

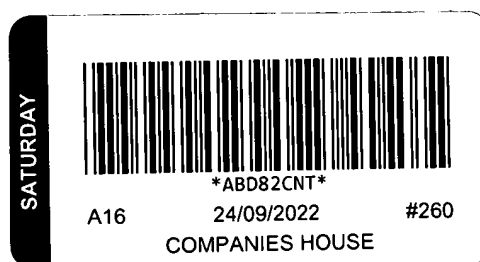
Registered number: 08991099
Charity number: 1161809 & SC046556

FAIR CREDIT CHARITY LTD
(FORMERLY KNOWN AS FAIR FOR YOU LIMITED)

(A COMPANY LIMITED BY GUARANTEE)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021



**FAIR CREDIT CHARITY LTD
(A COMPANY LIMITED BY GUARANTEE)**

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**FAIR CREDIT CHARITY LTD
(A COMPANY LIMITED BY GUARANTEE)**

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 DECEMBER 2021**

Trustees	J Bonehill (appointed 1 January 2021) A Claytor (resigned 4 July 2022) A Dodds S Dukes (appointed 1 October 2021) T Levitt L Melvin
Company registered number	08991099
Charity registered number and Scottish Charity registered number	1161809 & SC046556
Registered office	Unit 8 Elm Court Meriden Business Park Copse Drive Coventry CV5 9RG
Company secretary	C Bennett
Chief executive officer	S Dukes (appointed 1 October 2021)
Independent auditors	Bishop Fleming LLP Chartered Accountants 1-3 College Yard Worcester WR1 2LB

**FAIR CREDIT CHARITY LTD
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2021**

The Trustees present their Annual report together with the audited financial statements of the Charity for the 1 January 2021 to 31 December 2021. The Annual report serves the purposes of both a Trustees' report and a directors' report under company law. The Trustees confirm that the Annual report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

Since the group and the Charity qualify as small under section 383 of the Companies Act 2006, the Group strategic report required of medium and large companies under the Companies Act 2006 (Strategic report and Directors' report) Regulations 2013 has been omitted.

During 2021 the Charity made the decision to change its name and we are delighted to report that The Fair Credit Charity (Charity no. 1161809) is the new name for Fair for You Limited. The Charity was originally set-up in 2015, and at the time was also called Fair for You in line with its subsidiary, the CIC. But as the Charity and the CIC grow, to reduce confusion, it has now been decided to change the Charity's name and to give it a broader role. In addition to overseeing the activities of the CIC, the charity will also seek to influence how the financial sector lends to lower-income individuals as well as lobbying for greater recognition of the impacts of high-interest and predatory lending and the poverty premium.

The change coincides with another milestone in our history with the appointment of Simon Dukes as Chief Executive of both the Charity and the CIC. Simon was appointed with the explicit brief of leading both arms of the organisation and we look forward to the coming year accordingly.

During 2021 we welcomed Jill Bonehill as a fifth member of the charity board of trustees. We amended our constitution to allow board members to serve a third term and two board members subsequently chose to avail themselves of the opportunity, which was welcome.

We continue to appreciate the support that friends, trustees, board members, staff and investors have given to the charity. During 2021 we will be rebuilding old networks, which have perhaps become deprioritised in the past, not least because of the pandemic, and building new ones. We have natural affinity with other charities, government, local government and housing associations and by working with them we will maximise the potential for growing our impact.

Objectives and activities

a. Policies and objectives

The principal objects of Fair Credit Charity Ltd (the Charity) are for the public benefit to:

1. Advance education in relation to money and debt management;
2. Relieve financial hardship and distress; and
3. Prevent and relieve poverty;

Including without limitation through the advancement, provision and facilitation of affordable sources of credit and other financial services to individuals in low income households, with a view to enabling such persons to rent and/or own basic goods for the home and other everyday purposes with a view to preventing such persons from falling prey to unscrupulous or usurious providers of credit.

b. Strategies for achieving objectives

The Trustees believe that credit specifically aimed at lower income households needs to be highly visible, highly flexible, with a holistic and supportive service delivered with a high level of care.

**FAIR CREDIT CHARITY LTD
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021**

Objectives and activities (CONTINUED)

c. Activities undertaken to achieve objectives

The Charity established a not for profit subsidiary, Fair for You Enterprise CIC (the CIC), which commenced trading in late 2015. The subsidiary's objective is to deliver the lending solution that meets the modern borrowing needs identified by the Charity.

The Charity is committed to quality and informed, independent social impact reporting on the effects of high cost credit on low income households.

Achievements and performance

a. Key performance indicators

The Group has in the period ending 31 December 2021 showed a consolidated movement in funds of £295,919 (2020: £2,538,508). At 31 December 2021, the Group had consolidated reserves of £1,969,905 (2020: £1,673,986). These results include the results of the trading subsidiary, Fair for You Enterprise CIC.

b. Review of activities

The Charity continues to seek research partners to advance the needs of the demographic that we seek to serve.

The Charity has provided oversight and monitored the governance and development of the subsidiary lending organisation.

The Charity Trustees have ensured that at all time a suitably skilled and engaged board have been in evidence and monitored the risk management, funding strategy and business plan delivery.

Further it has overseen the expansion of the senior management team and investment in infrastructure.

The established niche lending business and brand has been expanded and grown throughout 2020, which has been welcomed by the demographic the Charity seeks to serve. The business is actively looking at funding lines with a view to further growth and scale.

c. Investment policy and performance

The investment in Fair For You Enterprise CIC may see a future return to the Charity once the business is fully established and sustainable. At this time, only costs are being covered by the subsidiary and no return for the investment is sought.

d. Refinancing

During 2020 Fair For You secured transformational funding for the business via Fair4All Finance. As part of the deal Fair For You refinanced £1.35m of its initial unsecured and secured investment from founding Trusts and Foundations into a new bond instrument. Fair For You also restructured its £1.15m existing bond into this new instrument as well. The new bond is redeemable at the sole discretion of Fair For You. Interest is payable to the Bondholder of base +3% annually.

Within the financial statements of Fair Credit Charity Ltd, the equity element has been treated as "other income" in the unrestricted funds, in line with SORP 24.25.

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021**

Financial review

a. Going concern

After making appropriate enquiries, the Trustees have a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in accounting policy note 2.3.

COVID-19

Following the outbreak of COVID-19 in early 2020, the Group reacted quickly, investing in the necessary equipment to allow all of our staff to safely and securely work from home. We followed key guidance issued by the FCA, specifically around the provision of forbearance and financial relief. Our customers remained our focus throughout; we worked hard to ensure that we were meeting our customer service SLAs given the high level of anxiety and uncertainty that our customers were experiencing. Given our pre-existing collections policy where we focus on understanding and supporting our customers we were well placed to manage the provisioning impact of the pandemic. The CIC received £26.5k in grants to enable the purchase of key equipment and software to enable effective home working. We also received £100k in grants to support front line services where we saw volumes increase significantly as a result of high customer uncertainty and anxiety; delivering forbearance and financial relief to our most vulnerable customers as well as significant investment in our staff in the guise of training, benefits and wellness support.

b. Material investments policy

The Charity has invested in its wholly owned subsidiary without return or short term expectation of return.

The Trustees believe considerable value is being created in the brand and development of a unique lending organisation that addresses the needs of its customers.

In the long term, when it is a viable mainstream competitor to high cost credit, we will establish a suitable mechanism for a return that will allow the charity to extend its mission.

Structure, governance and management

a. Constitution

The Charity and the Group is constituted under a Trust deed and is a registered charity, under charity number 1161809 (England and Wales) & SC046556 (Scotland).

b. Methods of appointment or election of Trustees

Trustees are appointed for a term of 3 years. Previously, the Trustees were appointed for 2 to 4 years in order to facilitate an orderly succession from year 2. Trustees are expected to complete suitable training and induction.

c. Organisational structure and decision-making policies

The Charity has a Trustee Board which meets every three months and the Trustees confirm that the interests of the charity are paramount to their decisions taken. The Board has established 2 committees as follows:

1. Fundraising and marketing committee: to ensure the Charity has sufficient funding to carry out its work and objectives;
2. Oversight committee: to oversee the subsidiary, Fair for You Enterprise CIC.

**FAIR CREDIT CHARITY LTD
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021**

Structure, governance and management (CONTINUED)

d. Financial risk management

The Trustees have assessed the major risks to which the Charity and the Group are exposed, in particular those related to the operations and finances of the Charity and the Group, and are satisfied that systems and procedures are in place to mitigate our exposure to the major risks.

Plans for future periods

The Charity is currently actively seeking research partners to advance the needs of the lower income households we serve; likely activities at this time are predominantly further social impact reporting.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees (who are also the directors of the Charity for the purposes of company law) are responsible for preparing the Trustees' 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 Trustees to prepare financial statements for each financial year. Under company law, the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and the Charity and of their incoming resources and application of resources, including their income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Group and the Charity's transactions and disclose with reasonable accuracy at any time the financial position of the Group and the Charity and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Group and the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of information to auditors

Each of the persons who are Trustees at the time when this Trustees' report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charitable group's auditors are unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charitable group's auditors are aware of that information.

Auditors

The auditors, Bishop Fleming LLP, have indicated their willingness to continue in office. The designated Trustees will propose a motion reappointing the auditors at a meeting of the Trustees.

FAIR CREDIT CHARITY LTD
(A COMPANY LIMITED BY GUARANTEE)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021

Approved by order of the members of the board of Trustees and signed on their behalf by:



T Levitt
Trustee

Date: 13th September 2021

**FAIR CREDIT CHARITY LTD
(A COMPANY LIMITED BY GUARANTEE)**

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF FAIR CREDIT CHARITY LTD

OPINION

We have audited the financial statements of Fair Credit Charity Ltd (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 December 2021 which comprise the Consolidated statement of financial activities, the Consolidated balance sheet, the Charity balance sheet, the Consolidated statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and of the parent charitable company's affairs as at 31 December 2021 and of the Group's incoming resources and application of resources, including 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 and the Charities Act 2011.

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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Group 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 relating to events or conditions that, individually or collectively, may cast significant doubt on the Group's or the parent charitable company'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 AUDITORS' REPORT TO THE MEMBERS OF FAIR CREDIT CHARITY LTD (CONTINUED)

OTHER INFORMATION

The other information comprises the information included in the Annual report other than the financial statements and our Auditors' 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, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

OPINION 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 for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' report has been prepared in accordance with applicable legal requirements.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

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

We have nothing to report in respect of the following matters in relation to which Companies Act 2006 requires us to report to you if, in our opinion:

- the parent charitable company has not kept adequate and sufficient accounting records, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company 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 Trustees' report and from the requirement to prepare a Strategic report.

RESPONSIBILITIES OF TRUSTEES

As explained more fully in the Trustees' responsibilities statement, the Trustees (who are also the directors of the charitable company for the purposes of company law) 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 Group's and the parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the Group or the parent charitable company or to cease operations, or have no realistic alternative but to do so.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF FAIR CREDIT CHARITY LTD (CONTINUED)

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

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

Our procedures surrounding the identification and assessment of risks of material misstatement in relation to irregularities, including fraud and non-compliance with laws and regulations, included the following:

- considering the nature of the entity and its environment, internal control environment, and business performance.
- considering the results of our enquiries of management about their own identification and assessment of the risk of irregularities.
- obtaining and reviewing, for any matters identified, the charitable company's documentation of their policies and procedures relating to:
 - the identification, evaluation, and compliance with laws and regulations, and whether management were aware of any instances of non-compliance within the year;
 - the detection and response to the risk of fraud, and whether management have knowledge of actual, suspected, or alleged fraud; and
 - the internal controls established to mitigate the risks of fraud or non-compliance with laws and regulations.
- discussing amongst the audit engagement team, including internal tax specialists, regarding how and where fraud might occur in the financial statements and potential indicators of fraud. As a result of these procedures, we considered the opportunities and incentives that may exist within the organisation for fraud and identified the greatest potential for fraud in the completeness of revenue recognition and management override of controls. In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to these identified risks.
- obtaining an understanding of the legal and regulatory frameworks that the charitable company operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. The key laws and regulations we considered in this context included the Companies Act 2006, Charities Act 2011, and relevant tax legislation.
- considering provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which may be fundamental to the charitable company's ability to operate or to avoid a material penalty. These included data protection regulations, health and safety regulations, and employment legislation.

**FAIR CREDIT CHARITY LTD
(A COMPANY LIMITED BY GUARANTEE)**

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF FAIR CREDIT CHARITY LTD (CONTINUED)

Audit response to risks identified

Our procedures to respond to the risks identified included the following:

- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements.
- enquiring of management concerning actual and potential litigation claims.
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement or fraud.
- reading minutes of board meetings throughout the year.
- in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

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

USE OF OUR REPORT

This report is made solely to the charitable company's trustees, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, and to the charitable company's trustees, as a body, Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charitable company's trustees those matters we are required to state to them in an Auditors' 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 charitable company and its members, as a body, for our audit work, for this report, or for the opinions we have formed.



Andrew Wood FCCA (Senior statutory auditor)
for and on behalf of
Bishop Fleming LLP
Chartered Accountants
Statutory Auditors
1-3 College Yard
Worcester
WR1 2LB

Date: 22nd September 2022

FAIR CREDIT CHARITY LTD
(A COMPANY LIMITED BY GUARANTEE)

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND
EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 DECEMBER 2021**

	Note	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
INCOME FROM:				
Donations	4	97,083	97,083	2,350,000
Charitable activities	5	1,150	1,150	-
Other trading activities	6	4,360,215	4,360,215	4,075,442
Other income	7	536,643	536,643	531,210
TOTAL INCOME		4,995,091	4,995,091	6,956,652
EXPENDITURE ON:				
Raising funds for trading activities	8	4,696,135	4,696,135	4,420,015
Charitable activities	9	3,037	3,037	(1,871)
TOTAL EXPENDITURE		4,699,172	4,699,172	4,418,144
NET MOVEMENT IN FUNDS		295,919	295,919	2,538,508
RECONCILIATION OF FUNDS:				
Total funds brought forward		1,673,986	1,673,986	(864,522)
Net movement in funds		295,919	295,919	2,538,508
TOTAL FUNDS CARRIED FORWARD		1,969,905	1,969,905	1,673,986

The notes on pages 14 to 31 form part of these financial statements.

FAIR CREDIT CHARITY LTD
(A COMPANY LIMITED BY GUARANTEE)
REGISTERED NUMBER:08991099

CONSOLIDATED BALANCE SHEET
AS AT 31 DECEMBER 2021

	Note	2021 £	2021 £	2020 £	2020 £
FIXED ASSETS					
Intangible assets	14		388,567		249,008
Tangible assets	15		37,329		41,249
			<u>425,896</u>		<u>290,257</u>
CURRENT ASSETS					
Debtors	16	7,670,186		7,475,154	
Cash at bank and in hand		990,417		588,743	
		<u>8,660,603</u>		<u>8,063,897</u>	
Creditors: amounts falling due within one year	17	(3,359,637)		(1,785,492)	
NET CURRENT ASSETS			<u>5,300,966</u>		<u>6,278,405</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>5,726,862</u>		<u>6,568,662</u>
Creditors: amounts falling due after more than one year	18		(3,756,957)		(4,894,676)
TOTAL NET ASSETS			<u><u>1,969,905</u></u>		<u><u>1,673,986</u></u>
GROUP FUNDS					
Restricted funds	19		-		-
Unrestricted funds	19		1,969,905		1,673,986
TOTAL FUNDS			<u><u>1,969,905</u></u>		<u><u>1,673,986</u></u>

The Charity was entitled to exemption from audit under section 477 of the Companies Act 2006.

The members have not required the entity to obtain an audit for the year in question in accordance with section 476 of the Companies Act 2006. However, an audit is required in accordance with section 151 of the Charities Act 2011.

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

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

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:

T Levitt
Trustee

Date:

31st September 2021

The notes on pages 14 to 31 form part of these financial statements.

FAIR CREDIT CHARITY LTD
(A COMPANY LIMITED BY GUARANTEE)
REGISTERED NUMBER:08991099

CHARITY STATEMENT OF FINANCIAL POSITION
FOR THE YEAR ENDED 31 DECEMBER 2021

	Note	2021 £	2021 £	2020 £	2020 £
CURRENT ASSETS					
Debtors	16	3,623		1,093	
Cash at bank and in hand		10,110		9,157	
		<u>13,733</u>		<u>10,250</u>	
Creditors: amounts falling due within one year	17	(5,090)		(2,570)	
NET CURRENT ASSETS			8,643		7,680
TOTAL NET ASSETS			8,643		7,680
CHARITY FUNDS					
Restricted funds	19	-		-	
Unrestricted funds	19	8,643		7,680	
TOTAL FUNDS			8,643		7,680

The Charity's net movement in funds for the year was £963 (2020 - £4,956).

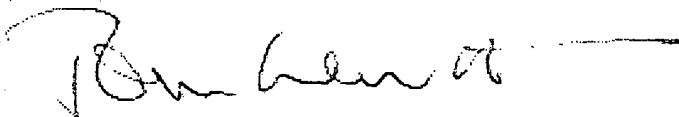
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The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

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

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:



T Levitt
Trustee

Date: 13th September 2021

The notes on pages 14 to 31 form part of these financial statements.

**FAIR CREDIT CHARITY LTD
(A COMPANY LIMITED BY GUARANTEE)**

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

1. GENERAL INFORMATION

Fair Credit Charity Ltd (formerly known as Fair For You Limited) is a registered charitable company limited by guarantee incorporated in England and Wales. The registered office is Unit 8, Elm Court, Meriden Business Park, Copse Drive, Coventry, CV5 9RG.

2. ACCOUNTING POLICIES

2.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements 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 2015), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Fair Credit Charity Ltd meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

The Consolidated statement of financial activities (SOFA) and Consolidated balance sheet consolidate the financial statements of the Group and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis.

The Group has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of financial activities in these financial statements.

2.2 COMPANY STATUS

The Charity is a charitable company limited by guarantee. The members of the Charity are the Trustees named on page 1. In the event of the Charity being wound up, the liability in respect of the guarantee is limited to £10 per member of the Charity.

2.3 GOING CONCERN

The accounts have been drawn up on the going concern basis as the Trustees' are of the opinion that the charity will continue in operational existence for the foreseeable future.

The consolidated financial statements include the results of Fair For You Enterprise CIC, a trading subsidiary. A separate review of going concern has been undertaken by the Directors of Fair For You Enterprise, and the Directors have taken steps to ensure that the CIC can continue to meet its obligations as they fall due, by undertaking a reorganisation of their loan funding in order to lessen the burden of repayment in future periods.

**FAIR CREDIT CHARITY LTD
(A COMPANY LIMITED BY GUARANTEE)**

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

2. ACCOUNTING POLICIES (continued)

2.4 INCOME

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

Loan interest receivable on loans to clients is recognised using the effective interest method, and is calculated and accrued on a daily basis.

Commissions receivable arise in connection with a specific transaction and income relating to individual transactions is recognised when the transaction is completed.

Grants are included in the Consolidated statement of financial activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

**FAIR CREDIT CHARITY LTD
(A COMPANY LIMITED BY GUARANTEE)**

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

2. ACCOUNTING POLICIES (continued)

2.5 EXPENDITURE

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

Fundraising costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities. Support costs are those costs incurred directly in support of expenditure on the objects of the Charity and include project management carried out at Headquarters.

Costs of generating funds are costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds.

Charitable activities and Governance costs are costs incurred on the Charity's educational operations, including support costs and costs relating to the governance of the Charity apportioned to charitable activities. All expenditure is accounted for on an accruals basis.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Group's objectives, as well as any associated support costs.

2.6 BASIS OF CONSOLIDATION

The financial statements consolidate the accounts of Fair Credit Charity Ltd and all of its subsidiary undertakings ('subsidiaries').

The Charity has taken advantage of the exemption contained within section 408 of the Companies Act 2006 not to present its own Income and expenditure account.

The net movement in funds for the year dealt with in the accounts of the Charity was £963 (2020: £(4,956)).

2.7 INTANGIBLE ASSETS AND AMORTISATION

The Group does not employ a specific capitalisation policy in relation to intangible assets. Intangible assets are recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably. Intangible assets are initially recognised at cost and are subsequently measured at cost net of amortisation and any provision for impairment.

Development costs represent the development of the original website and infrastructure, and development of bespoke lending systems.

The estimated useful lives are as follows:

Amortisation is provided on intangible fixed assets at rates calculated to write off the cost of each asset, less their estimated residual value, over their expected useful lives on the following bases:

Development expenditure	-	20 - 33% straight line
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

2. ACCOUNTING POLICIES (continued)

2.8 TANGIBLE FIXED ASSETS AND DEPRECIATION

The Group does not employ a specific capitalisation policy.

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the Statement of financial activities.

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment.

Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Fixtures and fittings	- 25% straight line
Office equipment	- 25% straight line
Computer equipment	- 25% straight line

2.9 DEBTORS

Short term debtors are measured at transaction price, less any impairment.

Loans to borrowers are financial assets with fixed or determinable payments. Loans are recognised when cash is advanced to borrowers and measured at amortised cost using the effective interest method. Loans are derecognised when the right to receive cash flows from the asset have expired, usually when all amounts outstanding have been repaid.

At each balance sheet date the Group assesses if there is objective evidence that any of its loans are impaired. Additionally, if during the course of the year, there is objective evidence that any individual loan is impaired, a specific loss will be recognised.

2.10 CASH AT BANK AND IN HAND

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

2.11 LIABILITIES AND PROVISIONS

Liabilities 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. Liabilities are recognised at the amount that the Group anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide. Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

**FAIR CREDIT CHARITY LTD
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

2. ACCOUNTING POLICIES (continued)

2.12 DEFERRED TAXATION

Full provision is made for deferred tax assets and liabilities arising from all timing differences between the recognition of gains and losses in the financial statements and recognition in the tax computation.

A net deferred tax asset is recognised only if it can be regarded as more likely than not that there will be suitable taxable surpluses from which the future reversal of the underlying timing differences can be deducted.

Deferred tax assets and liabilities are calculated at the tax rates expected to be effective at the time the timing differences are expected to reverse.

2.13 FINANCIAL INSTRUMENTS

The Group only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in the case of an out right short term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

2.14 PENSIONS

The Group operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Group to the fund in respect of the year.

2.15 FUND ACCOUNTING

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Group and which have not been designated for other purposes.

3. CRITICAL ACCOUNTING ESTIMATES AND AREAS OF JUDGEMENT

Preparation of the financial statements requires management to make significant judgements and estimates. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. There are no significant items in the financial statements where these judgements and estimates have been made.

FAIR CREDIT CHARITY LTD
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

4. INCOME FROM DONATIONS AND LEGACIES

	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Other income	97,083	97,083	2,350,000

5. INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Grant income	1,150	1,150	-

6. INCOME FROM OTHER TRADING ACTIVITIES

Income from non charitable trading activities

	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Sales	1,362,400	1,362,400	1,576,140
Trading income	2,997,815	2,997,815	2,499,302
	<u>4,360,215</u>	<u>4,360,215</u>	<u>4,075,442</u>
TOTAL 2020	<u>4,075,442</u>	<u>4,075,442</u>	

7. OTHER INCOMING RESOURCES

	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Other operating income	536,643	536,643	531,210

FAIR CREDIT CHARITY LTD
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

8. EXPENDITURE ON RAISING FUNDS

OTHER TRADING EXPENSES

	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Trading expenses	3,042,768	3,042,768	3,060,579
Staff costs	1,189,139	1,189,139	924,535
Depreciation and amortisation	126,831	126,831	62,328
Cost of sales	324,971	324,971	347,025
Administration expenses	5	5	12,063
Administration staff costs	12,421	12,421	13,485
	<u>4,696,135</u>	<u>4,696,135</u>	<u>4,420,015</u>
TOTAL 2020	<u>4,420,015</u>	<u>4,420,015</u>	

9. ANALYSIS OF EXPENDITURE ON CHARITABLE ACTIVITIES

Summary by fund type

	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Support costs	3,037	3,037	(1,871)
	<u>(1,871)</u>	<u>(1,871)</u>	
TOTAL 2020	<u>(1,871)</u>	<u>(1,871)</u>	

FAIR CREDIT CHARITY LTD
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

9. ANALYSIS OF EXPENDITURE ON CHARITABLE ACTIVITIES (CONTINUED)

Summary by expenditure type

	Depreciation 2021 £	Other costs 2021 £	Total funds 2021 £	Total funds 2020 £
Support costs	-	3,037	3,037	(1,871)
TOTAL 2020	158	(2,029)	(1,871)	

10. ANALYSIS OF EXPENDITURE BY ACTIVITIES

	Support costs 2021 £	Total funds 2021 £	Total funds 2020 £
Charitable activities	3,037	3,037	(1,871)
TOTAL 2020	(1,871)	(1,871)	

ANALYSIS OF SUPPORT COSTS

	Total funds 2021 £	Total funds 2020 £
Depreciation	-	158
Audit fees	2,520	(2,769)
Legal and professional	-	36
Insurance	470	626
General costs	47	78
	3,037	(1,871)

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

11. AUDITORS' REMUNERATION

	2021 £	2020 £
Fees payable to the Charity's auditor for the audit of the Charity's annual accounts	18,700	17,500
Fees payable to the Charity's auditor in respect of: All taxation advisory services not included above	1,650	1,600

12. STAFF COSTS

	Group 2021 £	Group 2020 £
Wages and salaries	1,002,287	792,588
Social security costs	113,547	89,721
Contribution to defined contribution pension schemes	85,726	55,711
	<u>1,201,560</u>	<u>938,020</u>

The average number of persons employed by the Charity during the year was as follows:

	Group 2021 No.	Group 2020 No.
Employees	36	27

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	Group 2021 No.	Group 2020 No.
In the band £60,001 - £70,000	-	1
In the band £70,001 - £80,000	-	1
In the band £80,001 - £90,000	1	-

13. TRUSTEES' REMUNERATION AND EXPENSES

During the year, no Trustees received any remuneration or other benefits (2020 - £NIL).

During the year ended 31 December 2021, no Trustee expenses have been incurred (2020 - £NIL).

**FAIR CREDIT CHARITY LTD
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

14. INTANGIBLE ASSETS

GROUP

	Development £
COST	
At 1 January 2021	386,883
Additions	250,653
At 31 December 2021	<u>637,536</u>
AMORTISATION	
At 1 January 2021	137,875
Charge for the year	111,094
At 31 December 2021	<u>248,969</u>
NET BOOK VALUE	
At 31 December 2021	<u>388,567</u>
At 31 December 2020	<u>249,008</u>

CHARITY

	Development £
COST	
At 1 January 2021	53,601
At 31 December 2021	<u>53,601</u>
AMORTISATION	
At 1 January 2021	53,601
At 31 December 2021	<u>53,601</u>
NET BOOK VALUE	
At 31 December 2021	<u>-</u>
At 31 December 2020	<u>-</u>

FAIR CREDIT CHARITY LTD
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

15. TANGIBLE FIXED ASSETS

GROUP

	Fixtures and fittings £	Office equipment £	Computer equipment £	Total £
COST OR VALUATION				
At 1 January 2021	53,047	6,103	17,243	76,393
Additions	11,817	-	-	11,817
At 31 December 2021	64,864	6,103	17,243	88,210
DEPRECIATION				
At 1 January 2021	11,798	6,103	17,243	35,144
Charge for the year	15,737	-	-	15,737
At 31 December 2021	27,535	6,103	17,243	50,881
NET BOOK VALUE				
At 31 December 2021	37,329	-	-	37,329
At 31 December 2020	41,249	-	-	41,249

FAIR CREDIT CHARITY LTD
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021.

15. TANGIBLE FIXED ASSETS (CONTINUED)

CHARITY

	Office equipment £	Computer equipment £	Total £
COST OR VALUATION			
At 1 January 2021	6,103	17,243	23,346
At 31 December 2021	6,103	17,243	23,346
DEPRECIATION			
At 1 January 2021	6,103	17,243	23,346
At 31 December 2021	6,103	17,243	23,346
NET BOOK VALUE			
At 31 December 2021	-	-	-
At 31 December 2020	-	-	-

FAIR CREDIT CHARITY LTD
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

16. DEBTORS

	Group 2021 £	Group 2020 £	Charity 2021 £	Charity 2020 £
DUE WITHIN ONE YEAR				
Trade debtors	250,279	279,149	-	-
Amounts owed by group undertakings	-	-	3,623	623
Other debtors	7,331,751	7,106,141	-	-
Prepayments and accrued income	88,156	89,864	-	470
	<u>7,670,186</u>	<u>7,475,154</u>	<u>3,623</u>	<u>1,093</u>

17. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group 2021 £	Group 2020 £	Charity 2021 £	Charity 2020 £
Bank loans	-	5,324	-	-
Other loans	1,745,960	250,000	-	-
Trade creditors	708,307	1,146,387	-	-
Other taxation and social security	136,993	199,422	-	-
Accruals and deferred income	768,377	184,359	5,090	2,570
	<u>3,359,637</u>	<u>1,785,492</u>	<u>5,090</u>	<u>2,570</u>

FAIR CREDIT CHARITY LTD
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

18. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	Group 2021 £	Group 2020 £
Bank loans	-	44,676
Other loans	3,756,957	4,850,000
	<u>3,756,957</u>	<u>4,894,676</u>

Included within the above are amounts falling due as follows:

	Group 2021 £	Group 2020 £
BETWEEN ONE AND TWO YEARS		
Bank loans	-	10,648
Other loans	3,756,957	4,350,000
	<u>3,756,957</u>	<u>4,350,000</u>
BETWEEN TWO AND FIVE YEARS		
Bank loans	-	31,945
Other loans	-	500,000
	<u>-</u>	<u>500,000</u>
OVER FIVE YEARS		
Bank loans	-	2,083
	<u>-</u>	<u>2,083</u>

Bank loans of £NIL (2020: £50,000) were unsecured, but were guaranteed by the UK Government.

Included within Other loans is £3,469,583 (2020: £4,100,000) of secured borrowings. Social Growth Fund LLP hold an unlimited debenture incorporating a fixed and floating charge over the undertaking and all property and assets present and future, including goodwill, book debts, uncalled capital, buildings, fixtures and fixed plant and machinery.

The remaining Other loans of £2,033,334 (2020: £1,000,000) are unsecured.

The effective interest rate on loan funding for the year ended 31 December 2021 was 8%.

FAIR CREDIT CHARITY LTD
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

19. STATEMENT OF FUNDS

STATEMENT OF FUNDS - CURRENT YEAR

	Balance at 1 January 2021 £	Income £	Expenditure £	Balance at 31 December 2021 £
UNRESTRICTED FUNDS				
General Funds - all funds	(1,826,014)	4,898,008	(4,699,172)	(1,627,178)
Other income	3,500,000	97,083	-	3,597,083
	<u>1,673,986</u>	<u>4,995,091</u>	<u>(4,699,172)</u>	<u>1,969,905</u>

Description of funds

General funds - accumulated surplus/deficits from the charitable and trading activities undertaken by the charitable company.

Other income - the brought forward funds represent previous debt held within Fair For You CIC which have been converted into equity by way of a perpetual bond. Under charity SORP 24.25, drawdowns of the perpetual bond have been treated as income in the unrestricted fund, given the purpose of the charitable company and CIC subsidiary are identical.

STATEMENT OF FUNDS - PRIOR YEAR

	Balance at 1 January 2019 (as restated) £	Income £	Expenditure £	Balance at 31 December 2020 £
UNRESTRICTED FUNDS				
General Funds - all funds	(2,014,522)	4,606,652	(4,418,144)	(1,826,014)
Other income	1,150,000	2,350,000	-	3,500,000
	<u>(864,522)</u>	<u>6,956,652</u>	<u>(4,418,144)</u>	<u>1,673,986</u>

FAIR CREDIT CHARITY LTD
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

20. SUMMARY OF FUNDS

SUMMARY OF FUNDS - CURRENT YEAR

	Balance at 1 January 2021 £	Income £	Expenditure £	Balance at 31 December 2021 £
General funds	1,673,986	4,995,091	(4,699,172)	1,969,905

SUMMARY OF FUNDS - PRIOR YEAR

	Balance at 1 January 2020 £	Income £	Expenditure £	Balance at 31 December 2020 £
General funds	(864,522)	6,956,652	(4,418,144)	1,673,986

21. ANALYSIS OF NET ASSETS BETWEEN FUNDS

ANALYSIS OF NET ASSETS BETWEEN FUNDS - CURRENT YEAR

	Unrestricted funds 2021 £	Total funds 2021 £
Tangible fixed assets	37,329	37,329
Intangible fixed assets	388,567	388,567
Current assets	8,660,603	8,660,603
Creditors due within one year	(3,359,637)	(3,359,637)
Creditors due in more than one year	(3,756,957)	(3,756,957)
TOTAL	1,969,905	1,969,905

FAIR CREDIT CHARITY LTD
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

21. ANALYSIS OF NET ASSETS BETWEEN FUNDS (CONTINUED)

ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR YEAR

	Unrestricted funds 2020 £	Total funds 2020 £
Tangible fixed assets	41,249	41,249
Intangible fixed assets	249,008	249,008
Current assets	8,063,897	8,063,897
Creditors due within one year	(1,785,492)	(1,785,492)
Creditors due in more than one year	(4,894,676)	(4,894,676)
TOTAL	1,673,986	1,673,986

22. PENSION COMMITMENTS

The Group operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the Group in an independently administered fund. The pension cost charge represents contributions payable to the Group to the fund and amounted to £85,726 (2020 - £55,711). Contributions of £(470) (2020 - £6,343) were payable to the fund at the balance sheet date.

23. OPERATING LEASE COMMITMENTS

At 31 December 2021 the Group and the Charity had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	Group 2021 £	Group As restated 2020 £	Charity As restated 2020 £
Not later than 1 year	30,030	33,090	-
Later than 1 year and not later than 5 years	14,250	42,750	-
	44,280	75,840	-

In the prior year, operating lease commitments were disclosed within the financial statements as the charitable company's commitments. However, the relevant operating lease agreements are in the subsidiary company's name and relevant costs are shown in the subsidiary's profit and loss account. As such, the comparative figures have been restated. There is no impact upon either the group or charitable company's Statement of Financial Activities and Statement of Financial Position.

24. MEMBERS' LIABILITY

Each member of the charitable company undertakes to contribute to the assets of the charitable company in the event of it being wound up while he/she is a member, or within one year after he/she ceases to be a member, such amount as may be required, not exceeding £10 for the debts and liabilities contracted before he/she ceases to be a member.

**FAIR CREDIT CHARITY LTD
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

25. RELATED PARTY TRANSACTIONS

The charitable company has taken the exemption under FRS 102 Section 33.1A and not discloses any transactions entered into between wholly-owned group companies.

26. CONTROLLING PARTY

The Trustees do not consider there to be one sole controlling party.

27. PRINCIPAL SUBSIDIARY

Fair For You Enterprise CIC

Subsidiary name
Company registration number
Basis of control

Fair For You Enterprise CIC
09798014
The Board of Trustees, as members of Fair For You Enterprise CIC, may, by special resolution direct the Directors of the CIC, to take or refrain from taking specific action.

Total assets as at 31 December 2021	£9,076,389
Total liabilities as at 31 December 2021	£(7,115,127)
Total equity as at 31 December 2021	£1,961,262
Total income for the year ended 31 December 2021	£4,896,858
Expenditure for the year ended 31 December 2021 (incl tax)	£(4,698,985)
Profit for the year ended 31 December 2021 (after tax)	£197,873