38,081
Money A+E	144,304	144,304	120,230
Guys & St Thomas	70,000	70,000	-
Tottenham Food Bank	24,528	24,528	-
Esmee Farbairn Foundation	50,000	50,000	-
Money and Pension Service	16,665	16,665	-
Department for Work and Pensions	3,317	3,317	-
New Economics Foundation	2,625	2,625	-
Toynbee Hall	-	-	221,241
Elifinty Ltd	-	-	83,750
National Lottery	-	-	72,700
Total grants for charitable activities	466,487	466,487	631,502

Rooted Finance

Notes to the Financial Statements for the year ended 31 March 2025

4.1 Charitable activities - expenditure

Education/training

	Unrestricted funds £	Total 2025 £	Total 2024 £
Staff costs	290,962	290,962	407,832
Advertising & Marketing	1,315	1,315	8,124
Bank charges	120	120	123
Bank Interest Paid	-	-	200
Computer consumables	4,099	4,099	6,091
Depreciation	3,580	3,580	3,580
HR outsourcing	9,033	9,033	13,311
Legal Expenses	-	-	43
Insurance	1,740	1,740	1,444
Print, postage and stationery	-	-	371
Professional fees	16,321	16,321	5,559
Recruitment expenses	4,374	4,374	2,195
Regrant to Money A+E	49,320	49,320	60,565
Repairs and Renewals	-	-	117
Rent	54,949	54,949	22,296
Staff entertainment	-	-	1,289
Telephone & Internet	7,638	7,638	6,446
Travel and subsistence	6,032	6,032	5,086
Software Support	15,562	15,562	10,670
Subcontractors	1,620	1,620	1,630
Subscriptions	-	-	360
Staff training	2,700	2,700	4,894
Accountancy	11,503	11,503	10,101
Independent examiners fees	634	634	576
Donated services cost	-	-	4,500
Total expenditure on charitable activities	<u>481,502</u>	<u>481,502</u>	<u>577,403</u>

Support costs

All support costs are allocated to the single charitable activity of the charity and are included above.

Rooted Finance

Notes to the Financial Statements for the year ended 31 March 2025

4.2 Governance costs included above	Unrestricted funds £	Total 2025 £	Total 2024 £
Accountancy	11,503	11,503	10,101
Independent examiners fees	634	634	576
Total governance costs	12,137	12,137	10,677

4.3 Trustee remuneration

None of the trustees were remunerated during the year or the previous year.

No trustee expenses were paid during the year

4.4 Staff costs

	Unrestricted funds £	Total 2025 £	Total 2024 £
Salaries - Gross pay	261,108	261,108	365,993
Salaries - Employers NI	21,409	21,409	30,789
Salaries - Pensions	8,445	8,445	11,050
Total staff costs	290,962	290,962	407,832

There were no ex-gratia payments made and no redundancy payments made.

There are no staff working for the charity who were paid more than £60,000.

4.5 Staff numbers

Average headcount in the year:	2025	2024
Charitable activities	9	11

Rooted Finance

Notes to the Financial Statements for the year ended 31 March 2025

5 Tangible fixed assets

	Computer equipment £	Totals £
Cost		
At 1 April 2024	14,319	14,319
At 31 March 2025	<u>14,319</u>	<u>14,319</u>
Depreciation		
At 1 April 2024	4,145	4,145
Charge for year	3,580	3,580
At 31 March 2025	<u>7,725</u>	<u>7,725</u>
Net book value		
At 31 March 2025	<u>6,594</u>	<u>6,594</u>
At 31 March 2024	<u>10,174</u>	<u>10,174</u>

6 Debtors

	Unrestricted funds £	Total 2025 £	Total 2024 £
Prepayments	1,474	1,474	2,211
Rent deposit	786	786	2,000
Total debtors	<u>2,260</u>	<u>2,260</u>	<u>4,211</u>

7 Cash at bank and in hand

	Unrestricted funds £	Total 2025 £	Total 2024 £
Bank current account	392,718	392,718	402,601
Total cash at bank and in hand	<u>392,718</u>	<u>392,718</u>	<u>402,601</u>

Rooted Finance

Notes to the Financial Statements for the year ended 31 March 2025

8 Creditors: amounts falling due within one year

	Unrestricted funds	Total 2025	Total 2024
	£	£	£
Wages payable	-	-	1,672
Pension payable	1,336	1,336	1,927
Holiday accrual	2,624	2,624	1,887
Total creditors due within one year	3,960	3,960	5,486

9 Charity funds - current year

	At 1 April 2024	Net movement in funds	Transfers between funds	At 31 March 2025
	£	£	£	£
Unrestricted funds	411,501	(13,890)	-	397,611
Total funds	411,501	(13,890)	-	397,611

10 Charity funds - previous year

	At 1 April 2023	Net movement in funds	Transfers between funds	At 31 March 2024
	£	£	£	£
Unrestricted funds	347,012	64,489	-	411,501
Total funds	347,012	64,489	-	411,501

SIGNATURE CERTIFICATE



REFERENCE NUMBER

46E22680-39A2-46CA-9EAA-8ED9197993DA

TRANSACTION DETAILS

Reference Number

46E22680-39A2-46CA-9EAA-8ED9197993DA

Transaction Type

Signature Request

Sent At

18/11/2025 09:50:12 +01

Executed At

19/11/2025 08:34:39 +01

Identity Method

email

Distribution Method

email

Signed Checksum

101c369e9a7f27dc1b8211be1fdd59d944e32f49a91306ecdd78d79c35cea46f

Signer Sequencing

Enabled

Document Passcode

Disabled

DOCUMENT DETAILS

Document Name

4780 Final Accounts 31-Mar-25 Rooted Finance Limited 251118

Filename

4780_Final_Accounts_31-Mar-25_Rooted_Finance_Limited_251118.pdf

Pages

24 pages

Content Type

application/pdf

File Size

261 KB

Original Checksum

b6d9893e79535a84f7a1aa0930a54e66ad982a2c40d7112d9732f0d206afa101

SIGNERS

SIGNER	E-SIGNATURE	EVENTS
<p>Name Barry Coles</p> <p>Email barry@greenaccountancy.com</p> <p>Signer Sequence 1</p> <p>Components 2</p>	<p>Status signed</p> <p>Multi-factor Digital Fingerprint Checksum 4f53cda18c2baa0c0354bb5f9a3ecbe5ed12ab4d8e11ba873c2f11161202b945</p> <p>IP Address 185.241.227.193</p> <p>Device Firefox via Windows</p> <p>Typed Signature </p> <p>Signature Reference ID 2E44E33A</p>	<p>Viewed At 19/11/2025 08:33:58 +01</p> <p>Identity Authenticated At 19/11/2025 08:34:39 +01</p> <p>Signed At 19/11/2025 08:34:39 +01</p>
<p>Name Amanda Scott</p> <p>Email amandaj2008@hotmail.co.uk</p> <p>Signer Sequence 0</p> <p>Components 4</p>	<p>Status signed</p> <p>Multi-factor Digital Fingerprint Checksum 4f53cda18c2baa0c0354bb5f9a3ecbe5ed12ab4d8e11ba873c2f11161202b945</p> <p>IP Address 31.94.34.203</p> <p>Device Microsoft Edge via iOS</p> <p>Typed Signature </p> <p>Signature Reference ID 7892CA3A</p> <p>Typed Signature </p> <p>Signature Reference ID E26D73F5</p>	<p>Viewed At 18/11/2025 18:25:09 +01</p> <p>Identity Authenticated At 18/11/2025 18:26:03 +01</p> <p>Signed At 18/11/2025 18:26:03 +01</p>

AUDITS

TIMESTAMP	AUDIT
18/11/2025 09:50:12 +01	Adam Forkner (adam@greenaccountancy.com) created document '4780_Final_Accounts_31-Mar-25_Rooted_Finance_Limited_251118.pdf' on Firefox via Windows from 82.17.189.92.
18/11/2025 09:50:13 +01	Amanda Scott (amandaj2008@hotmail.co.uk) was emailed a link to sign.

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18/11/2025 18:25:09 +01	Amanda Scott (amandaj2008@hotmail.co.uk) viewed the document on Microsoft Edge via iOS from 31.94.34.203.
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18/11/2025 18:26:03 +01	Barry Coles (barry@greenaccountancy.com) was emailed a link to sign.
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19/11/2025 08:34:39 +01	Barry Coles (barry@greenaccountancy.com) signed the document on Firefox via Windows from 185.241.227.193.

Rooted Finance Limited

England & Wales - Charity number 1138351

Accounts

Companies House Registration Number: 7205478

Charity Registration Number: 1138351

Report of the Trustees and
Unaudited Financial Statements for the Year Ended 31 March 2024
for
Rooted Finance Limited
(A Company limited by guarantee)

Green Accountancy Limited
Chartered Certified Accountants
Windrush House
Windrush Park Road
Witney
Oxfordshire
OX29 7DX

Rooted Finance Limited

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Rooted Finance Limited

Reference and administrative details

Registered Company limited by guarantee number in England and Wales

7205478

Registered Charity number

1138351

Registered office

The Green House Unit 3.2
244-254 Cambridge Heath Road
London
England
E2 9DA

Trustees

Amanda Scott
Warren Keith Quick
Jennifer Page
Erik James Porter
Rachel Bentley

Senior management

Muna Yassin - CEO
Jahanara Khanom - Director of Operations
Shajida Ali - Advice Manager
Emma Triggs - Project and Partnerships Manager

Independent Examiner

Barry Coles FCCA
Green Accountancy Limited
Chartered Certified Accountants
Windrush House
Windrush Park Road
Witney
Oxfordshire
OX29 7DX

Rooted Finance Limited

Report of the trustees for the year ended 31 March 2024

Rooted Finance Limited is a Company limited by guarantee whose only Members are the Trustees. The objectives of the charity and the powers of the Trustees are set out in the Constitution as are the regulations concerning the appointment of new Trustees.

The trustees present their report with the financial statements of the charity for the year ended 31 March 2024. The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland.

The trustees are responsible for keeping proper accounting records which disclose the financial position of the charity with reasonable accuracy at any time and enable them to ensure that the accounts comply with the Companies Act 2006.

They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

New trustees are appointed by a majority of trustees in office at that time.

Objectives and Activities

The Charity's objects (the "Objects") are specifically restricted to the following:

- the prevention and relief of poverty through the provision of impartial debt advice to members of the public in the UK;
- the advancement of the education of the public in the subject of debt and personal financial management through the provision of advice about self-help and the role of appropriate financial services in self-help; and
- the assistance and support of the development and use of financial products created to provide relief to those in need by reason of financial hardship, social exclusion, and other disadvantages.

The aims of our Charity are to help prevent people from falling into unmanageable debt and helping to minimise the consequences of over indebtedness, once over indebted. Our aims continue to fully reflect the purposes which our Charity was set up to further.

Ensuring our work delivers our aims

Annually, we review our aims, objectives, and activities. The purpose of the annual review is to evaluate the work we have carried out and the impact that this has had on the groups we set out to serve. This review also ensures that we continue to further our aims, objectives, and activities in line with our stated purposes. We refer to the guidance contained in the Charity Commission's general guidance on public benefit when undertaking our annual review and planning our future activities. Specifically, the Board of Trustees consider how planned activities will contribute to the aims and objectives they have set.

Rooted Finance Limited

Report of the trustees for the year ended 31 March 2024

The focus of our activities

In line with our charitable objectives, the focus of our work in the last 12 months has continued to be based on providing information, guidance, and counselling to help prevent or minimise the consequences of over indebtedness. Our focus this year has also been on establishing the Charity as an independent entity and increasing brand awareness for our new name Rooted Finance. Towards the end of the year, the Charity has navigated a challenging industrial dispute, and ensured that the impact on client delivery has been mitigated against. We used the following strategies to achieve these objectives and to provide an appropriate response to the deepening cost of living crisis faced by our beneficiaries:

- consolidation of the Charity as an independent entity and recognition of the new brand Rooted Finance
- opening of our new offices in Bethnal Green
- launched our new website
- delivered quality assured specialist debt advice services to clients face to face and remotely, using video calls, telephone calls and other channels as appropriate.
- delivered impactful preventative services by embedding them in our advice service and delivering training and guidance sessions for groups and individuals;
- identified and disseminated key financial messages and consumer campaigns, specifically to address food insecurity and fuel poverty prevention schemes and participated in ground-breaking research led by Fair4ALL Finance to examine the barriers faced by minority and ethnic communities when interacting with the financial services sector; as well as strengthened our campaigning and advocacy capacity through our selection for the Stronger Voices project led and delivered by the Media Trust Charity
- consolidated the expansion of our service provision to include financial assistance payments for Debt Relief Order and Bankruptcy Fees and the distribution of fuel vouchers through our innovative partnership with Money A+E and funded by British Gas Energy Trust
- launched our groundbreaking 'Grow Your Own Advice' training programme in collaboration with Money A +E, funded by Propel. The programme aims to provide employment pathways into the advice sector for underserved communities through a combination of specialist technical training, soft skills development and observations, coaching and placements. Rooted Finance leads on the Debt Advice pathway of the programme.
- continued to expand existing strategic partnerships with British Gas Energy Trust (BGET), Hackney Council, Hackney Food Bank/Trussell Trust, London Mayor's Office, Guy's & St Thomas Charity and Elifinty Ltd; and developed new partnerships with Trust for London, Propel, Tottenham Food Bank, Rooted by Design and others;
- Continued to expand our reach across London for a pan-London service that effectively reaches those most in need of our services and built a network of community outreach locations for 'Advice in Community Settings' strategy.

Report of the trustees for the year ended 31 March 2024

How our activities deliver public benefit

The gradual reduction of inflation rates in 2023-24 did little to mitigate the continued increase in costs and the negative impact of the cost-of-living crisis, making 2023/24 one of the most challenging years experienced by the communities we serve. Many existing clients – already facing financial uncertainty and over indebtedness because of several years of sustained cost-of living crisis increases on their finances, have further been burdened with the never-ending pressure of higher costs for essential goods and services. Whilst inflation reduced to single digits this year in comparison to 2022, food and fuel costs continue to be at unprecedented levels adding further pressure to struggling households. The increase in negative budgets continues to rise in the sector and remains consistent at one in two new clients. Demand for food bank and fuel vouchers remains high, and the anxiety and health implications witnessed by our team due to food insecurity continue to increase, resulting in an increase in the complexity of needs and support required for clients.

This is demonstrated by the continuing needs that are multifaceted and the greater complexity in cases being referred to the Charity over the last year. The continued rise in negative budgets amongst our clients – and across the sector – not only pose challenges for our organisation but they also result in the need for more financial assistance interventions and emergency case work need. Access to income maximisation and charitable grant applications are now embedded within our triage services to front-load this support at the start of the debt advice journey. Sadly, the long-term financial outlook continues to look difficult for our communities – particularly with the concerning rise in priority debts seen amongst financially vulnerable individuals and families. Council Tax arrears in England hit £6 billion in March 2024, an increase of 9% since March 2023, and a staggering 71% increase pre-pandemic at £3.5 billion for 2019-20 UK cost of living statistics indicate that those in London are likely to spend almost £411 a month more on living costs in 2024 compared to 2022.

Low-income households and young people in the private rental sector face particular challenges with ever increasing rent arrears and costs. Over a third (35%) of private renters are finding it difficult or very difficult to pay their rent. In London rents have risen 11% annually, with young people bearing the brunt of the renting crisis: 50% of private renters are aged 18-34. This is mirrored by data that shows the surge in evictions and claims for possession from the private rental sector – nearing parity with the social housing sector. In January to March 2024 9,193 (37%) of all landlord possession claims were social landlord claims compared to private landlord claims 7,719 (31%).

This contrasts with pre-covid proportions when most claims (around 60%) were social landlord claims. Moreover, London by far has the most evictions in the UK, with 32,821 claims and 7,500 county court repossessions in 2023. - Rooted Finance data reflects the devastation that housing costs are having on people's finances and the repercussions this has in other areas of their lives. Clients continue to struggle to meet their essential expenditure commitments and for the fourth year running, priority debts remain the top 3 debts being presented by clients: namely utility debts, rent and - council tax.

Rooted Finance Limited

Report of the trustees for the year ended 31 March 2024

As with the wider data seen across London and the UK, RF client data has continued to show a significant rise in utility and energy debts, with one in three (31%) clients presenting with utility bill arrears. Just under a third of clients also present with rent arrears (29%) with council tax debts affecting just under a quarter (23%) of clients. To meet the growing demand for locally based face to face debt advice, RF expanded its debt advice team in the first half of the year and strengthened the team with two new advice assistant roles to provide support to our specialist advisers.

As our partnerships activities continue to expand, we have increased our Partnerships Officer role to full time and recruited a Co-Creation and Communications Officer to strengthen and expand our Lived Experience and Co-creation activities within the Charity. In addition, the Charity recruited roles provides additional resources to RF's management team and continues our relationship building with key stakeholders across the VCSE, Local and Central Government, Social Housing and Creditor sectors.

Personal debt in the UK stood at £1,838.7 billion at the end of January 2024, up by £8.8 billion from £1,829.9 billion in January 2023. Spanning this timeframe, RF has helped 1923 clients in managing their debt problems in the year ending 31 March 2024 (in 2023 the figure was 1994). This number shows that despite the ongoing complexity of cases demand for debt advice is unabated. We have handled over £4.6 million of debt on behalf of our clients (2022 £5.5million), a decrease due to the reduction in clients supported and the continuing increase in priority debts. This reinforces the persistent rise of priority debts (lower amounts, but more significant impact on people's living standards) and the continued reduction of higher value secondary debts such as credit cards and loans. It also continues to reinforce RF's role as a critical community-based charity that provides vital services to our most vulnerable communities.

The exponential rise in use of food banks continues apace and RF referrals to foodbank providers have risen by 31% over the course of the year. The average foodbank voucher/parcel is valued at £40, thus RF has helped our clients obtain over £28,000 worth of food over the last 12 months. Like other debt advice services, demand for our services has continued to grow and the expansion and training of our advice team in March 2023 means we are in a good place to meet this growing demand over the next year. However, as always, demand continues to outstrip capacity and we will be adding more capacity to the team over the coming year. We ramped up face to face advice services during the year and scaled our a 'advice in community settings' strategy, placing our advisers in outreach locations to new boroughs such as Lambeth and Haringey. New locations this year include a food bank and community hub, and a housing association run community centre.

Our debt advice services continue to be prioritised for referrals from our partners; whilst others are based on need and an initial assessment on their ability to self-help or gain assistance from another agency. We have maintained our pan-London provision throughout the year with support from our funders and we continue to work with partner organisations to ensure that clients out of RF's scope can access services from other local agencies or self-help routes as client needs become ever more complex.

Our main charitable activities are detailed below.

Rooted Finance Limited

Report of the trustees for the year ended 31 March 2024

Counselling, advice and guidance services

RF withdrew from the Debt Free Advice partnership in March 2024 due to capacity constraints, but we look forward to rejoining a partnership that delivers at scale in 2024/25 - this could be with Debt Free Advice or another consortium depending on circumstances and funding availability. Prior to withdrawal RF helped over 600 clients through the DFA partnership. RF continued to be funded by Hackney Council for debt advisory services to residents, and this service supported 93 clients with complex casework support this year.

We continued our partnership with Money A+E funded by British Gas Energy Trust (BGET) to provide a debt and energy advice service 'Money in the Community'. This service spans Tower Hamlets, Hackney and Islington and has supported over 316 clients this year.

We continued our ground-breaking partnership with Hackney Food Bank/The Trussell Trust to deliver debt advice services to food bank service users. Each client continues to receive tailored support to assist them in managing their debt, help to maximise their income and access to additional linked services such as housing or welfare benefit support. Our advisers once again trained Food Bank volunteers to make targeted referrals, and RF receives fast-tacked referrals for clients who are on the brink of destitution. 81 clients have been supported through this service this year and RF will explore ways in which it can expand its services to these client groups in the future. The objective of our partnership is to reduce client reliance on foodbanks and to tackle the root problems of their financial difficulty through structured advice and support.

RF also received 6-month continuation funding from the Greater London Authority (Mayor of London) to expand our innovative partnership to help build a robust economic recovery for Londoners. RF continues to be the lead agency of the partnership which comprises nine different partners. The service provides debt and money advice services to Londoners in partnership with Money A+E and targets low-income families through school and food provider settings.

This year we have developed new funding relationships with Trust for London and Tottenham Food Bank. Projects for these new partnerships will begin in April and May 2024.

Educational and capability services

Despite our continued focus on the ongoing financial crisis and the ever-increasing demands placed on our advice teams last year we reintroduced our education and financial capability services. Our focus has been on increasing capacity by training frontline teams and volunteers as well as one-to-one coaching and embedding our 'skill-pill' approach within the advice process. We also have focused our efforts and resources on our new flagship training programme 'Grow Your Own Advice' (GYOA).

Rooted Finance Limited

Report of the trustees for the year ended 31 March 2024

In terms of frontline staff and service delivery volunteers, this year we have trained 5 volunteers from Hackney Food Bank and an additional 3 from Tottenham Food Bank. This training is delivered as part of their service level agreements and ensures frontline staff are fully equipped to diagnose and refer debt clients appropriately.

Through our ongoing work with Eifinty and Impact on Urban Health, we have trained over 20 advisers onto the new Eli Connect system – a Rooted Finance co-produced platform that provides links clients with advisers utilising smart technology. Money A+E, East End Homes and Gateway Housing have all joined the EliHub pilot this year.

Our GYOA project in collaboration with Money A+E has seen has develop and deliver a groundbreaking training and employment pathway for underserved communities. Rooted Finance leads on the debt pathway and has trained 6 volunteers from four community organisations which include: Social Action for Health, Newham Muslim Forum, Spring Community Hub and Tottenham Food Bank.

In line with our strategic objectives, we partnered with Rooted by Design, Impact on Urban Health, Money and Pensions Service and Southwark CAB to collaborate on an innovative project aimed at demonstrating the important role and impact of community-based debt advice.

RF continues to be a member of the E VCSE Diversity taskforce convened by Clair Dove, VCSE Crown Representative at the Cabinet Office.

Plans for future periods

Rooted Finance has a operational and financial plan to deliver on it's aims and objectives for 2024-25 and will complete its 3-year business plan for 2025-2028 in the next financial year.

Financial Review

RF reported Net income of £64k for the year ended 31 March 2024 (2023: £94k) and the Charity ended the year with unrestricted funds of £411k (2023: £347k). Details of the Charity's reserves are given in the Reserves policy section below.

Incoming resources

The Charity's total income for the year was £655k (2023: £500k). In the year, the Charity continued to receive income from Money and Pensions Service (£239k), Hackney Council (£44k), Greater London Authority (£52k), Hackney Food Bank (£38k) as well as receiving income from several new sources including Elefinty Ltd (£84k) the National Lottery (£73k) and Money A+E (£120k).

Resources expended

The Charity's total expenditure increased by 46% to £591k (2023: £406k) in line with an increased level charitable activity and an increase in staff to deliver the service.

Rooted Finance Limited

Report of the trustees for the year ended 31 March 2024

Investment policy

The Board of Trustees consider the most appropriate investment policy is for surplus funds to be held on bank deposit.

Financial risk

Over the last few years, the Charity has significantly diversified its income with the intention of reducing its reliance on one funder or contract. This funding diversity, and the increase in new funders during the year, has meant that the Charity remains financially stable after exiting its contract with the Money and Pensions Service which represented 37% of income in the year ended 31 March 2024 (2023: 37%). The Charity will continue to develop its fundraising capability and identify new streams of income. The Board of Trustees has considered the financial risks in developing its reserves policy.

Reserves policy

The Charity holds reserves to enable it to continue activities and manage the negative impact on beneficiaries and staff should funding drop significantly. The Board of Trustees believe that it is appropriate for the charity to hold reserves of between three and six months of forecast expenditure.

The Board of Trustees review the reserve policy and the risks the Charity faces regularly, and at least annually. The Board of Trustees reviews the Charity's actual and forecast reserve level at least every quarter and where they differ from its policy, they agree what steps are needed to take to bring the amount of reserves it holds into line.

The Charity's unrestricted funds at 31 March 2023 were £411k (2023: £347k). This represented almost six months of forecast expenditure. The Board of Trustees is satisfied that the reserves held are sufficient and appropriate.

Organisational structure

Rooted Finance is an independent charity. It was established in August 2022 as a separate entity but operated under the previous name Fair Money Advice since its inception in 2010.

The Charity has a Board of Trustees who meet up to four times a year and are responsible for the strategic direction and policy of the Charity. At present the Board of Trustees has five members from a variety of professional backgrounds relevant to the work of the Charity. Erik Porter is Chair and day to day responsibilities for the provision of RF's services rest with the CEO along with the Director of Operations and Advice Manager. The CEO is responsible for ensuring that the Charity delivers the services specified and that key performance indicators are met. The Director of Operations has responsibility for the day-to-day operational management of the services, individual supervision of the staff team and ensuring that the team continue to develop their skills and working practices in line with best practice.

New Trustees are inducted via a full day of shadowing of frontline and management staff. New Trustees are supported by more experienced Trustees through the first 6 months. Access to formal training as identified is also available.

Rooted Finance Limited

Report of the trustees for the year ended 31 March 2024

Rooted Finance benchmarks pay and remuneration with independent analysis provided by it's HR consultants. We benchmark pay against sector, roles, locations and size of organisation.

Responsibilities of the Board of Trustees

The Board of Trustees of the Charity (who are also the Directors of Rooted Finance for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Directors to prepare financial statements for each financial year which give a true and fair view of the state of the affairs of the Charity and of its income and expenditure for that period. In preparing these financial statements, the Board of Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and 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; and
- prepare the financial statements on the going concern basis unless it is not appropriate to assume that the Charity will continue on that basis.

The Board of Trustees is responsible for maintaining proper accounting records which disclose with reasonable accuracy at any time the financial position of the Charity and to enable them to ensure that the financial statements comply with the Companies Act 2006. The Board of Trustees is also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Trustees regularly review all risks through a traffic light risk framework and Rooted Finance reviews all systems and procedures annually as part of it's risk and regulatory framework.

Declaration

The trustees declare that they have approved the trustees' report above.

Signed: *A j scott*

Amanda Scott

Date: 30/08/2024

Independent Examiner's Report to the Trustees of Rooted Finance Limited ('the company')

I report to the charity trustees on my examination of the accounts of the charity for the year ended 31 March 2024.

Responsibilities and basis of report

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

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

Independent examiner's statement

Since your charity's gross income exceeded £250,000 your examiner must be a member of a listed body. I can confirm that I am qualified to undertake the examination because I am a registered member of Association of Chartered Certified Accountants which is one of the listed bodies.

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

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

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

Barry Coles

Barry Coles FCCA
Green Accountancy Limited
Chartered Certified Accountants
Windrush House
Windrush Park Road
Witney
Oxfordshire
OX29 7DX
Date: 30/08/2024

Rooted Finance Limited

Statement of Financial Activities for the year ended 31 March 2024

	Note	Unrestricted funds £	Total 2024 £	Total 2023 £
Incoming resources				
<i>Income and endowments from:</i>				
Charitable activities - income	3.2	641,892	641,892	499,757
Total Income		<u>641,892</u>	<u>641,892</u>	<u>499,757</u>
Resources expended				
<i>Expenditure on:</i>				
Charitable activities - expenditure	4.2	577,403	577,403	405,705
Total expenditure		<u>577,403</u>	<u>577,403</u>	<u>405,705</u>
Net income/(expenditure)		<u>64,489</u>	<u>64,489</u>	<u>94,052</u>
Net movement in funds		64,489	64,489	94,052
<i>Reconciliation of funds:</i>				
Total funds brought forward		<u>347,012</u>	<u>347,012</u>	<u>252,960</u>
Total funds carried forward		<u>411,501</u>	<u>411,501</u>	<u>347,012</u>

Continuing operations

All income and expenditure has arisen from continuing activities.

Balance Sheet as at 31 March 2024

CIO Number 7205478

	Note	Unrestricted funds £	Total 2024 £	Total 2023 £
Fixed assets				
Tangible assets	5	10,174	10,174	565
Total fixed assets		10,174	10,174	565
Current assets				
Debtors	6	4,211	4,211	-
Cash at bank and in hand	7	402,601	402,601	357,802
Total current assets		406,812	406,812	357,802
Creditors: amounts falling due within one year	8	5,486	5,486	11,355
Net current assets/(liabilities)		401,326	401,326	346,447
Total net assets		411,500	411,500	347,012
Funds of the Charity				
Unrestricted funds	10	411,501	411,501	347,012
Total funds		411,501	411,501	347,012

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 March 2024

The members have not required the company to obtain an audit of its financial statements for the year ended 31 March 2024 in accordance with Section 476 of the Companies Act 2006.

The trustees acknowledge their responsibilities for :

- a) ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- b) preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

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

The financial statements were approved by the Board of Trustees and authorised for

Rooted Finance Limited

Charity Number 1138351

Balance Sheet as at 31 March 2024

CIO Number 7205478

issue on 30/08/2024and were signed on its behalf by:

A j scott
.....

Amanda Scott
Trustee (Director)

Rooted Finance Limited

Statement of Cash Flows for the year ended 31 March 2024

	Note below	2024 £	2023 £
Cash flows from operating activities			
Net cash from operating activities	A	44,800	68,221
		<u>44,800</u>	<u>68,221</u>
Total increase /(reduction) in cash in period		<u>44,800</u>	<u>68,221</u>

Reconciliation of net cash flow to movement in net debt

Total increase /(reduction) in cash in period		44,800	68,221
Cash and cash equivalents brought forward		357,801	289,580
Cash and cash equivalents carried forward	B	402,601	357,801

Notes to the Cash Flow Statement:

Note A: Reconciliation of net (outgoing)\incoming resources to net cash inflow from operating activities

	2024 £	2023 £
Net movement in funds	64,489	94,052
(Increase) / decrease in Debtors	(4,211)	70,237
(Decrease) / increase in Creditors	(5,869)	(96,350)
Purchase of fixed assets	(13,189)	-
Depreciation	3,580	282
Net cash from operating activities	<u>44,800</u>	<u>68,221</u>

Note B: Analysis of changes in net funds

	2024 £	2023 £
Cash at bank	<u>402,601</u>	<u>357,802</u>

Notes to the Financial Statements for the year ended 31 March 2024

1 Basis of preparing the financial statements

These accounts have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) to these accounts.

The accounts have been prepared in accordance with:

- the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)',
- Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'
- and with the Charities Act 2011.

The charity is a Company limited by guarantee and constitutes a public benefit entity as defined by FRS 102.

2 Accounting Policies

Income

Income is included in the Statement of Financial Activities (SoFA) when:

- the charity becomes entitled to the resources;
- it is more likely than not that the trustees will receive the resources;
- the monetary value can be measured with sufficient reliability.

Grants and donations

Grants and donations are included in the SoFA when the general income recognition criteria are met.

In the case of performance related grants, income must only be recognised to the extent that the charity has provided the specified goods or services as entitlement to the grant only occurs when the performance related conditions are met.

Tax reclaims on donations and gifts

Gift Aid receivable is included in income when there is a valid declaration from the donor. Any Gift Aid amount recovered on a donation is considered to be part of that gift and is treated as an addition to the same fund as the initial donation unless the donor or the terms of the appeal have specified otherwise.

Donated goods, facilities and services

Donated services and facilities are included in the SOFA when received at the value of the gift to the charity provided the value of the gift can be measured reliably.

Donated services and facilities that are consumed immediately are recognised as income with an equivalent amount recognised as an expense under the appropriate heading in the SOFA.

Rooted Finance Limited

Notes to the Financial Statements for the year ended 31 March 2024

Expenditure

Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Governance and support costs

Support costs have been allocated between governance costs and other support. Governance costs comprise all costs involving public accountability of the charity and its compliance with regulation and good practice.

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources, e.g. allocating property costs by floor areas, or per capita, staff costs by the time spent and other costs by their usage.

Tangible fixed assets

These are capitalised if they can be used for more than one year, and cost at least £200. They are valued at cost.

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Leasehold property - 25% Straight Line Basis
Plant and Machinery - 25% Straight Line Basis
Computer Equipment - 25% Straight Line Basis

Taxation

The charity registered as a charity on 11 October 2010 and since that date has been exempt from corporation tax on its charitable trading activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Debtors

Debtors (including trade debtors and loans receivable) are measured on initial recognition at settlement amount after any trade discounts or amount advanced by the charity. Subsequently, they are measured at the cash or other consideration expected to be received.

Cash at bank and in hand

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

Rooted Finance Limited

Notes to the Financial Statements for the year ended 31 March 2024

Liability recognition

Liabilities are recognised where it is more likely than not that there is a legal or constructive obligation committing the charity to pay out resources and the amount of the obligation can be measured with reasonable certainty.

The charity has creditors which are measured at settlement amounts less any trade discounts

Pension costs and other post-retirement benefits

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

Rooted Finance Limited

Notes to the Financial Statements for the year ended 31 March 2024

3.1 Income from charitable activities

	Unrestricted funds £	Total 2024 £	Total 2023 £
Grant Income	631,502	631,502	499,757
Contract Income	5,890	5,890	-
Donated services income	4,500	4,500	-
Total income from charitable activities	641,892	641,892	499,757

	Unrestricted funds £	Total 2024 £	Total 2023 £
<i>Grants included in the above amounts:</i>			
Toynbee Hall	221,241	221,241	185,512
LB Hackney Council	44,000	44,000	40,317
Greater London Authority	51,500	51,500	178,000
Hackney Food Bank	38,081	38,081	31,297
Comuzi Ltd	-	-	14,797
British Gas Energy Fund	-	-	49,834
Money A+E	120,230	120,230	-
Elifinty Ltd	83,750	83,750	-
National Lottery	72,700	72,700	-
Total grants for charitable activities	631,502	631,502	499,757

Rooted Finance Limited

Notes to the Financial Statements for the year ended 31 March 2024

4.1 Charitable activities - expenditure

Education/training

	Unrestricted funds £	Total 2024 £	Total 2023 £
Staff costs	407,832	407,832	301,219
Advertising & Marketing	8,124	8,124	6,000
Bank charges	123	123	95
Bank Interest Paid	200	200	-
Computer consumables	6,091	6,091	104
Depreciation	3,580	3,580	282
HR outsourcing	13,311	13,311	6,403
Legal Expenses	43	43	360
Insurance	1,444	1,444	1,251
Management charge	-	-	2,796
Print, postage and stationery	371	371	-
Professional fees	5,559	5,559	4,148
Recruitment expenses	2,195	2,195	3,799
Regrant to Money A+E	60,565	60,565	38,500
Repairs and Renewals	117	117	-
Rent	22,296	22,296	1,945
Staff entertainment	1,289	1,289	-
Telephone & Internet	6,446	6,446	5,343
Travel and subsistence	5,086	5,086	4,850
Software Support	10,670	10,670	15,811
Subcontractors	1,630	1,630	1,654
Subscriptions	360	360	1,474
Staff training	4,894	4,894	-
Website Costs	-	-	86
Accountancy	10,101	10,101	9,009
Independent examiners fees	576	576	576
Donated services cost	4,500	4,500	-
	<hr/>	<hr/>	<hr/>
Total expenditure on charitable activities	577,403	577,403	405,705
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

Support costs

All support costs are allocated to the single charitable activity of the charity and are included above.

Rooted Finance Limited

Notes to the Financial Statements for the year ended 31 March 2024

4.2 Governance costs included above	Unrestricted funds £	Total 2024 £	Total 2023 £
Accountancy	10,101	10,101	9,009
Independent examiners fees	576	576	576
Total governance costs	10,677	10,677	9,585

4.3 Trustee remuneration

None of the trustees were remunerated during the year or the previous year.
No trustee expenses were paid during the year

4.5 Staff costs

	Unrestricted funds £	Total 2024 £	Total 2023 £
Salaries - Gross pay	365,993	365,993	267,785
Salaries - Employers NI	30,789	30,789	27,024
Salaries - Pensions	11,050	11,050	6,110
Total staff costs	407,832	407,832	300,919

There were no ex-gratia payments made and no redundancy payments made.
There are no staff working for the charity who were paid more than £60,000.

4.4 Staff numbers

Average headcount in the year:	2024	2023
Charitable activities	11	6

Rooted Finance Limited

Notes to the Financial Statements for the year ended 31 March 2024

5 Tangible fixed assets

	Computer equipment £	Totals £
Cost		
At 1 April 2023	1,130	1,130
Additions	13,189	13,189
	<hr/>	<hr/>
At 31 March 2024	14,319	14,319
	<hr/> <hr/>	<hr/> <hr/>
Depreciation		
At 1 April 2023	565	565
Charge for year	3,580	3,580
	<hr/>	<hr/>
At 31 March 2024	4,145	4,145
	<hr/> <hr/>	<hr/> <hr/>
Net book value		
At 31 March 2024	10,174	10,174
	<hr/> <hr/>	<hr/> <hr/>
At 31 March 2023	565	565
	<hr/> <hr/>	<hr/> <hr/>

7 Cash at bank and in hand

	Unrestricted funds £	Total 2024 £	Total 2023 £
Bank current account	402,601	402,601	355,208
	<hr/>	<hr/>	<hr/>
Total cash at bank and in hand	402,601	402,601	355,208
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

8 Creditors: amounts falling due within one year

	Unrestricted funds £	Total 2024 £	Total 2023 £
Accounts Payable	-	-	815
Wages payable	1,672	1,672	-
Pension payable	1,927	1,927	1,108
PAYE and social security	-	-	7,176
Accountancy fees accrual	-	-	2,256
Holiday accrual	1,887	1,887	-
	<hr/>	<hr/>	<hr/>
Total creditors due within one year	5,486	5,486	11,355
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

Rooted Finance Limited

Notes to the Financial Statements for the year ended 31 March 2024

9 Charity funds - current year

	At 1 April 2023 £	Net movement in funds £	Transfers between funds £	At 31 March 2024 £
Unrestricted funds	347,012	64,489	-	411,501
Total funds	<u>347,012</u>	<u>64,489</u>	<u>-</u>	<u>411,501</u>

10 Charity funds - previous year

Fund name:	At 1 April 2022 £	Net movement in funds £	Transfers between funds £	At 31 March 2023 £
Unrestricted funds	252,960	94,052		347,012
Total funds	<u>252,960</u>	<u>94,052</u>	<u>-</u>	<u>347,012</u>

SIGNATURE CERTIFICATE



REFERENCE NUMBER

0A59A8EB-F263-4B9C-90FD-0D36960837B3

TRANSACTION DETAILS

Reference Number

0A59A8EB-F263-4B9C-90FD-0D36960837B3

Transaction Type

Signature Request

Sent At

08/29/2024 11:36 +01

Executed At

08/30/2024 15:15 +01

Identity Method

email

Distribution Method

email

Signed Checksum

9e051803252c6ca26c7344cc8abfa3d3b08f8bd4a068b2e72d34163cbab770cf

Signer Sequencing

Enabled

Document Passcode

Disabled

DOCUMENT DETAILS

Document Name

4780 Final Accounts 31-Mar-24 Rooted Finance Limited 240829

Filename

4780_Final_Accounts_31-Mar-24_Rooted_Finance_Limited_240829.pdf

Pages

24 pages

Content Type

application/pdf

File Size

158 KB

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50c61727c066a784fc610557b3d2db37cfb6e0ecccc4b3eb8d561b313d07e922

SIGNERS

SIGNER	E-SIGNATURE	EVENTS
<p>Name Barry Coles</p> <p>Email barry@greenaccountancy.com</p> <p>Signer Sequence 1</p> <p>Components 2</p>	<p>Status signed</p> <p>Multi-factor Digital Fingerprint Checksum 028773cecff5cdb3c1ca174f2f89ef238460848f743bb88c1edf1d50a90cb9f6</p> <p>IP Address 185.241.227.218</p> <p>Device Firefox via Windows</p> <p>Typed Signature </p> <p>Signature Reference ID BC5AABCA</p>	<p>Viewed At 08/30/2024 15:14 +01</p> <p>Identity Authenticated At 08/30/2024 15:15 +01</p> <p>Signed At 08/30/2024 15:15 +01</p>
<p>Name Amanda Scott</p> <p>Email amandaj2008@hotmail.co.uk</p> <p>Signer Sequence 0</p> <p>Components 4</p>	<p>Status signed</p> <p>Multi-factor Digital Fingerprint Checksum 9f71236ffecdabba78599007c0625fa185c58782c4530d09610b2b81ed08c52b</p> <p>IP Address 78.145.69.91</p> <p>Device Chrome via Chrome OS</p> <p>Typed Signature </p> <p>Signature Reference ID C7284D8B</p>	<p>Viewed At 08/30/2024 11:33 +01</p> <p>Identity Authenticated At 08/30/2024 11:36 +01</p> <p>Signed At 08/30/2024 11:36 +01</p>

AUDITS

TIMESTAMP	AUDIT
08/29/2024 11:36 +01	Adam Forkner (adam@greenaccountancy.com) created document '4780_Final_Accounts_31-Mar-24_Rooted_Finance_Limited_240829.pdf' on Firefox via Windows from 54.144.112.110.
08/29/2024 11:36 +01	Amanda Scott (amandaj2008@hotmail.co.uk) was emailed a link to sign.
08/30/2024 11:33 +01	Amanda Scott (amandaj2008@hotmail.co.uk) viewed the document on Chrome via Chrome OS from 78.145.69.91.
08/30/2024 11:36 +01	Amanda Scott (amandaj2008@hotmail.co.uk) authenticated via email on Chrome via Chrome OS from 78.145.69.91.
08/30/2024 11:36 +01	Amanda Scott (amandaj2008@hotmail.co.uk) signed the document on Chrome via Chrome OS from 78.145.69.91.
08/30/2024 11:36 +01	Barry Coles (barry@greenaccountancy.com) was emailed a link to sign.

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Rooted Finance Limited

England & Wales - Charity number 1138351

Accounts

Companies House Registration Number: 07205478

Charity Registration Number: 1138351

Report of the Trustees and
Unaudited Financial Statements for the Year Ended 31 March 2023
for
Rooted Finance
(A Company limited by guarantee)

Green Accountancy Limited
Chartered Certified Accountants
Windrush House
Windrush Park Road
Witney
Oxfordshire
OX29 7DX

Rooted Finance

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Notes to the Financial Statements	15-22

Rooted Finance**Reference and administrative details****Registered Company limited by guarantee number in England and Wales**

07205478

Registered Charity number

1138351

Registered office

124 City Road

London

EC1V 2NX

Trustees

Amanda Scott

Warren Keith Quick

Jennifer Page

Erik James Porter

Rachel Bentley

Independent Examiner

David Wilsdon FCCA

Green Accountancy Limited

Chartered Certified Accountants

Windrush House

Windrush Park Road

Witney

Oxfordshire

OX29 7DX

Rooted Finance

Report of the trustees for the year ended 31 March 2023

Rooted Finance is a Company limited by guarantee whose only Members are the Trustees. The objectives of the charity and the powers of the Trustees are set out in the Constitution as are the regulations concerning the appointment of new Trustees.

The trustees present their report with the financial statements of the charity for the year ended 31 March 2023. The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland.

The trustees are responsible for keeping proper accounting records which disclose the financial position of the charity with reasonable accuracy at any time and enable them to ensure that the accounts comply with the Companies Act 2006.

They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

New trustees are appointed by a majority of trustees in office at that time.

Objectives and Activities

The Charity's objects (the "Objects") are specifically restricted to the following:

- the prevention and relief of poverty through the provision of impartial debt advice to members of the public in the UK;
- the advancement of the education of the public in the subject of debt and personal financial management through the provision of advice about self-help and the role of appropriate financial services in self-help; and
- the assistance and support of the development and use of financial products created to provide relief to those in need by reason of financial hardship, social exclusion, and other disadvantages.

The aims of our Charity are to help prevent people from falling into unmanageable debt and helping to minimise the consequences of over indebtedness, once over indebted. Our aims continue to fully reflect the purposes which our Charity was set up to further.

Ensuring our work delivers our aims

Annually, we review our aims, objectives, and activities. The purpose of the annual review is to evaluate the work we have carried out and the impact that this has had on the groups we set out to serve. This review also ensures that we continue to further our aims, objectives, and activities in line with our stated purposes. We refer to the guidance contained in the Charity Commission's general guidance on public benefit when undertaking our annual review and planning our future activities. Specifically, the Board of Trustees consider how planned activities will contribute to the aims and objectives they have set.

Rooted Finance

Report of the trustees for the year ended 31 March 2023

The focus of our activities

In line with our charitable objectives, the focus of our work in the last 12 months has continued to be based on providing information, guidance, and counselling to help prevent or minimise the consequences of over indebtedness. Our focus this year has also been on delivering the independence of the Charity and we successfully split from Fair Finance in August 2022, and rebranded as Rooted Finance (RF) in April 2023. We used the following strategies to achieve these objectives and to provide an appropriate response to the ongoing cost of living crisis faced by our beneficiaries:

- establishment of Charity as an independent entity and launch of new brand Rooted Finance
- delivered quality assured specialist debt advice services to clients face to face and remotely, using video calls, telephone calls and other channels as appropriate.
- delivered impactful preventative services by embedding them in our advice service and delivering training and guidance sessions for groups and individuals;
- identified and disseminated key financial messages and consumer campaigns, specifically to address food insecurity and fuel poverty prevention schemes and participated in ground-breaking research funded by Impact for Urban Health with Shelter, Stockwell Partnership and Comuzi Lab to examine open banking and Fintech tools for individuals with long-term health conditions facing financial hardship. Expanded our service provision to include financial assistance payments for Debt Relief Order and Bankruptcy Fees and the distribution of fuel vouchers throughout innovative partnership with Money A+E and funded by British Gas Energy Trust
- continued to expand existing strategic partnerships with British Gas Energy Trust (BGET), Hackney Council, Debt Free Advice; and developed new partnerships with Hackney Food Bank/Trussell Trust, London Mayor's Office, and Guy's & St Thomas Charity and Elifinty Ltd;
- expanded our reach across London for a pan-London service that effectively reaches those most in need of our services and built a network of community outreach locations for 'Advice in Community Settings' strategy.

Rooted Finance

Report of the trustees for the year ended 31 March 2023

How our activities deliver public benefit

Due to the rise in inflation and the cost-of-living crisis, 2022-23 has been a particularly challenging year for the communities we serve. A significant number of existing clients – already facing financial uncertainty and over indebtedness because of the effects of the pandemic on their finances, have now been burdened with the added pressure of increasing costs for essential goods and services. Inflation hit double digits this year and food and fuel costs have been at unprecedented levels adding further pressure to struggling households. Clients face destitution at levels that are unprecedented and the rise in negative budgets amongst clients is now at one in two new clients. Our team continue to issue increasing numbers of food bank vouchers to clients facing food insecurity, and due to the steep rise in energy prices this year, we've seen increased demand for fuel vouchers. As seen last year, client needs continue to be multifaceted and ever more complex and time sensitive – with immediate and emergency needs at the start of a debt advice journey increasing significantly. The rise in negative budgets amongst our clients – and across the sector – also pose challenges for our organisation. Debt solutions available to clients with negative budgets are limited, and a key focus of our work this year has been expanding our income maximisation activities. We have increased our charitable grant activities and have made 67% more applications this year than in 2021/22. We have also partnered with InBest to embed a benefits calculator in our new website.

The long-term economic outlook continues to look difficult for our communities – particularly with the cost-of-living crisis continuing to unfold and the complexity of issues being faced: 62% of low-income households in London are in arrears of some kind. The percentage has been steadily increasing over the last year: it was 54% in May 2022 and 59% in October 2022. The percentage of low-income households in London with high-cost credit arrears is 25%. This is nearly 3x the national average 9% and well over double the next closest region. The percentage of low-income households in London in arrears on utility bills (energy, water, internet and phone) is much higher than any other region and credit card arrears and rent arrears are significantly higher in London than elsewhere. Moreover, 78% of low-income households in London are going without at least one essential - well above the national average of 63%. This has increased steadily since May 2022, despite government support measures. Rooted Finance clients continue to struggle to meet their essential expenditure commitments and for the third year running, priority debts remain the top 3 debts being presented by clients: namely - council tax, rent and utilities. As with the wider data seen across London, this year has continued to show a significant rise in utility and energy debts amongst our clients, with 61% of clients presenting with utility bill arrears. RF has continued to expand our debt advice team and has strengthened the team with two new advice assistant roles to provide support to our specialist advisers. As our partnerships activities continue to expand, we have increased our Partnerships Officer role to full time. This expanded role provides additional resources to RF's management team and continues our relationship building with key stakeholders across the VCSE, Local and Central Government, Social Housing and Creditor sectors.

Rooted Finance

Report of the trustees for the year ended 31 March 2023

Personal debt in the UK stood at £1,837.4 billion at the end of January 2023, up by £70.5 billion from £1,766.9 billion in January 2022. Spanning this timeframe, RF has helped 1994 clients in managing their debt problems in the year ending 31 March 2023 (in 2021 the figure was 2736). This reduction reflects the increased complexity of cases despite the increased levels of demand for debt advice. We have handled over £5.5 million of debt on behalf of our clients (2022 £7.1million), a decrease due to the reduction in clients supported and the increase in priority debts. This reinforces the continued rise of priority debts (lower amounts, but more significant impact on people's living standards) and the continued reduction of higher value secondary debts such as credit cards and loans. It also reinforces RF's role as a critical community-based charity that provides vital services to our most vulnerable communities.

This year has continued to see exponential rises in use of food banks and RF 500 referrals to foodbank providers over the course of the year. The average foodbank voucher/parcel is valued at £40, thus RF has helped our clients obtain £20,000 of food over the last 12 months. Like other debt advice services, demand for our services has continued to grow and the expansion and training of our advice team in March 2023 means we are in a good place to meet this growing demand over the next year. However, as always, demand continues to outstrip capacity and we will be adding more capacity to the team over the coming year. We ramped up face to face advice services during the year and scaled our a 'advice in community settings' strategy, placing our advisers in outreach locations in Hackney, Bexley, Greenwich, and Camden. Locations include libraries, job centres, employment hubs, health settings and community centres.

Our debt advice services continue to be prioritised for referrals from our partners; whilst others are based on need and an initial assessment on their ability to self-help or gain assistance from another agency. We have maintained our pan-London provision throughout the year with support from our funders and we continue to work with partner organisations to ensure that clients out of RF's scope can access services from other local agencies or self-help routes as client needs become ever more complex.

Our main charitable activities are detailed below.

Counselling, advice and guidance services

RF continues to be funded by the Money and Pensions Service as part of the Debt Free Advice programme and our partnership across London has increased capacity to respond to the needs of Londoners. Over 1500 clients were supported through this service this year. In addition, RF continued to be funded by Hackney Council for debt advisory services to residents, and this service supported 81 clients with complex casework support this year.

We continued our partnership with Money A+E funded by British Gas Energy Trust (BGET) to provide a debt and energy advice service 'Money in the Community'. This service spans Tower Hamlets, Hackney and Islington and has supported over 271 clients this year.

Rooted Finance

Report of the trustees for the year ended 31 March 2023

We were also continuing our ground-breaking partnership with Hackney Food Bank/The Trussell Trust to deliver debt advice services to food bank service users. Each client receives tailored support to assist them in managing their debt, maximising their income and access to additional linked services such as housing or welfare benefit support. Our advisers have trained Food Bank volunteers to make targeted referrals, and we deliver weekly advice sessions at three of their foodbank sites across the borough. 81 clients have been supported through this service this year and RF will explore ways in which it can expand its services to these client groups in the future. The objective of our partnership is to reduce client reliance on foodbanks and to tackle the root problems of their financial difficulty through structured advice and support.

Finally, this year, RF received continuation funding from the Greater London Authority (Mayor of London) to expand our innovative partnership to help build a robust economic recovery for Londoners. RF continues to be the lead agency of the partnership which comprises nine different partners. The service provides debt and money advice services to Londoners in partnership with Money A+E and targets low-income families through school and food provider settings.

Educational and capability services

Despite our focus on the immediate crisis and the ever-increasing demands placed on our advice teams we have reintroduced our education and financial capability services this year. Our focus has been on increasing capacity by training frontline teams and volunteers as well as one-to-one coaching and embedding our 'skill-pill' approach within the advice process.

This year we have trained over 10 volunteers from Hackney Food Bank and delivered frontline training for advice partnership organisations our GLA funded project.

RF has also been expanding on our work last year to test digital tools that enable RF to deliver education and capability services that are relevant to our clients in an ever-digital world. We successfully delivered the influential 'Community Fintech' research project. with Stockwell Community Partnership, Shelter and Comuzi, and Impact on Urban Health.

In line with our strategic objectives, we continued to focus this year on widening and embedding our partnership work to strengthen the response to our communities and provide a voice for excluded communities. We have expanded our work in this area and increased our Partnerships Officer post to a full-time position to increase capacity within our management team.

This year we are delighted to have been awarded funding for two new projects that expand RF's policy and campaigning and training and development objectives. In partnership with Money A+E we will deliver the 'Grow your Own Advice' and the 'Financial Empowerment Alliance' projects in 2023/24. Funding for these projects is from Propel and Trust for London's Racial Justice Fund respectively. We also continue to work closely with key stakeholders, including local and central government departments to ensure structural inequalities that disproportionately impact marginalised groups and exacerbates their financial exclusion are raised and tackled appropriately.

Rooted Finance

Report of the trustees for the year ended 31 March 2023

RF continues to be a member of the E VCSE Diversity taskforce convened by Clair Dove, VCSE Crown Representative at the Cabinet Office.

Financial Review

RF reported Net income of £94k for the year ended 31 March 2023 (2022: £48k) and the Charity ended the year with unrestricted funds of £347k (2022: £253k). Details of the Charity's reserves are given in the Reserves policy section below.

Incoming resources

The Charity's total income for the year was £500k (2022: £518k). In the year, the Charity continued to receive income from Money and Pensions Service (£186k), Hackney Council (£40k), Greater London Authority (£178k), British Gas Energy Fund (£50k) as well as receiving income from several new sources including Hackney Food Bank (£31k) and Comuzi Ltd (£15k).

Resources expended

The Charity's total expenditure decreased by 14% to £406k (2022: £469k) in line with an increased level charitable activity and an increase in staff to deliver the service.

Investment policy

The Board of Trustees consider the most appropriate investment policy is for surplus funds to be held on bank deposit.

Financial risk

A single funder provided 37% of income in the year ended 31 March 2023 (2022: 60%). This funder has confirmed the renewal of this income for 12 months, giving good sighting of income in the year ahead, and the Charity was able to increase the number of funders it worked with in the year. However, total loss or significant reduction of such funding on the biggest contract is the biggest threat to RF. The Charity will continue to develop its fundraising capability and identify new streams of income. The Board of Trustees has considered the financial risks in developing its reserves policy.

Reserves policy

Rooted Finance holds minimum reserves of 6 months to cover essential operating expenses and costs to wind down the charity in the event of financial difficulties.

The Board of Trustees review the reserve policy and the risks the Charity faces regularly, and at least annually. The Board of Trustees reviews the Charity's actual and forecast reserve level at least every quarter and where they differ from its policy, they agree what steps are needed to take to bring the amount of reserves it holds into line.

The Charity's unrestricted funds at 31 March 2023 were £347k (2022: £253k). This represented almost six months of forecast expenditure. The Board of Trustees is satisfied that the reserves held are sufficient and appropriate.

Rooted Finance

Report of the trustees for the year ended 31 March 2023

Organisational structure

Rooted Finance is an independent charity. It was established in August 2022 as a separate entity but operated under the previous name Fair Money Advice since its inception in 2010.

The Charity has a Board of Trustees who meet up to four times a year and are responsible for the strategic direction and policy of the Charity. At present the Board of Trustees has five members from a variety of professional backgrounds relevant to the work of the Charity. Erik Porter is Chair. Day to day responsibilities for the provision of RF's services rest with the CEO along with the Director of Operations and Advice Manager. The CEO is responsible for ensuring that the Charity delivers the services specified and that key performance indicators are met. The Director of Operations has responsibility for the day-to-day operational management of the services, individual supervision of the staff team and ensuring that the team continue to develop their skills and working practices in line with best practice.

Responsibilities of the Board of Trustees

The Board of Trustees of the Charity (who are also the Directors of Rooted Finance for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Directors to prepare financial statements for each financial year which give a true and fair view of the state of the affairs of the Charity and of its income and expenditure for that period. In preparing these financial statements, the Board of Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and 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; and
- prepare the financial statements on the going concern basis unless it is not appropriate to assume that the Charity will continue on that basis.

The Board of Trustees is responsible for maintaining proper accounting records which disclose with reasonable accuracy at any time the financial position of the Charity and to enable them to ensure that the financial statements comply with the Companies Act 2006. The Board of Trustees is also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Rooted Finance

**Report of the trustees for the year ended 31 March 2023
Declaration**

The trustees declare that they have approved the trustees' report above.

Signed: *a j scott*

Amanda Scott

Date: 25/07/2023

Independent Examiner's Report to the Trustees of Rooted Finance ('the company')

I report to the charity trustees on my examination of the accounts of the charity for the year ended 31 March 2023.

Responsibilities and basis of report

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

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

Independent examiner's statement

Since your charity's gross income exceeded £250,000 your examiner must be a member of a listed body. I can confirm that I am qualified to undertake the examination because I am a registered member of Association of Chartered Certified Accountants which is one of the listed bodies.

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

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

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

greenaccountancy 31/07/2023

David Wilsdon FCCA
Green Accountancy Limited
Chartered Certified Accountants
Windrush House
Windrush Park Road
Witney
Oxfordshire
OX29 7DX

Rooted Finance

Statement of Financial Activities for the year ended 31 March 2023

	Note	Unrestricted funds £	Total 2023 £	Total 2022 £
Incoming resources				
<i>Income and endowments from:</i>				
Donations and legacies	3.1	-	-	193
Charitable activities - income	3.2	499,757	499,757	517,627
Total Income		<u>499,757</u>	<u>499,757</u>	<u>517,820</u>
Resources expended				
<i>Expenditure on:</i>				
Charitable activities - expenditure	4.2	405,705	405,705	469,472
Total expenditure		<u>405,705</u>	<u>405,705</u>	<u>469,472</u>
Net income/(expenditure)		<u>94,052</u>	<u>94,052</u>	<u>48,348</u>
Net movement in funds		94,052	94,052	48,348
<i>Reconciliation of funds:</i>				
Total funds brought forward		<u>252,960</u>	<u>252,960</u>	<u>204,611</u>
Total funds carried forward		<u><u>347,012</u></u>	<u><u>347,012</u></u>	<u><u>252,959</u></u>

Continuing operations

All income and expenditure has arisen from continuing activities.

Balance Sheet as at 31 March 2023

CIO Number 07205478

	Note	Unrestricted funds £	Total 2023 £	Total 2022 £
Fixed assets				
Tangible assets	5	565	565	847
Total fixed assets		<u>565</u>	<u>565</u>	<u>847</u>
Current assets				
Debtors	6	-	-	70,237
Cash at bank and in hand	7	357,802	357,802	289,580
Total current assets		<u>357,802</u>	<u>357,802</u>	<u>359,817</u>
Creditors: amounts falling due within one year	8	11,355	11,355	107,705
Net current assets/(liabilities)		<u>346,447</u>	<u>346,447</u>	<u>252,112</u>
Total net assets		<u><u>347,012</u></u>	<u><u>347,012</u></u>	<u><u>252,959</u></u>
Funds of the Charity				
Unrestricted funds	10	347,012	347,012	252,960
Total funds		<u><u>347,012</u></u>	<u><u>347,012</u></u>	<u><u>252,960</u></u>

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 March 2023

The members have not required the company to obtain an audit of its financial statements for the year ended 31 March 2023 in accordance with Section 476 of the Companies Act 2006.

The trustees acknowledge their responsibilities for :

- ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

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

The financial statements were approved by the Board of Trustees and authorised for issue on^{25/07/2023} and were signed on its behalf by:

Rooted Finance

Charity Number 1138351

Balance Sheet as at 31 March 2023

CIO Number 07205478

a j scott

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Amanda Scott
Trustee (Director)

Rooted Finance

Statement of Cash Flows for the year ended 31 March 2023

	Note	2023	2022
	below	£	£
Cash flows from operating activities			
Net cash from operating activities	A	68,222	58,976
		<u>68,222</u>	<u>58,976</u>
Total increase /(reduction) in cash in period		<u>68,222</u>	<u>58,976</u>

Reconciliation of net cash flow to movement in net debt

Total increase /(reduction) in cash in period		68,222	58,976
Cash and cash equivalents brought forward		289,580	230,604
Cash and cash equivalents carried forward	B	357,802	289,580

Notes to the Cash Flow Statement:

Note A: Reconciliation of net (outgoing)\incoming resources to net cash inflow from operating activities

	2023	2022
	£	£
Net movement in funds	94,052	48,348
(Increase) / decrease in Debtors	70,237	(18,592)
(Decrease) / increase in Creditors	(96,350)	30,067
Purchase of fixed assets	-	(1,129)
Depreciation	282	282
Net cash from operating activities	<u>68,221</u>	<u>58,976</u>

Note B: Analysis of changes in net funds

	2023	2022
	£	£
Cash at bank	<u>357,802</u>	<u>289,580</u>

Rooted Finance

Notes to the Financial Statements for the year ended 31 March 2023

1 Basis of preparing the financial statements

These accounts have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) to these accounts.

The accounts have been prepared in accordance with:

- the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)',
- Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'
- and with the Charities Act 2011.

The charity is a Company limited by guarantee and constitutes a public benefit entity as defined by FRS 102.

2 Accounting Policies

Income

Income is included in the Statement of Financial Activities (SoFA) when:

- the charity becomes entitled to the resources;
- it is more likely than not that the trustees will receive the resources;
- the monetary value can be measured with sufficient reliability.

Grants and donations

Grants and donations are included in the SoFA when the general income recognition criteria are met.

In the case of performance related grants, income must only be recognised to the extent that the charity has provided the specified goods or services as entitlement to the grant only occurs when the performance related conditions are met.

Tax reclaims on donations and gifts

Gift Aid receivable is included in income when there is a valid declaration from the donor. Any Gift Aid amount recovered on a donation is considered to be part of that gift and is treated as an addition to the same fund as the initial donation unless the donor or the terms of the appeal have specified otherwise.

Expenditure

Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Rooted Finance

Notes to the Financial Statements for the year ended 31 March 2023

Governance and support costs

Support costs have been allocated between governance costs and other support. Governance costs comprise all costs involving public accountability of the charity and its compliance with regulation and good practice.

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources, e.g. allocating property costs by floor areas, or per capita, staff costs by the time spent and other costs by their usage.

Tangible fixed assets

These are capitalised if they can be used for more than one year, and cost at least £200. They are valued at cost.

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Computer Equipment - 25% Straight Line Basis

Taxation

The charity registered as a charity on 11 October 2010 and since that date has been exempt from corporation tax on its charitable trading activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Debtors

Debtors (including trade debtors and loans receivable) are measured on initial recognition at settlement amount after any trade discounts or amount advanced by the charity. Subsequently, they are measured at the cash or other consideration expected to be received.

Cash at bank and in hand

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

Liability recognition

Liabilities are recognised where it is more likely than not that there is a legal or constructive obligation committing the charity to pay out resources and the amount of the obligation can be measured with reasonable certainty.

The charity has creditors which are measured at settlement amounts less any trade discounts

Rooted Finance

Notes to the Financial Statements for the year ended 31 March 2023

Pension costs and other post-retirement benefits

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

Rooted Finance

Notes to the Financial Statements for the year ended 31 March 2023

3.1 Income from donations and legacies

	Unrestricted funds	Total 2023	Total 2022
	£	£	£
Donations	-	-	193
Total donations and legacies	-	-	193

3.2 Income from charitable activities

	Unrestricted funds	Total 2023	Total 2022
	£	£	£
Grant Income	499,757	499,757	517,627
Total income from charitable activities	499,757	499,757	517,627

	Unrestricted funds	Total 2023	Total 2022
	£	£	£
<i>Grants included in the above amounts:</i>			
Toynbee Hall	185,512	185,512	308,792
LB Hackney Council	40,317	40,317	49,827
Greater London Authority	178,000	178,000	7,500
Hackney Food Bank	31,297	31,297	-
Comuzi Ltd	14,797	14,797	-
British Gas Energy Fund	49,834	49,834	118,864
London Community Rehabilitation Company	-	-	15,774
Turn2Us	-	-	15,369
Advice UK	-	-	1,000
Community Southwark	-	-	500
Total grants for charitable activities	499,757	499,757	517,626

Rooted Finance

Notes to the Financial Statements for the year ended 31 March 2023

4.1 Charitable activities - expenditure

Education/training

	Unrestricted funds £	Total 2023 £	Total 2022 £
Staff costs	301,219	301,219	344,992
Advertising & Marketing	6,000	6,000	-
Bank charges	95	95	81
Computer consumables	104	104	386
Depreciation	282	282	283
HR outsourcing	6,403	6,403	-
Legal Fees	360	360	-
Insurance	1,251	1,251	-
Management charge	2,796	2,796	32,400
Office expenses	-	-	46,057
Print, postage and stationery	-	-	1,148
Professional fees	4,148	4,148	2,670
Recruitment expenses	3,799	3,799	3,595
Regrant to Money A+E	38,500	38,500	-
Rent	1,945	1,945	21,026
Staff entertainment	-	-	1,553
Telephone & Internet	5,343	5,343	1,653
Travel and subsistence	4,850	4,850	62
Software Support	15,811	15,811	492
Subcontractors	1,654	1,654	-
Subscriptions	1,474	1,474	5,757
Staff training	-	-	693
Website Costs	86	86	1,224
<i>Support costs:</i>			
Accountancy	9,009	9,009	5,400
Independent examiners fees	576	576	-
Total expenditure on charitable activities	<u>405,705</u>	<u>405,705</u>	<u>469,472</u>

Support costs

All support costs are allocated to the single charitable activity of the charity and are included above.

Rooted Finance

Notes to the Financial Statements for the year ended 31 March 2023

4.2 Governance costs included above	Unrestricted funds	Total 2023	Total 2022
	£	£	£
Accountancy	9,009	9,009	5,400
Independent examiners fees	576	576	-
Professional fees	4,148	4,148	2,670
Total governance costs	13,733	13,733	8,070

4.3 Trustee remuneration

None of the trustees were remunerated during the year or the previous year.

No trustee expenses were paid during the year

4.5 Staff costs

	Unrestricted funds	Total 2023	Total 2022
	£	£	£
Salaries - Gross pay	174,421	174,421	308,354
Salaries - Employers NI	17,650	17,650	28,769
Salaries - Employers Pension	4,116	4,116	6,639
East End Fair Finance - salary costs	104,732	104,732	-
Health care	300	300	1,230
Total staff costs	301,219	301,219	344,992

There were no ex-gratia payments made and no redundancy payments made.

There are no staff working for the charity who were paid more than £60,000.

4.4 Staff numbers

Average headcount in the year:	2023	2022
Charitable activities	6	11

Rooted Finance

Notes to the Financial Statements for the year ended 31 March 2023

5 Tangible fixed assets

	Computer equipment £	Totals £
Cost		
At 1 April 2022	1,130	1,130
At 31 March 2023	1,130	1,130
Depreciation		
At 1 April 2022	282	282
Charge for year	283	283
At 31 March 2023	565	565
Net book value		
At 31 March 2023	565	565
At 31 March 2022	848	848

6 Debtors

	Unrestricted funds £	Total 2023 £	Total 2022 £
Trade debtors	-	-	9,978
Accrued income	-	-	60,259
Total debtors	-	-	70,237

7 Cash at bank and in hand

	Unrestricted funds £	Total 2023 £	Total 2022 £
Bank current account	355,208	355,208	289,580
Pleo account	2,594	2,594	-
Total cash at bank and in hand	357,802	357,802	289,580

Rooted Finance

Notes to the Financial Statements for the year ended 31 March 2023

8 Creditors: amounts falling due within one year

	Unrestricted funds	Total 2023	Total 2022
	£	£	£
Accounts Payable	815	815	-
PAYE and social security	7,176	7,176	-
Pension payable	1,108	1,108	-
Accountancy fees accrual	2,256	2,256	-
Deferred Income	-	-	76,921
Total creditors due within one year	11,355	11,355	76,921

9 Charity funds - current year

	At 1 April 2022	Net movement in funds	At 31 March 2023
	£	£	£
Unrestricted funds	252,960	94,052	347,012
Total funds	252,960	94,052	347,012

10 Charity funds - previous year

Fund name:	At 1 April 2021	Net movement in funds	At 31 March 2022
	£	£	£
Unrestricted funds	204,612	48,348	252,960
Total funds	37,402	121,631	159,033

SIGNATURE CERTIFICATE



REFERENCE NUMBER

F4AC590B-F955-49AE-B0AE-46C029081911

TRANSACTION DETAILS

Reference Number

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<p>Name Amanda Scott</p> <p>Email amandaj2008@hotmail.co.uk</p> <p>Signer Sequence 0</p> <p>Components 4</p>	<p>Status signed</p> <p>Multi-factor Digital Fingerprint Checksum 2061a874bd75b9a02b69098ca88a627cfd3e0aeaf0aa93d360bdc35bb11beeb</p> <p>IP Address 78.145.79.148</p> <p>Device Safari via Mac</p> <p>Typed Signature </p> <p>Signature Reference ID 601EA8F9</p>	<p>Viewed At 25/07/2023 09:52 +01</p> <p>Identity Authenticated At 25/07/2023 09:56 +01</p> <p>Signed At 25/07/2023 09:56 +01</p>

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Rooted Finance Limited

England & Wales - Charity number 1138351

Accounts

Fair Money Advice

Financial Statements

for the year ended 31 March 2022

Charity Registration Number

1138351

Company Number

07205478

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Reference and administrative information Year ended 31 March 2022

Charity name	Fair Money Advice (FMA)
Charity registration number	1138351
Company registration number	7205478
Registered office and operational addresses	18 Ashwin Street London E8 3DL
Management Committee	Ms Rachel Bentley (Acting Chair) Mr Rasmus Berglund Ms Jennifer Page Ms Amanda Scott
Treasurer	Ms Amanda Scott
Secretary	Ms Muna Yassin
Senior Management Team	
Managing Director	Ms Muna Yassin
Services Manager	Ms Jahanara Khanom
Auditors	Buzzacott LLP 130 Wood Street London EC2V 6DL
Bankers	Unity Trust Bank 9 Brindley Place Birmingham B1 2HB

Report of the Board of Trustees Year to 31 March 2022

The Board of Trustees presents its directors report and audited financial statements for the year ended 31 March 2022.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland.

Our aims and objectives

The Charity's objects (the "Objects") are specifically restricted to the following:

- the prevention and relief of poverty through the provision of impartial debt advice to members of the public in the UK;
- the advancement of the education of the public in the subject of debt and personal financial management through the provision of advice about self-help and the role of appropriate financial services in self-help; and
- the assistance and support of the development and use of financial products created to provide relief to those in need by reason of financial hardship, social exclusion, and other disadvantages.

The aims of our Charity are to help prevent people from falling into unmanageable debt and helping to minimise the consequences of over indebtedness, once over indebted. Our aims continue to fully reflect the purposes which our Charity was set up to further.

Ensuring our work delivers our aims

Annually, we review our aims, objectives, and activities. The purpose of the annual review is to evaluate the work we have carried out and the impact that this has had on the groups we set out to serve. This review also ensures that we continue to further our aims, objectives, and activities in line with our stated purposes. We refer to the guidance contained in the Charity Commission's general guidance on public benefit when undertaking our annual review and planning our future activities. Specifically, the Board of Trustees consider how planned activities will contribute to the aims and objectives they have set.

The focus of our activities

In line with our charitable objectives, the focus of our work in the last 12 months has continued to be based on providing information, guidance, and counselling to help prevent or minimise the consequences of over indebtedness. Due to the Covid-19 pandemic, we used the following strategies to achieve these objectives and to provide an appropriate response to the crisis:

Report of the Board of Trustees Year to 31 March 2022

The focus of our activities (continued)

- delivered quality assured specialist debt advice services to clients face to face and remotely, using video calls, telephone calls and other channels as appropriate;
- delivered impactful preventative services by embedding them in our advice service and delivering training and guidance sessions for groups and individuals;
- identified and disseminated key financial messages and consumer campaigns, specifically to address energy efficiency and fuel poverty prevention schemes and participated in ground-breaking research with Fair4AllFinance, NatWest and Stepchange to examine financial inequalities faced by our Black and Minority Ethnic Communities in financial services;
- expanded our service provision to include financial assistance payments through an innovative partnership with Turn2US and nine other Charity partners through their Covid Response Grant Scheme;
- continued to expand existing strategic partnerships with British Gas Energy Trust (BGET), Hackney Council, Debt Free London; and developed new partnerships with Hackney Food Bank/Trussell Trust, London Mayor's Office, and Guy's & St Thomas Charity;
- expanded our reach across London for a pan-London service that effectively reaches those most in need of our services.

How our activities deliver public benefit

Emerging from the immediate health crisis of the pandemic, 2021-22 has been an extremely challenging year for the communities we serve. Many of our existing clients – already facing financial uncertainty and over indebtedness because of two years of reduced employment opportunities and restrictions on their daily lives, have now been burdened with the added pressure of rapidly rising costs for essential goods and services. Inflation is expected to hit double digits later this year and a significant number of our clients face destitution at levels that are unprecedented. Our team have issued more food bank vouchers to clients in 2021/22 than they did over the previous three-year period. We've seen a 350% rise in enquires for fuel support in the last year and we expect this to continue as the energy crisis worsens. In short, client needs have become much more complex and time sensitive – with immediate risks of food insecurity and food poverty specifically being very challenging to respond to swiftly and appropriately. A significant number of clients had needs for immediate financial assistance and we were pleased that Covid response funding from - and partnership with - Turn2US enabled us to secure and award £95,000 of charitable grants to clients facing acute hardship. In addition, through our existing and new partnerships we were able to issue food and fuel bank vouchers directly to clients as part of our emergency response to communities and to respond effectively to the challenges being faced by our clients.

The long-term economic outlook for our communities looks particularly difficult over the next few years – particularly with the cost-of-living crisis continuing to unfold and the removal of

Report of the Board of Trustees Year to 31 March 2022

financial assistance packages that were available during the crisis. Clients dependent on Universal Credit are particularly at risk as the removal of the additional £20 per week support available throughout the pandemic has impacted their ability to meet basic needs most drastically. We are working with our partners and stakeholders to design user-led solutions to minimise the long-term consequences, whilst also developing and expanding the support available for clients experiencing acute financial difficulties.

FMA clients continue to struggle to meet their essential expenditure commitments and priority debts remain the top 3 debts being presented by clients namely - council tax, rent and utilities. This year has also seen a significant rise in utility and energy debts, an indication of the coming storm surrounding the energy crisis as the price cap continues to be lifted: by October 2022 it's expected to rise by a further £830 to £2,800. We continue to see an increase in clients aged 18-24 (representing a 22% increase on the previous year) and have seen a marked increase in clients receiving Universal Credit – either fully or partially to subsidise their wages (52% increase this year). FMA has continued to expand the debt advice team and has strengthened the team with advisers who have backgrounds in legal services, wider advice services and housing. In addition, to further our strategic partnership aims, FMA has recently employed a part-time Partnerships Officer. This new role will help FMA manage and maintain its growing role as a partnership-led charity working collaboratively with key stakeholders across the VCSE, Local and Central Government, Social Housing and Creditor sectors.

Personal debt in the UK stood at £1767.1 billion at the end of January 2022, up by £62.2 billion from £1,704.8 billion in January 2021. Spanning this timeframe, FMA has helped 2,736 clients in managing their debt problems in the year ending 31 March 2022 (in 2021 the figure was 1,576). This is an increase of 42% and reflects the impact of increased capacity within the team and the levels of demand for debt advice. We have handled over £7.1 million of debt on behalf of our clients (2021 £7.9 million), a decrease of £800,000 despite a significant increase in the number of clients assisted this year. This starkly highlights the rise of priority debts (lower amounts, but more significant impact on people's living standards) and the continued reduction of higher value secondary debts such as credit cards and loans. It also emphasises FMA's role as a critical community-based charity that provides vital services to our most vulnerable communities. This year has seen an exponential rise in use of food banks and FMA has made over 700 referrals to foodbank providers over the course of the year. The average foodbank voucher/parcel is valued at £17.66, thus FMA has helped our clients obtain £12,362 of food over the last 12 months. In addition, through our innovative partnership with Turn2Us, we have been able to award £95,000 worth of charitable grants to 116 clients. The average grant awarded per client was £818.

Like other debt advice services, demand for our services has continued to grow throughout the year and the expansion and training of our advice team at the end of 2020 and in January 2021 meant we were in a good place to meet this growing demand. However, as always, demand continues to outstrip capacity and we will be adding more capacity to the team in the coming year. We reconvened face to face advice services during the year and have developed a 'advice in community settings' strategy, placing our advisers in outreach locations that are accessible to our clients. Three Hackney Food Bank sites were the first locations to host our advisers this year and we have developed arrangements with Hackney

Report of the Board of Trustees Year to 31 March 2022

Council, Enfield Town Schools Partnership, and others to provide more sessions across London in 2022/23.

Our debt advice services continue to be prioritised for referrals from our partners; whilst others are based on need and an initial assessment on their ability to self-help or gain assistance from another agency. Our pivot to remote services during the pandemic showed we were able to provide services to clients from across London and the South-East to access services seamlessly and we have maintained our pan-London provision throughout the year with support from our funders. We continue to work with partner organisations to ensure that clients out of FMA's scope can access services from other local agencies or self-help routes as client needs become ever more complex.

Our main charitable activities are detailed below.

Counselling, advice and guidance services

FMA remains to funded by the Money and Pensions Service as part of the Debt Free London programme and our partnership across London has increased capacity to respond to the needs of Londoners. Over 2,400 clients were supported through this service by FMA. In addition, FMA continued to be funded by Hackney Council for debt advisory services to residents, and this service supported 111 clients with complex casework support this year.

We continued our partnership with Money A+E funded by British Gas Energy Trust (BGET) to provide a debt and energy advice service 'Money in the Community'. This service spans Tower Hamlets, Hackney and Islington and has supported over 280 clients this year.

We were also delighted to launch a ground-breaking partnership with Hackney Food Bank/The Trussell Trust to deliver debt advice services to food bank service users. Each client receives tailored support to assist them in managing their debt, maximising their income and access to additional linked services such as housing or welfare benefit support. Our advisers have trained Food Bank volunteers to make targeted referrals, and we deliver weekly advice sessions at three of their foodbank sites across the borough. 62 clients have been supported through this service to date and FMA will explore ways in which it can expand its services to these client groups in the future. The objective of our partnership is to reduce client reliance on foodbanks and to tackle the root problems of their financial difficulty through structured advice and support.

Finally, this year, FMA was funded by the Greater London Authority (Mayor of London) to develop an innovative partnership to help build a robust economic recovery for Londoners. FMA is the lead agency of the partnership which comprises nine different partners. The service will provide debt and money advice services to Londoners in partnership with Money A+E and will target families through school and food provider settings. The delivery and impact of this service will be realised in 2022/23 as the first 5 months focused on development of partnership arrangements and service design.

Report of the Board of Trustees Year to 31 March 2022

Educational and capability services

FMA has continued to focus on the immediate crisis and due to the demands placed on our advice teams we have continued to pause our group financial capability services this year. Our focus has been on increasing capacity by training frontline teams and volunteers as well as one-to-one coaching and embedding our 'skill-pill' approach within the advice process.

This year we have trained over 16 volunteers from Hackney Food Bank and delivered frontline training for advice partnership organisations our GLA funded project.

FMA has also been exploring digital tools that will enable FMA to deliver education and capability services that are relevant to our client in an ever-digital world to this end, FMA has been working with the development of an innovative project exploring Open Banking Tools that will support clients with long-term health condition. The partners working with FMA on this are Stockwell Community Partnership, Shelter and Comuzi, to be funded by Guys & St Thomas Charity.

Finally, in line with one of our strategic objectives, we continued to focus this year on widening and embedding our partnership work to strengthen the response to our communities and provide a voice for excluded communities. To further strengthen this objective, FMA created a part-time Partnerships Officer post and we successfully recruited for this role in March of this year. We expect this role holder to assist our management team in widening our strategic partnerships and increasing our business development activities.

This year our work with the London Child Poverty Alliance (LCPA) helped create a manifesto for the local elections in May. We ensured that candidates pledged to sign up to activities that helped reduce the cost-of-living crisis for families, increased free childcare places, and maintained local discretionary housing and council tax schemes.

We continue to work closely with key stakeholders, including local and central government departments to ensure structural inequalities that disproportionately impact our Black and Minority Ethnic Communities and exacerbates their financial exclusion are raised and tackled appropriately.

FMA continues to be a member of the BAME VCSE taskforce convened by Clair Dove, VCSE Crown Representative at the Cabinet Office.

During the year, FMA was also able to contribute to critical research that sets out to improve understanding of the financial lives and needs of black, Asian and minority ethnic communities by capturing a diverse range of voices through qualitative research. The research was commissioned by Fair4All Finance in partnership with NatWest Bank and Stepchange.

Financial review

FMA reported Net income of £48k for the year ended 31 March 2022 (2021: £50k) and the Charity ended the year with unrestricted funds of £253k (2021: £205k). Details of the Charity's reserves are given in the Reserves policy section below.

Report of the Board of Trustees Year to 31 March 2022

Incoming resources

The Charity's total income for the year was £518k (2021: £373k). In the year, the Charity continued to receive income from Money and Pensions Service (£309k), British Gas Energy fund (£119k), Hackney Council (£50k), LCRC (16k), Turn2Us (£15k), GLA (£7.5k), Advice UK (£1k) and Community Southwark (£0.5k).

Resources expended

The Charity's total expenditure increased by 45% to £469k (2021: £323k) in line with an increased level of charitable activity and an increase in staff to deliver the service.

Investment policy

The Board of Trustees consider the most appropriate investment policy is for surplus funds to be held on bank deposit.

Financial risk

A single funder provided 60% of income in the year ended 31 March 2022 (2021: 55%). This funder has confirmed the renewal of this income for 12 months, giving good sighting of income in the year ahead, and the Charity was able to increase the number of funders it worked with in the year. However, total loss or significant reduction of such funding on the biggest contract is a risk to FMA. The Charity will continue to develop its fundraising capability and identify new streams of income. The Board of Trustees has considered the financial risks in developing its reserves policy.

Reserves policy

The Charity holds reserves to enable it to continue activities and manage the negative impact on beneficiaries and staff should funding drop significantly. The Board of Trustees believe that it is appropriate for the charity to hold reserves of between three and six months of forecast expenditure.

The Board of Trustees review the reserve policy and the risks the Charity faces regularly, and at least annually. The Board of Trustees reviews the Charity's actual and forecast reserve level at least every quarter and where they differ from its policy, they agree what steps are needed to take to bring the amount of reserves it holds into line.

The Charity's unrestricted funds at 31 March 2022 were £253k (2021: £205k). This represented almost six months of forecast expenditure. The Board of Trustees is satisfied that the reserves held are sufficient and appropriate.

Organisational structure

Fair Money Advice ("FMA") is an independent charity associated with the social enterprise East End Fair Finance Limited ("EEFF"). It was established to help deliver the mission of the Group in relation to financial inclusion and financial wellbeing. In 2021/22, various discussions

Report of the Board of Trustees Year to 31 March 2022

took place between EEFF and FMA regarding the future relationship of the two organisations. It has been agreed that the two organisations will formally separate in 2022/23.

Fair Money Advice (FMA) was established to support Fair Finance in delivering its mission of improving customer financial well-being. As each of Fair Finance and FMA has continued to evolve successfully, their strategic paths have become increasingly divergent. During the year, following discussions between the boards of Fair Finance and FMA, it was agreed jointly that FMA would become a fully independent entity. This is considered in the best interests of both parties, allowing FMA to take full advantage of strategic and operational autonomy, while also enabling Fair Finance to concentrate its resources and focus on the successful delivery of its core mission including its growth plans. The process of separation of the two entities has commenced. In the coming year, FMA will be developing a new branding and corporate identity. Fair Finance and FMA remain fully aligned on the need to tackle financial exclusion and improve financial well-being and wish each other well in their continued efforts to create a fairer and more inclusive financial system in the UK.

The Charity has a Board of Trustees who meet up to four times a year and are responsible for the strategic direction and policy of the Charity. At present the Board of Trustees has three independent members from a variety of professional backgrounds relevant to the work of the Charity as well as the Vice Chair of the Fair Finance Group who joined the board in March 2022. The Secretary, who is the Charity's Managing Director, also attends Board Meetings but has no voting rights. The board does not currently have a formal Chair but one of the trustees has taken on the role of the acting Chair. The board is seeking to recruit a permanent Chair in the next few months who will steer the future of the organisation following separation from EEFF.

Day to day responsibilities for the provision of FMA's services rest with the Managing Director, along with the Services Manager and Supervisor. The Managing Director is responsible for ensuring that the Charity delivers the services specified and that key performance indicators are met. The Services Manager has responsibility for the day-to-day operational management of the services, individual supervision of the staff team and also ensuring that the team continue to develop their skills and working practices in line with best practice.

The staff of the Charity have employment contracts with EEFF and are seconded to FMA, as such remain accountable to Group policies where relevant. These employment relationships will transfer to FMA in 2022/23 following the separation of the two entities. In addition, FMA has been provided with a number of shared services (HR, Finance, payroll, IT support, technology systems) by EEFF. These services are reviewed annually by the Board of Trustees in terms of costs to ensure best value for the Charity by the Board of Trustees. Following agreement to separate from EEFF, FMA is seeking external suppliers who will provide these services going forward.

Responsibilities of the Board of Trustees

The Board of Trustees of the Charity (who are also the Directors of Fair Money Advice for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Report of the Board of Trustees Year to 31 March 2022

Company law requires the Directors to prepare financial statements for each financial year which give a true and fair view of the state of the affairs of the Charity and of its income and expenditure for that period. In preparing these financial statements, the Board of Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and 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; and
- prepare the financial statements on the going concern basis unless it is not appropriate to assume that the Charity will continue on that basis.

The Board of Trustees is responsible for maintaining proper accounting records which disclose with reasonable accuracy at any time the financial position of the Charity and to enable them to ensure that the financial statements comply with the Companies Act 2006. The Board of Trustees is also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Impact of COVID-19

The Board of Trustees continue to monitor the impact of the current Pandemic on the Charity's operations, with a particular focus on its effect on the Charity's clients, suppliers, funders and employees. The income stream of the Charity remains stable with 55% of current funding coming from the government funding from the Money and Pensions Service (MaPS). The Charity has also been able to engage new funders and secure new partnerships as result of its response to the crisis, and whilst the full impact of the COVID-19 situation cannot be accurately predicted, and it is not possible to assess all possible future implications for the organisation, the Board of Trustees believes that due to the renewal of funding for at least 12 months by MaPS, and the increase in new funding relationships, FMA is in a stable position and can be considered a going concern.

This report has been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the FRS 102 and in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small entities.

Approved by the Management Committee on 24 June 2022 and signed on its behalf by:

Amanda Scott, FMA Board

Independent auditor's report Year to 31 March 2022

Independent auditor's report to the members of Fair Money Advice

Opinion

We have audited the financial statements of Fair Money Advice ('the Charity') for the year ended 31 March 2022 which comprise the Statement of financial activities, the balance sheet and notes to the financial statements, including 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).

In our opinion, the financial statements:

- give a true and fair view of the state of the Charity's affairs as at 31 March 2022 and of its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- 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 Charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council'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 trustees' 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 related to events or condition that, individually or collectively, may cast significant doubt on the Charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Independent auditor's report Year to 31 March 2022

Other information

The other information comprises the information included in the Annual report other than the financial statements and our Auditor's report thereon. The trustees are responsible for the other information contained within the Annual report. Our opinion on the financial statements does not cover the other information and 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.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' report, which is also the directors' report for the purposes of company for the financial year which the financial statements are prepared is consistent with financial statements; and
- the Trustees' report, which is also the directors' report for the purposes of company law, has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In light of the knowledge and understanding of the Charity and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustee's report. We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 required us to report to you if, in our opinion:

- adequate 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; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies'

Independent auditor's report Year to 31 March 2022

exemptions in preparing the Trustee's report and from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the trustees 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 the trustees 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 trustees are responsible for assessing the Charity'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 trustees either intend to liquidate the Charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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 responsibilities, outline 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.

How the audit was considered capable of detecting irregularities including fraud

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the Senior Statutory Auditor ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations, including knowledge specific to auditing charitable companies;
- we made enquiries of management as to where they considered there was susceptibility to fraud, and their knowledge of actual, suspected and alleged fraud;

Independent auditor's report Year to 31 March 2022

- we identified the laws and regulations that could reasonably be expected to have a material effect on the financial statements of the Charity through discussions with trustees and other management at the planning stage, and from our knowledge and experience of charities;
- the audit team held a discussion to identify any particular areas that were considered to be susceptible to misstatement, including with respect to fraud and non-compliance with laws and regulations;
- we focused our planned audit work on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the Charity including the Charities Act 2011, Companies Act 2006 and employment legislation; and
- we considered the impact of Brexit on the Charity and the laws and regulations above.

We assessed the extent of compliance with the laws and regulations identified above through:

- making enquiries of management;
- inspecting legal expenditure throughout the year for any potential litigation or claims; and
- considering the internal controls in place that are designed to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- determined the susceptibility of the Charity to management override of controls by checking the implementation of controls and enquiring of individuals involved in the financial reporting process;
- reviewed journal entries throughout the year to identify unusual transactions ;
- performed analytical procedures to identify any large, unusual or unexpected transactions and investigated any large variances from the prior year;
- reviewed accounting estimates and evaluated where judgements or decisions made by management indicated bias on the part of the Charity's management;
- tested the completeness of revenue by obtaining grant agreements between the Charity and its donors and investigated any material variances to expectations; and
- carried out substantive testing to check the occurrence and cut off of expenditure.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included:

- agreeing financial statement disclosures to underlying supporting documentation; and

Independent auditor's report Year to 31 March 2022

- enquiring of management as to actual and potential litigation with claims.

There are inherent limitations in our audit procedures described above. Irregularities that result from fraud might be inherently more difficult to detect than irregularities that result from error as they may involve deliberate concealment or collusion. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the trustees and other management and the inspection of regulatory and legal correspondence, if any.

A further description of our responsibilities is available on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditor's report.

Use of our report

This report is made solely to the Charity's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Charity's members 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 Charity and the Charity's members as a body, for our audit work, for this report, or for the opinions we have formed.

Jonathan West (Senior Statutory Auditor)
For and on behalf of Buzzacott LLP, Statutory Auditor
130 Wood Street
London
EC2V 6DL

Date: 24 June 2022

Statement of financial activities Year to 31 March 2022

	Notes	Total funds 2022 £	Total funds 2021 £
Income from:	1		
Donations and legacies		193	200
Charitable activities			
. Grants		517,626	372,796
Total income		517,819	372,996
Expenditure on:			
Charitable activities	2	469,471	323,398
Total expenditure		469,471	323,398
Net income (expenditure) and net movement in funds		48,348	49,598
Total funds at 1 April 2021		204,612	155,014
Total funds at 31 March 2022	12	252,960	204,612

The notes on pages 13 to 23 form part of these accounts.

All of the Charity's activities derived from continuing operations during the above financial periods.

The Charity has no recognised gains and losses other than those shown above.

Balance sheet at 31 March 2022

	Notes	2022 £	2022 £	2021 £	2021 £
Tangible fixed assets	8		847		-
Current assets					
Debtors	9	70,238		51,646	
Cash at bank and in hand	11	289,580		230,604	
		359,818		282,250	
Creditors					
Amounts falling due within one year	10	(107,705)		(77,638)	
Total net assets			252,960		204,612
The funds of the charity:					
Unrestricted funds					
. General funds	12		252,960		204,612
			252,960		204,612

The accounts are prepared in accordance with the special provision of part 15 of Companies Act 2006 relating to small entities and with the provisions of FRS 102 section 1A – small entities.

Approved by the Board of Directors:

Amanda Scott
Trustee

Date: 24 June 2022

Company No. 07205478

The notes on pages 13 to 23 form part of these accounts.

Notes to the accounts Year to 31 March 2022

1. General information

The Charity is a company limited by guarantee and incorporated in the United Kingdom. Its registered office is 18 Ashwin Street, London, E8 3DL.

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the accounts are laid out below.

2. Accounting policies

2.1 Basis of preparation

These financial statements have been prepared for the year to 31 March 2022.

The financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant accounting policies below or the notes to these financial statements.

The accounts have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) (Charities SORP FRS 102) issued on 2 October 2019.

The financial statements are presented in sterling and are rounded to the nearest pound.

2.2 Assessment of going concern

The Management Committee have assessed whether the use of the going concern basis is appropriate in preparing Fair Money Advice's (FMA) financial statements in respect to a period of one year from the date of approval of these accounts; and that have concluded that there are no material uncertainties that cast significant doubt about the ability of FMA to continue as a going concern have been identified.

2.3 Income recognition

Donations are recognised in the year they are received.

Grants, where entitlement is not conditional on the delivery of a specific performance by the Charity, are recognised when the Charity becomes unconditionally entitled to the grant.

Grants, where the entitlement is based upon performance conditions, are recognised as unrestricted income to the extent that the performance conditions have been met. Grant income received in advance of meeting performance conditions is deferred until conditions are met.

Consultancy income is recognised on an accruals basis.

2.4 Expenditure and its basis of allocation

All expenditure is dealt with on the accruals basis and includes value added tax where appropriate. Charitable expenditure comprises those costs incurred by the Charity in the delivery of its activities and services. It includes direct costs of activities and those costs of an indirect nature necessary to support those activities, allocated between expenditure categories on an appropriate basis as set out in note 2.

Governance costs are those costs associated with meeting the constitutional and statutory requirements of the Charity and include the audit fees and costs linked to the strategic management of the Charity.

2.5 Fund accounting

Funds held by the Charity are either:

- ◆ Unrestricted general funds – these are funds which can be used in accordance with the charitable objects at the discretion of the Management Committee; or
- ◆ Restricted funds – these are funds which can only be used for specific purposes. Restricted funds provide reassurance to donors that their contributions will be used in a manner they have chosen.

2.6 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

- Fixtures and fittings - 3 years straight line

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

2.7 Debtors

Debtors are recognised at their settlement amount, less any provision for non-recoverability. Prepayments are valued at the amount prepaid. They have been discounted to the present value of the future cash receipt where such discounting is material.

Notes to the accounts Year to 31 March 2022

2.8 Cash at bank and in hand

Cash at bank and in hand represents such accounts and instruments that are available on demand or have a maturity of less than three months from the date of acquisition. Deposits for more than three months but less than one year have been disclosed as short term deposits. Cash placed on deposit for more than one year is disclosed as a fixed asset investment.

2.9 Creditors and provisions

Creditors and provisions are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Creditors and provisions are recognised at the amount the Charity anticipates it will pay to settle the debt. They have been discounted to the present value of the future cash payment where such discounting is material.

Notes to the accounts Year to 31 March 2022

3 Income

	Total 2022 £	Total 2021 £
Donations and legacies		
General donations	193	200
Charitable activities		
Grants receivable		
. Money and Pensions Service (Toynbee Hall)	308,792	205,560
. British Gas Energy Fund	118,864	60,251
. Hackney Council	49,827	51,200
. London Community Rehabilitation Company	15,774	33,333
. London Community Foundation	-	15,486
. Turn2Us	15,369	-
. Greater London Authority	7,500	-
. JPMorgan Chase Foundation	-	3,679
. We are Digital	-	3,488
. Advice UK	1,000	-
. Community Southwark	500	-
	517,819	372,996

4 Expenditure

	Programme delivery costs £	Support costs		Total 2022 £	Total 2021 £
		Other support costs £	Governance costs £		
Staff costs	343,762	2,102		345,864	244,332
Rent, rates, maintenance and other property costs		21,026		21,026	16,868
General office expenses		93,287		93,287	63,944
Website and marketing		1,224		1,224	1,429
Legal and professional		2,670		2,670	725
Audit fees			5,400	5,400	(3,900)
2022 Total funds	343,762	120,309	5,400	469,471	323,398

Notes to the accounts Year to 31 March 2022

5 Staff costs

	2022 £	2021 £
Gross wages	308,354	217,605
Employers NI (Social Security)	28,769	20,874
Employer's pension	6,639	4,795
	343,762	243,274

b) There were no employees during the current year whose emoluments amounted to over £60,000 (2021: none).

c) No emoluments or expenses were paid to the trustee directors during the year (2021: £nil).

d) The average weekly number of employees employed by the company, during the year was:

	2022 No.	2021 No.
Service delivery	11	8

6 Governance costs

	2022 £	2021 £
Audit and accountancy fees	5,400	(3,900)

7 Taxation

The company is a registered charity and consequently no corporation tax has been provided for.

Notes to the accounts Year to 31 March 2022

8 Tangible fixed assets

	Fixtures and fittings £
Cost	
At 1 April 2021	-
Additions	1,130
At 31 March 2022	<u>1,130</u>
Depreciation	
At 1 April 2021	-
Charge for the year	283
At 31 March 2022	<u>283</u>
Net book value	
At 31 March 2022	<u>847</u>
At 31 March 2021	<u>-</u>

9 Debtors

	2022 £	2021 £
Trade debtors	9,978	5,556
Accrued income	60,260	46,091
	<u>70,238</u>	<u>51,647</u>

10 Creditors

	2022 £	2021 £
Loan with East End Fair Finance Limited	30,784	64,638
Deferred income	76,921	13,000
	<u>107,705</u>	<u>77,638</u>

11 Bank

	2022 £	2021 £
Cash at bank	289,580	230,604

Notes to the accounts Year to 31 March 2022

12 Reserves	At 1 April 2021 £	Income £	Expenditure £	At 31 March 2022 £
Unrestricted funds				
General reserve	204,612	517,819	(469,471)	252,960

Rooted Finance Limited

England & Wales - Charity number 1138351

Accounts

Fair Money Advice

Financial Statements

for the year ended 31 March 2021

Charity Registration Number

1138351

Company Number

07205478

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Reference and administrative information Year ended 31 March 2021

Charity name	Fair Money Advice (FMA)
Charity registration number	1138351
Company registration number	7205478
Registered office and operational addresses	18 Ashwin Street London E8 3DL
Management Committee	Ms Rachel Bentley (Acting Chair) Ms Jennifer Page Mr Faisal Rahman Ms Amanda Scott
Treasurer	Ms Amanda Scott
Secretary	Ms Muna Yassin
Senior Management Team	
Managing Director	Ms Muna Yassin
Services Manager	Ms Jahanara Khanom
Auditors	Buzzacott LLP 130 Wood Street London EC2V 6DL
Bankers	Unity Trust Bank 9 Brindley Place Birmingham B1 2HB

Report of the Board of Trustees Year to 31 March 2021

The Board of Trustees presents its director's report and audited financial statements for the year ended 31 March 2021.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland.

Our aims and objectives

The Charity's objects (the "Objects") are specifically restricted to the following:

- the prevention and relief of poverty through the provision of impartial debt advice to members of the public in the UK;
- the advancement of the education of the public in the subject of debt and personal financial management through the provision of advice about self-help and the role of appropriate financial services in self-help; and
- the assistance and support of the development and use of financial products created to provide relief to those in need by reason of financial hardship, social exclusion and other disadvantages.

The aims of our Charity are to help prevent people from falling into unmanageable debt and helping to minimise the consequences of over indebtedness, once over indebted. Our aims continue to fully reflect the purposes which our Charity was set up to further.

Ensuring our work delivers our aims

Annually, we review our aims, objectives and activities. The purpose of the annual review is to evaluate the work we have carried out and the impact that this has had on the groups we set out to serve. This review also ensures that we continue to further our aims, objectives and activities in line with our stated purposes. We refer to the guidance contained in the Charity Commission's general guidance on public benefit when undertaking our annual review and planning our future activities. Specifically, the Board of Trustees consider how planned activities will contribute to the aims and objectives they have set.

The focus of our activities

In line with our charitable objectives, the focus of our work in the last 12 months has continued to be based on providing information, guidance and counselling to help prevent or minimise the consequences of over indebtedness. Due to the Covid-19 pandemic, we used the following strategies to achieve these objectives and to provide an appropriate response to the crisis:

Report of the Board of Trustees Year to 31 March 2021

The focus of our activities (continued)

- delivered quality assured specialist debt advice services to clients remotely, using video calls, telephone calls and other channels as appropriate;
- delivered impactful preventative services by embedding them in our advice service;
- identified and disseminated key financial messages and consumer campaigns, specifically the redress schemes and assistance available in response to Covid;
- expanded our partnership with key organisations and partners to effectively reach those most in need of our services to include British Gas Energy Trust (BGET) and London Community Rehabilitation Company;
- expanded our advisory services in the London Borough of Lambeth; and
- re-launched and expanded our income maximisation services in response to the Covid-19 crisis.

How our activities deliver public benefit

As a result of the Covid -19 pandemic, 2020 has been an unprecedented year of challenge and need for Fair Money Advice (FMA) clients. Our existing clients - already facing persistent economic challenges that create chronic financial difficulties and instability - were faced with the immediate challenge of income uncertainty, job insecurity and potential destitution due to the impact on their already stretched finances. Additionally, from the outset we were able to see that new client needs were more complex and time sensitive. A significant number of clients had income issues that needed to be addressed immediately, and thus support to make Universal Credit applications was a vital addition to the suite of services FMA usually provides. In normal circumstances we would refer these enquiries to welfare benefit organisations – but due to the severity of need, the limited availability; and difficulty in accessing those services - we were keen to avoid referring clients on. We were pleased that Covid response funding enabled us to refer clients out for non-financial needs only – such as housing, immigration or legal support. Moreover, through our existing and new partnerships we were able to issue food and fuel bank vouchers directly to clients as part of our emergency response to communities.

The long term economic impact of the crisis – particularly for those in the private rented sector and from BAME and Diverse Ethnic Communities (DEC) – continues to unfold with rent arrears, evictions and potential homelessness particularly acute for our clients in London. With the pause on evictions and other redress schemes due to end in September 2021, we are working with our partners and stakeholders on early intervention solutions to minimise the long-term consequences. FMA clients continue to struggle to meet their essential expenditure commitments with a sustained rise in priority debts: - namely, council tax, rent and utilities. This year has also seen a rise in *Buy Now Pay Later* debts, which is an indication of the changing nature of credit and the use of digital means of payment. It is also a reflection of the change in our client profiles seen this year – a 67% increase in clients 18 - 24. Additionally,

Report of the Board of Trustees Year to 31 March 2021

we have seen a marked increase – 54% - in the number of clients who are aged 24-35, resulting in the average FMA client age down 48 to 40 this year. To meet the changes in client profiles and needs and the expected increase in demand for our services, FMA expanded the debt advice team in November 2020 with four new trainee advisers – our advisers have completed their initial training and have been mobilised as part of the response to the increased demand on services which began in January 2021 and continues to increase month on month. FMA has also worked with our partners to explore the opportunities technology and FinTech presents to our services and client engagement. Our work this year with Elifinty has been instrumental to FMA re-designing its services and its remote offering, but also to ensure they are future-fit and meet the changing expectations of clients.

Personal debt in the UK stood at £1,700 billion at the end of January 2021, up by £20.1 billion from £1,680 billion in January 2020. Spanning this timeframe, FMA has helped 1576 clients in managing their debt problems in the year ending 31 March 2021 (2020– 1,650). We have handled over £7.9 million of debt behalf of our clients (2020 £6.9 million), an increase of £1 million despite a slight reduction in the number of clients assisted this year (74). This reflects the complex and multi-faceted needs presented by clients during this crisis. This means an average debt of £5,012 per client – an increase of £822 per client from the average of £4,190 (2020). This continues the trend over the last two years where we have seen year on year increases in average personal debt. This unfortunately reverses the trends seen in the previous three years, where average debts were steadily falling as a result of smaller, and fewer, consumer debts. We also believe this uptick in personal debt will significantly increase over the next twelve to twenty-four months as clients from vulnerable communities continue to bear the brunt of the economic impact of the crisis. This year has also seen rent arrears overtake council tax debt as the most presented debt amongst clients. Rent arrears, preventing evictions and avoiding homelessness will be a big feature of the advice service demands in 2021/22 and our partnership with Shelter London will be vital to meet the complex needs of clients in private and insecure housing and No Recourse to Public Funds (NRPF).

Like other debt advice services, demand for our services dipped in the first two quarters of 2020 and both existing and new clients had immediate income needs. Demand shifted to providing guidance and signposting support to redress schemes, and access to Universal Credit, rather than immediate debt relief or enforcement action support. To address these needs, we quickly pivoted our services and expanded our income maximisation services – providing bespoke guidance and advice based on individual circumstances and need. Of the 1576 clients supported this year, 945 (60%) required income maximisation support. We also provided support to individuals who needed to access Universal Credit and were able to secure Covid Response Funding from Hackney Council and the London Community Foundation to provide this rapid response service effectively. 120 clients were supported through this service. Due to the uncertainty created by the pandemic and the confusion caused by the removal and reinstatement of financial support schemes (furlough) this service was at capacity until the beginning of January 2021.

Our debt advice services are normally prioritised for referrals from our partners; whilst others are based on need and an initial assessment on their ability to self-help or gain assistance from another agency. Due to the Covid crisis, we were able to secure agreements with our funders and partners – where services are restricted to a certain group or location - that all clients in need would be assisted through our services, regardless of their location or

Report of the Board of Trustees Year to 31 March 2021

circumstances. Our pivot to remote services enabled clients from across London and the South East to access services seamlessly. We continue to work with partner organisations to ensure that clients out of FMA's scope can access services from other local agencies or self-help routes. Moreover, to help clients with increased anxiety levels as a result of the crisis, we provided immediate responses to all enquiries with an initial telephone assessment to help reduce the mental strain and anxiousness of the pandemic. This year we were able to support all clients remotely and where there were clients with additional vulnerability needs, we worked closely with local Mutual Aid groups who were able to securely deliver financial assistance and emergency food packages.

Our main charitable activities are detailed below.

Counselling, advice and guidance services

FMA continues to be funded by the Money and Pensions Service as part of the Debt Free London programme and our partnership has built the infrastructure and capacity needed to respond to the needs of Londoners, as they recover and rebuild from the pandemic. Over 1,300 clients were supported through this service. In addition, FMA continues to be funded by Hackney Council for debt advisory services to local residents, and this service supported 149 clients with complex casework support this year.

This year we also were funded by British Gas Energy Trust (BGET) to provide a debt and energy advice service as part of our 'Money in the Community' partnership with Money A+E. This service spans Tower Hamlets, Hackney and Islington and has supported over 200 clients to date.

We were also delighted to launch an innovative finance, benefit and debt advice service funded by London Community Rehabilitation Company for young adults supported by probation services. Each service user received a tailored support package produced by an FMA adviser to assist them in their journey to resettlement into the community. Our advisers also worked alongside each client's Offending Manager to help them maintain their progress, ensuring they have the aftercare support necessary to take control over their finances and continue their resettlement into the community. Over 70 clients were supported through this service and FMA will explore ways in which it can expand its services to these client groups in the future.

Educational and capability services

Due to the increased immediacy of client need and the social distancing measures in effect due to the pandemic, we took a decision to focus our services and resources on the emergency response needs of communities – thus suspending our group financial capability services and focusing instead on one-to-one coaching and embedding our ‘skill-pill’ approach within the advice process.

Understandably, many FMA clients have not had the bandwidth to engage with standalone education services. As such, our education and capability services have focused on producing timely and easy to follow updates on the support available and changes that affect our clients and their families.

FMA has also been exploring digital tools that will enable FMA to deliver education and capability services that are relevant to our client needs in bite-size ways. To this end, FMA has been working with FinTech partners such as Elifinty to explore a potential partnership.

FMA continued to develop its strategic brand and positioning. This year FMA was the winner of The Finance Lab’s / Teamspirit ‘For the Better Award’. This award provided FMA with £10,000 of pro-bono communications and PR support. FMA worked with Teamspirit over the past year to amplify our work, and increase FMA’s visibility with clients, stakeholders and the wider public. A key aim of this work has also been to change the narrative around debt and start to remove stigma by encouraging people to talk about their experiences.

Finally, in line with one of our strategic objectives, a particular focus this year has been to widen and embed our partnership work to strengthen the response to our communities and provide a voice for excluded communities. Our work with the London Child Poverty Alliance (LCPA) has included campaigns to maintain the rent eviction pause and to maintain the £20 Universal Credit uplift.

We have also worked closely with a number of stakeholders, including local and central government departments to ensure the impact of Covid-19 on BAME/DEC and financially excluded communities is minimised and responses are relevant and culturally appropriate.

Report of the Board of Trustees Year to 31 March 2021

FMA is a member of the Department for Digital, Media, Culture and Sport (DCMS) BAME Stakeholder Group convened by Baroness Diana Baran, the Minister for Civil Society and is also a member of the BAME VCSE taskforce convened by Clair Dove, VCSE Crown Representative at the Cabinet Office.

In March 2021, our Managing Director was appointed to the VCSE Crown Representative Advisory Panel, which brings together key stakeholders from the VCSE sector to facilitate discussions regarding the general state of the sector, and what government is working on regarding procurement, funding, and spending. The panel is chaired by Clair Dove, VCSE Crown Representative.

During the year, FMA was also able to contribute to the Money Advice and Pensions Service (MaPS) UK Strategy for Financial Wellbeing. Our Managing Director was a member of the Credit Counts: Affordable Credit Challenge Group. Challenge groups, brought together a cross-sector group of specialists to help set milestones for the ten-year journey towards better financial wellbeing. This work began at the onset of the Covid-19 crisis, and as well as addressing the key strategic financial priorities for the UK, the Challenge Groups also were tasked with the initial rapid-response to the crisis for the sector.

Financial review

FMA reported Net income of £50k for the year ended 31 March 2021 (2020: £20k) and the Charity ended the year with unrestricted funds of £205k (2020: £155k). Details of the Charity's reserves are given in the Reserves policy section below.

Incoming resources

The Charity's total income for the year was £373k (2020: £309k). In the year, the Charity continued to receive income from Money and Pensions Service (£206k), Hackney Council (£51k) and JPM Chase Foundation (£4k) as well as receiving income from several new sources including British Gas Energy Trust (£60k), London Community Rehabilitation Company (£33k), London Community Foundation (£15k) and We Are Digital (£4k).

Resources expended

The Charity's total expenditure increased by 11% to £323k (2020: £289k) in line with an increased level charitable activity and an increase in staff to deliver the service.

Investment policy

The Board of Trustees consider the most appropriate investment policy is for surplus funds to be held on bank deposit.

Report of the Board of Trustees Year to 31 March 2021

Financial risk

A single funder provided 55% of income in the year ended 31 March 2021 (2020: 80%). This funder has confirmed the renewal of this income for 12 months, giving good sighting of income in the year ahead, and the Charity was able to increase the number of funders it worked with in the year. However, total loss or significant reduction of such funding on the biggest contract is the biggest threat to FMA. The Charity will continue to develop its fundraising capability and identify new streams of income.

FMA is dependent on East End Fair Finance Limited ('EEFF') for most of its operational functions including Finance, HR and IT. The trustees of FMA believe that losing the provision of operational functions would be manageable but have cost implications in the short term. The dependency on another company to provide operational functions is a risk that the trustees of FMA needs to manage on an ongoing basis.

The Board of Trustees has considered these risks in developing its reserves policy.

Reserves policy

The Charity holds reserves to enable it to continue activities and manage the negative impact on beneficiaries and staff should funding drop significantly. The Board of Trustees believe that it is appropriate for the charity to hold reserves of between three and six months of forecast expenditure.

The Board of Trustees review the reserve policy and the risks the Charity faces regularly, and at least annually. The Board of Trustees reviews the Charity's actual and forecast reserve level at least every quarter and where they differ from its policy, they agree what steps are needed to take to bring the amount of reserves it holds into line.

The Charity's unrestricted funds at 31 March 2021 were £205k (2020: £155k). This represented almost six months of forecast expenditure. The Board of Trustees is satisfied that the reserves held are sufficient and appropriate.

Organisational structure

Fair Money Advice is an independent charity associated with the social enterprise East End Fair Finance Limited ("EEFF"). It was established to help deliver the mission of the Group in relation to financial inclusion and financial wellbeing.

The Charity has a Board of Trustees who meet up to four times a year and are responsible for the strategic direction and policy of the Charity. At present the Board of Trustees has three independent members from a variety of professional backgrounds relevant to the work of the Charity including the CEO of the Fair Finance Group. The Chair of the Charity also attends

Report of the Board of Trustees Year to 31 March 2021

EEFF Board meetings. The Secretary, who is the Charity's Managing Director, also attends Board Meetings but has no voting rights. Selection of a permanent Chair is underway.

Day to day responsibilities for the provision of FMA services rest with the Managing Director, along with the Services Manager and Technical Supervisor. The Managing Director is responsible for ensuring that the Charity delivers the services specified and that key performance indicators are met. The Services Manager has responsibility for the day-to-day operational management of the services, individual supervision of the staff team and also ensuring that the team continue to develop their skills and working practices in line with best practice.

The staff of the Charity have employment contracts with EEFF and are seconded to FMA, as such remain accountable to Group policies where relevant. In addition, FMA benefits from a number of shared services (HR, Finance, payroll, IT support, technology systems, physical space, access to branches). These services are reviewed annually by the Board of Trustees in terms of costs to ensure best value for the Charity by the Board of Trustees.

Responsibilities of the Board of Trustees

The Board of Trustees of the Charity (who are also the Directors of Fair Money Advice for the purposes of company law) are responsible for preparing the Trustees; Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Directors to prepare financial statements for each financial year which give a true and fair view of the state of the affairs of the Charity and of its income and expenditure for that period. In preparing these financial statements, the Board of Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and 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; and
- prepare the financial statements on the going concern basis unless it is not appropriate to assume that the Charity will continue on that basis.

The Board of Trustees is responsible for maintaining proper accounting records which disclose with reasonable accuracy at any time the financial position of the Charity and to enable them to ensure that the financial statements comply with the Companies Act 2006. The Board of Trustees is also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Report of the Board of Trustees Year to 31 March 2021

Impact of COVID-19

The Board of Trustees continue to monitor the impact of the current Pandemic on the Charity's operations, with a particular focus on its effect on the Charity's clients, suppliers, funders and employees. The income stream of the Charity remains stable with 55% of current funding coming from the government funding from the Money and Pensions Service (MaPS). The Charity has also been able to engage new funders and secure new partnerships as result of its response to the crisis, and whilst the full impact of the COVID-19 situation cannot be accurately predicted, and it is not possible to assess all possible future implications for the organisation, the Board of Trustees believes that due to the renewal of funding for at least 12 months by MaPS, and the increase in new funding relationships, FMA is in a stable position and can be considered a going concern.

This report has been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the FRS 102 and in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small entities.

Approved by the Management Committee on 22 June 2021 and signed on its behalf by:

Amanda Scott, FMA Board

Independent auditor's report Year to 31 March 2021

Independent auditor's report to the members of Fair Money Advice

Opinion

We have audited the financial statements of Fair Money Advice ('the Charity') for the year ended 31 March 2021 which comprise the Statement of financial activities, the balance sheet and notes to the financial statements, including 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).

In our opinion, the financial statements:

- give a true and fair view of the state of the Charity's affairs as at 31 March 2021 and of its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- 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 Charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council'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 trustees' 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 related to events or condition that, individually or collectively, may cast significant doubt on the Charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Independent auditor's report Year to 31 March 2021

Other information

The other information comprises the information included in the Annual report other than the financial statements and our Auditor's report thereon. The trustees are responsible for the other information contained within the Annual report. Our opinion on the financial statements does not cover the other information and 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.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the directors' report for the financial year for which financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In light of the knowledge and understanding of the Charity 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 Companies Act 2006 required us to report to you if, in our opinion:

- adequate 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; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

Independent auditor's report Year to 31 March 2021

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the trustees 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 the trustees 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 trustees are responsible for assessing the Charity'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 trustees either intend to liquidate the Charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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 responsibilities, outline 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.

How the audit was considered capable of detecting irregularities including fraud

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the Senior Statutory Auditor ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations, including knowledge specific to auditing charitable companies;
- we made enquiries of management as to where they considered there was susceptibility to fraud, and their knowledge of actual, suspected and alleged fraud;

Independent auditor's report Year to 31 March 2021

- we identified the laws and regulations that could reasonably be expected to have a material effect on the financial statements of the Charity through discussions with trustees and other management at the planning stage, and from our knowledge and experience of charities;
- the audit team held a discussion to identify any particular areas that were considered to be susceptible to misstatement, including with respect to fraud and non-compliance with laws and regulations; we considered the impact of COVID-19 on the Charity and its internal controls;
- we focused our planned audit work on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the Charity including the Charities Act 2011, Companies Act 2006 and employment legislation; and
- we considered the impact of Brexit on the Charity and the laws and regulations above.

We assessed the extent of compliance with the laws and regulations identified above through:

- making enquiries of management;
- inspecting legal expenditure and correspondence throughout the year for any potential litigation or claims; and
- considering the internal controls in place that are designed to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- determined the susceptibility of the Charity to management override of controls by checking the implementation of controls and enquiring of individuals involved in the financial reporting process, taking into account the impact of COVID-19 on controls during the year;
- reviewed journal entries throughout the year to identify unusual transactions ;
- performed analytical procedures to identify any large, unusual or unexpected transactions and investigated any large variances from the prior year;
- reviewed accounting estimates and evaluated where judgements or decisions made by management indicated bias on the part of the Charity's management;
- tested the completeness of revenue by grant agreements between the Charity and its donors and investigated any material variances to expectations; and

Independent auditor's report Year to 31 March 2021

- carried out substantive testing to check the occurrence and cut-off of expenditure.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included:

- agreeing financial statement disclosures to underlying supporting documentation;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with HMRC and the Charity's legal advisors.

There are inherent limitations in our audit procedures described above. Irregularities that result from fraud might be inherently more difficult to detect than irregularities that result from error as they may involve deliberate concealment or collusion. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the trustees and other management and the inspection of regulatory and legal correspondence, if any.

A further description of our responsibilities is available on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditor's report.

Use of our report

This report is made solely to the Charity's trustees, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Charity's trustees 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 Charity and the Charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Peter Chapman (Senior Statutory Auditor)
For and on behalf of Buzzacott LLP, Statutory Auditor
130 Wood Street
London
EC2V 6DL

Date: 22 June 2021

Statement of financial activities Year to 31 March 2021

	Notes	Total funds 2021 £	Total funds 2020 £
Income from:			
Donations and legacies	1	200	28,100
Charitable activities			
. Grants		372,796	280,824
Total income		372,996	308,924
Expenditure on:			
Charitable activities	2	323,398	289,219
Total expenditure		323,398	289,219
Net income (expenditure) and net movement in funds		49,598	19,704
Total funds at 1 April 2020		155,014	135,310
Total funds at 31 March 2021	9	204,612	155,014

The notes on pages 18 to 22 form part of these accounts.

All of the Charity's activities derived from continuing operations during the above financial periods.

The Charity has no recognised gains and losses other than those shown above.

Balance sheet at 31 March 2021

	Notes	2021 £	2021 £	2020 £	2020 £
Current assets					
Debtors	6	51,646		15,620	
Cash at bank and in hand	8	230,604		139,394	
		<u>282,250</u>		<u>155,014</u>	
Creditors					
Amounts falling due within one year	7	(77,638)		-	
			<u>204,612</u>		<u>155,014</u>
Total net assets					
The funds of the charity:					
Unrestricted funds					
. General funds	9		<u>204,612</u>		<u>155,014</u>
			<u>204,612</u>		<u>155,014</u>

The accounts are prepared in accordance with the special provision of part 15 of Companies Act 2006 relating to small entities and with the provisions of FRS 102 section 1A – small entities.

Approved by the Board of Directors:

Amanda Scott

Trustee

Date: 22 June 2021

Company No. 07205478

The notes on pages 18 to 22 form part of these accounts.

Notes to the accounts Year to 31 March 2021

1. General information

The Charity is a company limited by guarantee and incorporated in England and Wales. Its registered office is 18 Ashwin Street, London, E8 3DL.

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the accounts are laid out below.

2. Accounting policies

2.1 Basis of preparation

These financial statements have been prepared for the year to 31 March 2021.

The financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant accounting policies below or the notes to these financial statements.

The accounts have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) (Charities SORP FRS 102) issued on 2 October 2019,

The financial statements are presented in sterling and are rounded to the nearest pound.

2.2 Assessment of going concern

The Management Committee have assessed whether the use of the going concern basis is appropriate in preparing Fair Money Advice's (FMA) financial statements in respect to a period of one year from the date of approval of these accounts; and that have concluded that there are no material uncertainties that cast significant doubt about the ability of FMA to continue as a going concern have been identified.

2.3 Income recognition

Donations are recognised in the year they are received.

Grants, where entitlement is not conditional on the delivery of a specific performance by the Charity, are recognised when the Charity becomes unconditionally entitled to the grant.

Grants, where the entitlement is based upon performance conditions, are recognised as unrestricted income to the extent that the performance conditions have been met. Grant income received in advance of meeting performance conditions is deferred until conditions are met.

Consultancy income is recognised on an accruals basis.

2.4 Expenditure and its basis of allocation

All expenditure is dealt with on the accruals basis and includes value added tax where appropriate. Charitable expenditure comprises those costs incurred by the Charity in the delivery of its activities and services. It includes direct costs of activities and those costs of an indirect nature necessary to support those activities, allocated between expenditure categories on an appropriate basis as set out in note 2.

Governance costs are those costs associated with meeting the constitutional and statutory requirements of the Charity and include the audit fees and costs linked to the strategic management of the Charity.

2.5 Fund accounting

Funds held by the Charity are either:

- ◆ Unrestricted general funds – these are funds which can be used in accordance with the charitable objects at the discretion of the Management Committee; or
- ◆ Restricted funds – these are funds which can only be used for specific purposes. Restricted funds provide reassurance to donors that their contributions will be used in a manner they have chosen.

2.6 Debtors

Debtors are recognised at their settlement amount, less any provision for non-recoverability. Prepayments are valued at the amount prepaid. They have been discounted to the present value of the future cash receipt where such discounting is material.

2.7 Cash at bank and in hand

Cash at bank and in hand represents such accounts and instruments that are available on demand or have a maturity of less than three months from the date of acquisition. Deposits for more than three months but less than one year have been disclosed as short term deposits. Cash placed on deposit for more than one year is disclosed as a fixed asset investment.

2.8 Creditors and provisions

Creditors and provisions are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Creditors and provisions are recognised at the amount the Charity anticipates it will pay to settle the debt. They have been discounted to the present value of the future cash payment where such discounting is material.

Notes to the accounts Year to 31 March 2021

3 Income

	Total 2021 £	Total 2020 £
Donations and legacies		
General donations	200	28,100
Charitable activities		
Grants receivable		
. Money and Pensions Service (Toynbee Hall)	205,560	248,306
. British Gas Energy Fund	60,251	-
. Hackney Council	51,200	28,600
. London Community Rehabilitation Company	33,333	-
. London Community Foundation	15,486	-
. JP Morgan Chase Foundation	3,679	3,918
. We Are Digital	3,488	-
Total income	372,996	308,924

4 Expenditure

	Programme delivery costs £	Support costs		Total 2021 £	Total 2020 £
		Other support costs £	Governance costs £		
Staff costs	243,274	1,058		244,332	174,756
Rent, rates, maintenance and other property costs		16,868		16,868	20,108
General office expenses		63,944		63,944	86,567
Website and marketing		1,429		1,429	1,646
Legal and professional		725		725	1,042
Audit fees			(3,900)	(3,900)	5,100
2021 Total funds	243,274	84,024	(3,900)	323,398	289,219

Notes to the accounts Year to 31 March 2021

5 Staff costs

	2021 £	2020 £
Gross wages	217,605	156,658
Employers NI (Social Security)	20,874	15,850
Employer's pension	4,795	1,893
	<u>243,274</u>	<u>174,302</u>

b) There were no employees during the current year whose emoluments amounted to over £60,000 (2020: none).

c) No emoluments or expenses were paid to the trustee directors during the year (2020: £nil).

d) The average weekly number of employees employed by the company, during the year was:

	2021 No.	2020 No.
Service delivery	8	5

6 Governance costs

	2021 £	2020 £
Audit and accountancy fees	(3,900)	5,100

7 Taxation

The company is a registered charity and consequently no corporation tax has been provided for.

Notes to the accounts Year to 31 March 2021

8 Debtors

	2021 £	2020 £
Trade debtors	5,556	14,480
Accrued income	46,091	-
Loan with East End Fair Finance Limited	-	1,140
	51,647	15,620

9 Creditors

	2021 £	2020 £
Loan with East End Fair Finance Limited	64,638	-
Deferred income	13,000	-
	77,638	-

10 Bank

	2021 £	2020 £
Cash at bank	230,604	139,394

11 Reserves

	At 1 April 2020 £	Income £	Expenditure £	At 31 March 2021 £
Unrestricted funds				
General reserve	155,014	372,996	(323,398)	204,612