



crosslight
advice

Trustees' report and accounts

12 months to
31 December 2020

"Crosslight provides the human touch. In my culture we have a saying: 'I see you.' It means to see someone not just visually, but truly see them, value them, and respect them. That's how it felt with Crosslight – that they truly saw me."

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CHARITY INFORMATION

Charity number

1163306

FCA registration number

715066

Registered office and principal address

HTB Brompton Road, London,
SW7 1JA

Trustees

Martin Duffy
Francis Ellison (Chair)
Mark Farrar (Treasurer)
Thomas Jackson MBE
Nick Lines
Barry Lock
Seonaid Mackenzie

Bankers

Cooperative Bank plc, PO Box 101,
Balloon Street, Manchester, M60 4EP

Independent examiner

Colin Webster, ACA

1. WELCOME

From the Chair of Trustees

I am delighted to present our Annual Report and Financial Statements for the year ended 31 December 2020.

2020 was a year of contrasts. Although evictions were stayed, and much debt collection went into abeyance, the wider financial impact of the pandemic took a huge toll. Many of our clients, already struggling, were pushed further into difficulty. And sadly we know all too well that the real effects of the crisis are only just beginning.

So against this backdrop, I am delighted at what Crosslight was able to achieve – to wholeheartedly support existing clients, but also to lay the foundations to support the huge influx of new clients we expect in the months to come.

I am humbled at how staff and volunteers have worked tirelessly under the most difficult personal and office circumstances. And our funders and partners have been unbelievably generous, recognising the new need, the new reality.

This is reflected in healthy finances and new branches, staff and volunteers....but we must do more. Crosslight is growing, and grow it must – 2021 will bring new clients, new demands, and new challenges.



Francis Ellison, Chair of Trustees

From the Chief Executive

In what it's fair to say has been a 'challenging' twelve months, the following pages help illustrate why the support we provide is so vital, as well as give you a flavour of the transformative impact our work can have on those who are struggling.

In spite of all the challenges we have faced, our team have gone above and beyond to support those most in need, demonstrating the love, compassion and hope that is part of Crosslight's DNA. And the response from clients has been overwhelming too. It is always a privilege to earn the trust of those we support, and throughout this lockdown that trust has been more important than ever. Time and again we have been able to stand alongside our clients when others couldn't. And time and again our staff and volunteers have truly lived up to our motto of 'Restoring Dignity, Renewing Hope'.

But none of this would have been possible without the ongoing commitment of our partners, churches and donors. To everyone who has supported and upheld us in so many ways, and particularly to our tireless staff and volunteers, thank you - we cannot do it without you.



Bruce Connell, Chief Executive

"Dear Crosslight community

I have different issues with my health also I had strongly problems with depression and anxiety and part of my problem was to control my bills, benefits, credit card and Crosslight help me to manage and reduce the electricity bill, water bill, credit card, filling form of my benefits, housing and help me to reduce my stress, also help to my son for his education.

They were like my family, gave me peace and solved my financials problem and still I miss them and I never forgot they help. I would like to say thank you to all of them. Thank you to all my friends in Crosslight. I really appreciate they help and support.

Kind regards, A"

2. MISSION & PURPOSE

Crosslight Advice is an independent, person-centred charity working to alleviate poverty amongst some of the most vulnerable in our communities through end-to-end holistic debt advice and money education.

Rooted in our belief that everyone - no matter their background or circumstance - deserves dignity, independence, and renewed hope, Crosslight Advice works with the support of local partners and churches. We foster a community-driven approach, serving a growing number of communities in London and the south of England.

Our whole-person approach focuses on individuals and families who are often characterised by unemployment or low incomes, long-term physical or mental health problems, and complex social and family issues.

Our ethos is to work with our clients on an individual basis, to ensure they are able to embrace the advice given and understand the benefits of simple money management and budgeting techniques. But just as importantly, we aim to support them as they start working through some of the causes of their difficulties. It is a partnership, and we seek always to equip and empower, rather than prescribe or dictate. Most of our clients come to us at a point of crisis, often facing the threat of eviction, court orders, visits from bailiffs, and mounting priority debts. Simply being given the time to be heard can have a huge impact. With engagement, opportunities abound for positive life changes, building resilience and ultimately, encouraging financial independence.

Crosslight was founded on Christian principles and a strong Christian ethos underpins our values. We work with anyone who is struggling with problem debt regardless of their background, gender, ethnicity, sexuality, religion, or age.

Crosslight's purposes as set out in the objects of its constitution are:

"The prevention or relief of poverty for the public benefit, in particular but not exclusively by providing money management and debt counselling advice to those in financial hardship."

We refer to the Charity Commission's general guidance on public benefit when reviewing the objectives and aims of Crosslight and in planning future activities.



3 in 5

of our clients have incomes below the poverty line

9 in 10

report mental health symptoms

One third

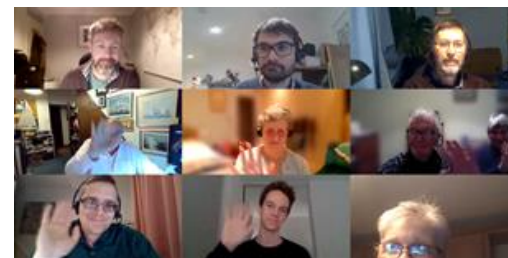
have long-term health problems

Half

our clients are struggling to pay their rent and are facing possible eviction

2 in 5

are struggling with utility arrears



3. ACTIVITIES, ACHIEVEMENTS & PERFORMANCE

2020 was unquestionably the most challenging year in Crosslight's history. It was also one in which the importance of what we do, and the incredible dedication of our amazing team shone brighter than ever.

This unique year has been difficult for everyone. Our staff and volunteers have often faced difficult personal circumstances themselves. And for our clients, the difficulties thrown up by the pandemic have often been devastating, with many families already on the edge being pushed further into difficulty.

Against this backdrop, we were nevertheless able to support more people than ever before, hold more appointments than ever before, and make a bigger positive impact on the lives of our clients than ever before. We were able to support **over 1,200 individuals** (up 20% on 2019) with comprehensive debt advice, budget coaching and open-ended mentoring. And our team held an extraordinary **3,347 appointments with clients**, (up 35%), at a time when many organisations had to shut their doors.

**Over 1,200 people supported,
representing over 2,200 family members**

**We increased our clients' income by
over £900,000 per annum**

**We secured over £2m
of unpayable debt write-offs**

**4,500 individual debts resolved, including
rent arrears, utility debts, and bailiffs**



Advise

We provide comprehensive debt and benefit advice, focusing on the unique circumstances of each individual. The end-to-end support we provide includes in-depth casework for the most vulnerable. We act as advocates for our clients to ensure their voices are heard, intermediating on their behalf whenever necessary. Our approach is to journey with our clients and support them each step of the way, working at their pace and adapting to their individual needs and abilities. Our open-ended support is available for as long as is needed.



Equip

A key part of our mission is to create lasting change so that our clients can face the future with more confidence and become better equipped to meet their full potential. We do this through one-to-one budget coaching and our 'Money Course' workshops – both face-to-face and online. We help clients look beyond the immediate crisis and work with them to build resilience over the long-term. Both these programmes help clients understand their own finances and teach them simple financial skills so they can manage their money more effectively.



Encourage

We know that debt and financial difficulty is often a symptom of a deeper problem. We work hard to support clients through their difficulties and empower them to turn their lives around. We achieve this by taking a genuinely holistic approach which includes mentoring, befriending, social-engagement and encouragement. Two-thirds of clients receive this additional 'holistic' support, for example helping with job applications, applications for residency / citizenship, and support with family life. This support is initiated directly by advisers for their clients on a case-by-case basis.

Some milestones in 2020:

- Supported more clients and held more appointments than ever before
- Transformed our service overnight to offer phone appointments with no client missing an appointment. VOIP phones lines rolled out to all applicable volunteers. New online client document platform launched
- Introduced a new training programme with 11 online internal training sessions run covering different topics. All team meetings were moved online
- Launched Money Course online, a new video series produced during lockdown; online courses up and running; one-to-one budget coaching programme launched online
- Established two new branches, in Balham and Swindon; active conversations with four other potential branches; new branch opening process established
- Hired new fundraiser; new Operations Executive in-post supporting the central services team; new financial capability lead recruited to drive forward Money Course programme and implement a new FinCap strategy to support our clients
- Exceeded our fundraising target for 2020, in spite of huge uncertainties created by Covid-19. Some of this was one-off Covid-response funding, but we also secured one new and two renewed multi-year grants as well as new and renewed funding relationships.
- Launched a new one-to-one Budget Coaching programme
- Increase new client capacity by providing 'floating' Open Advice support to deal with extra Covid workload
- 52 new volunteers started or in training, with nine achieving higher qualification status

"I just wanted to thank you for your incredible help over these past months. I'm so thankful for all your advice regarding my debts, and felt you had my back all the way. I was lucky to be referred to someone so professional and make a stressful time for me much easier.." Client



The challenges faced by our clients

The vast majority of our clients have complex needs which require dozens of hours of patient case work, and increasingly, court action or tribunal appeals.



	2018	2019	2020	
Average debt per client	£15,420	£17,645	£18,629	↑
% of clients who have long-term health issues	32%	43%	50%	↑
% of clients struggling with social issues	13%	15%	27%	↑
% of clients with multiple (4+) debts	71%	81%	81%	→
% of clients with priority debts	77%	80%	80%	→
% of clients with rent arrears and facing eviction	44%	48%	50%	↑
% of clients with utility arrears	42%	47%	51%	↑

New Branches

With the support of the Love Your Neighbour initiative, we were delighted to open two new branches towards the end of the year – in Swindon, and in Balham in London. In partnership with two local churches, we were able to recruit two incredible Branch Managers along with small teams of local volunteers, all of whom started intensive training to gain MaPS adviser accreditation. Both branches expect to start seeing clients in early 2021. We aim to open more branches in 2021 and beyond and are in discussions with local organisations to achieve this.

“Dear Crosslight

I would like to thank you and the Crosslight Team for helping me through my financial problems. You have helped me through a very difficult time in my life and for that I am very grateful. I have now got all my finances on track. Electric bills are now in credit, rent arrears are almost paid off. I can now take over from here to keep my finances on track all thanks to Crosslight Charity. I have and will continue to sing your praises and recommend your services to all my friends and colleagues. Your understanding, patience and assistance will never be forgotten.” Client

Financial Capability

Financial Capability is one of our three central aims, and one of our main goals is to look beyond crisis debt advice – as crucial as that is – and equip clients with the tools they need to manage their money more effectively and build resilience.

We made further important strides towards this goal during 2020 with the recruitment of a new Financial Capability lead to further develop this important area. As with debt advice, we were able to restructure our popular Money Course programme, completely re-filming it and adapting it for live online workshops. These were launched in the summer and were run every two weeks through the year, with great success.

Towards the end of the year we also launched a new Budget Coaching programme providing one-to-one money coaching sessions to anyone completing the Money Course programme. Clients work closely with a personal Budget Coach over several months to apply simple techniques and strategies to their own situations in order to help those individuals flourish.

Finally, we laid the groundwork for a new online learning platform which will enable even more individuals to access Money Course resources, book themselves into live workshops, and most excitingly, undertake the Money Course as part of a self-led study programme, supported by our Budget Coaching team.

Our Team

We continue to invest in our core staff team as well as build capacity through new volunteer advisers.

We were delighted to recruit two new Case managers to work alongside our clients. In addition, we realised a long-held objective to appoint someone to lead our Financial Capability offering, which continues to be a key pillar of what we do (see above). Due to the anticipated rise in demand caused by the pandemic, we also recruited a new colleague to triage clients and support them as they make new enquiries and book appointments with our advisers. And we welcomed two Branch Managers for our new branches in Swindon and Balham (employed by our partners). We also welcomed a new fulltime fundraiser to the team to build out our fundraising strategy.



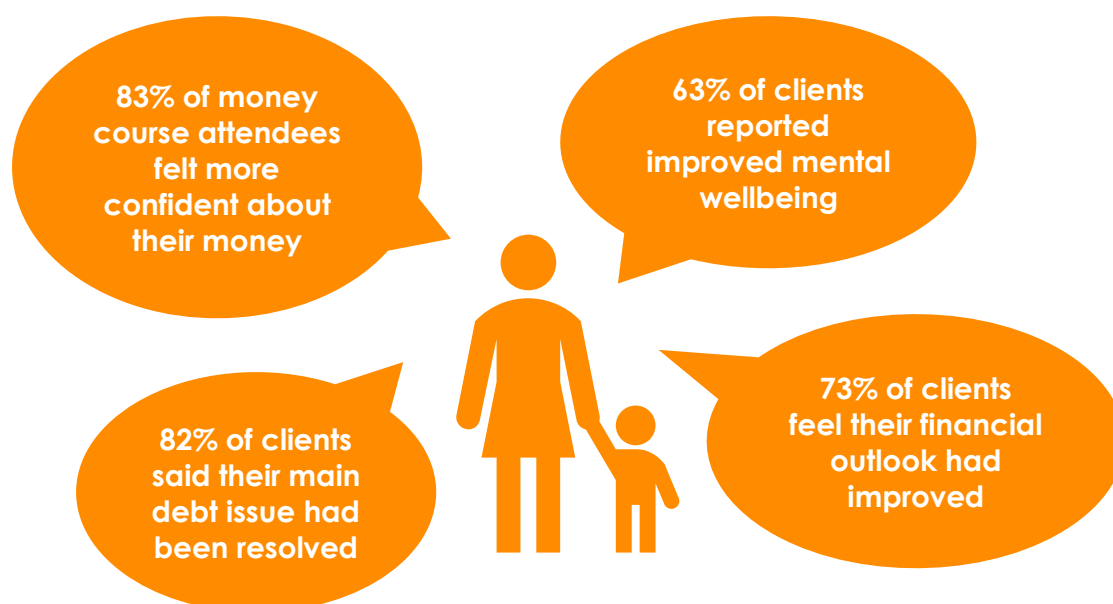
One particular focus during lockdown was learning and development. With everyone working remotely, we invested time in building support networks within and across our teams to ensure no one felt isolated or on their own. We introduced new daily online team 'check-ins', fortnightly online staff meetings, and numerous online social events. As well as this, we built upon our existing internal training curriculum and moved it online, running 11 training

workshops throughout the year on topics from safeguarding and welfare, to bailiffs and case management.

In terms of volunteers, we were delighted to welcome 52 new volunteers during 2020 - in particular in our two new branches - 22 of whom became MaPS accredited during the year. In addition, nine volunteers achieved the higher-level Adviser accreditation. All this was achieved in spite of the difficult circumstances and the fact that all of our advisers were working remotely. As at December 2020, we had 186 volunteers supporting our work, in roles from hosting, Budget Coaching, Debt Advisers and Money Course leaders.

Social Impact

It is crucial for us to know if we are truly meeting the needs of those we seek to support. Our holistic approach means that we often get to know our clients very well and have the privilege of supporting them through many personal situations which may be a cause of, or caused by, their financial situation. We ask all our clients two sets of simple questions, six months apart, which have been designed to evaluate the practical and emotional impact of our work on the client's lived experience. We use the responses to analyse the impact of our interventions on the lives of those we support.



"Dear Crosslight

Thank you and to your colleagues for your advice and help. The work you do is invaluable and help you provide to people who are struggling is life changing. It is great that you provide support to individuals who suffer from mental illnesses such as depression and post-traumatic stress.

For people who have challenges like mine it makes a difference to receive advice from people who are specially trained, who provide circumstances-informed support, guidance in building towards a positive future. Thank you for your help.

Kind regards

Z.A."



4. STRUCTURE

Our model is one of collaboration and partnership, recognising that we can only achieve lasting change with the support and participation of the communities we serve. This approach is particularly evident in the partnerships that support our branches. Each branch is run with the support of a local partner so they can reflect and respond to the needs of each community. Our partners, which are either churches or local special-purpose charities with their own boards of trustees, raise funds to resource our branches, including employing some of our branch staff. They also provide true local representation and accountability, so that our branches are rooted in the communities they serve.

Our current branch partners are:

- West Kent Debt Advice
- St Paul's Money Advice Centre
- TW Money Advice Service
- Chiswick Money Advice Centre
- Holy Trinity Brompton church
- Pattern Church, Swindon
- Ascension Church, Balham
- Ealing Foodbank

5. GOVERNANCE & MANAGEMENT

Crosslight is a registered Charitable Incorporated Organisation which is governed by a constitution dated 17th July 2015.

Crosslight is governed by a Board of Trustees who are appointed by the existing trustees. All new trustees receive an induction to their role and the work of Crosslight. All trustees give their time voluntarily and receive no benefits from the charity.

The trustees have also established three board committees / working groups to coordinate and oversee specific aspects of Crosslight's activities: People, Compliance, and Fundraising. A trustee sits on each body which also comprises outside members with particular knowledge and experience in these fields.

The day-to-day management of Crosslight is delegated to the Chief Executive, supported by a team of staff and volunteers.

Pay & Remuneration

Pay and remuneration for all staff including key management personnel is determined by the People Committee based on individual performance and appropriate benchmarking. The committee has an independent chair and includes a mix of trustees and outside members with specialist skills.

6. FUNDING & SUPPORT

In 2020 Crosslight secured funding of over £386,000 to support our work with the most vulnerable. We are very grateful to the many individuals, companies, partners, churches and trusts that have given so generously. Crosslight relies on this voluntary income and it is only through the generosity of our supporters that our transformational work can continue.

In particular we would like to thank the following for their financial support, either directly through Crosslight, or in support of our partners:



Love You Neighbour

We were thrilled to be able to join forces with the nationwide cross-community Love Your Neighbour initiative powered by churches up and down the country in response to the pandemic.

What started as an emergency food bank in London as a response to the Covid-19 crisis, quickly evolved into a network of thousands of churches and other local organisations delivering over 7.5 million crisis meals, debt advice, employment support and other provision to help people most in need.



We were privileged to be one of the delivery partners for debt advice, and our two newest branches in Swindon and Balham were formed as a direct result of the Love Your

Neighbour project. Anchored by a generous grant from central government, Love Your Neighbour provided grant funding to our local church partners to enable these two new branches to open, as well as providing a central grant to support our work more widely. We look forward to working closely with this incredible movement of churches in the year ahead.

We're in this together

Provision of support

In addition to the financial support already recognised above, the trustees would like to sincerely thank the partner churches in which the Crosslight branches are based:

- St Paul's Church, Hammersmith
- Holy Trinity Brompton
- United Reformed Church, Tunbridge Wells
- St Nicholas Church, Chiswick
- Vine Evangelical Church, Sevenoaks
- HTB St Francis, Dalgarno Way
- St Stephens Church, Twickenham
- St Paul's Church, Hounslow West
- Tonbridge Baptist Church
- Pattern Church, Swindon
- Ascension Church, Balham

7. FINANCIAL REVIEW, RISK MANAGEMENT, & RESERVES POLICY

Total incoming resources for the period amounted to £440,487, an increase of just under 52% on 2019. Resources expended on charitable activities were £296,379, up 33% on the previous year.

The trustees continue to review and assess the key operational, governance, compliance and financial risks faced by Crosslight. Risks to the charity are monitored by a Risk and Compliance Committee and appropriate action taken where necessary.

The principal risk is a cash flow deficit should insufficient funds be raised. To this end, the trustees consider that free reserves should be equivalent to a minimum of six months of normal expenditure. In making this determination, the trustees are also mindful of spending commitments over the ensuing six months.

The trustees believe that this provides sufficient flexibility to cover temporary shortfalls in incoming resources and will allow the charity to continue its work and respond to unforeseen events whilst specific action plans are implemented. The level of reserves is monitored monthly.

At 31st December 2020, normal expenditure was £32,350 a month and the reserves target was **£194,100**. The actual net free reserves at year end was **£204,856**.

8. FUTURE PLANS

Our service delivery goals for the next 12 months include:

Making our service even more accessible

- Boosting the capacity of branches through more partnerships and satellites
- Greater use of technology: Build on key learnings of lockdown to deliver services more flexibly, piloting 'hybrid' appointments utilising a combination of volunteer-led face-to-face appointments with skilled advisers joining by video-link.

Building capacity

- Renewed focus on volunteers: Lockdown has made volunteering much more difficult. We plan to boost our volunteering capabilities further by dedicating a new staff resource to the recruitment, support, retention, and crucially training of volunteers
- Increasing our core capacity by recruiting additional case managers
- Targeting new branches: With the catalyst of the Love Your Neighbour project, and the learnings of moving to a 'remote' working pattern, we now have what we believe to be a workable model for opening new branches beyond our traditional catchment. We will look to fully launch and imbed the two new branches in Balham and Swindon as we continue to refine the model. We will seek to identify new church partners in 2021 with a view to opening further branches in 2021/22.

Broadening the support available

- We plan to provide extra support in this area through increased training and dedicated capacity, including through the recruitment of a benefits adviser to support benefits casework for more complex or technical cases, including appeals.

Launching a new Money Course website as well as self-study options

- Along with an easy booking process for the Online and restarting face-to-face Money Courses, the site will also provide comprehensive materials for download and use by churches and community groups who wish to run their own Money Courses, and the option for companies to request bespoke courses for their employees
- We are also building a self-study portal on the website so that individuals can access the Money Course material from anywhere with an internet connection, at their own pace, and with support.

Developing Crosslight's new Budget Coaching programme

- Rolling out our new Budget Coaching programme to provide a structure for delivering one-to-one budgeting sessions to anyone completing the Money Course. We aim to expand the programme throughout 2021, in terms of both numbers of Budget Coaches and those to whom the service can be offered, with the objective going forward of being able to provide individual Budget Coaching to all Money Course participants who feel this is appropriate for them.

9. INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES FOR THE PERIOD ENDED 31 DECEMBER 2020

I report on the accounts for the period ended 31.12.20 which are set out in the following pages.

Respective responsibilities of trustees and independent examiner

The charity's trustees are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year under section 144 of the Charities Act 2011 (the Charities Act) and that an independent examination is needed. It is my responsibility to:

- examine the accounts under section 145 of the Charities Act,
- follow the procedures laid down in the general Directions given by the Charity Commission (under section 145(5)(b) of the Charities Act, and
- state whether particular matters have come to my attention.

Basis of independent examiner's report

My examination was carried out in accordance with general directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts and seeking explanations from the trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently no opinion is given as to whether the accounts present a 'true and fair' view and the report is limited to those matters set out in the statement below.

Independent examiner's statement

I am qualified to undertake this examination by being a qualified member of the ICAEW.

In connection with my examination, no matter has come to my attention which gives me reasonable cause to believe that in any material respect:

- the accounting records were not kept in accordance with section 130 of the Charities Act; or
- the accounts did not accord with the accounting records; or
- the accounts did not comply with the requirements of Charities (Accounts and Reports) regulations 2008.

I have no concerns and have come across no matters to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.



Colin Webster, ACA

Date: 16th May 2021

10. ANNUAL ACCOUNTS

10a. Statement of Financial Activities for the 12 months ended 31 December 2020

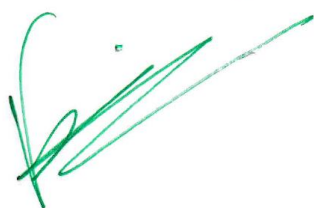
	Note	2020 Unrestricted £	2020 Restricted £	2020 Total £	2019 Total £
Income from					
Grants, Donations and gifts	3	194,316	207,696	402,012	255,038
Advice service agreements	3	38,475	-	38,475	35,000
Total income		232,791	207,696	440,487	290,038
Expenditure on					
Charitable activities	4	116,223	180,156	296,379	222,346
Fund-raising	5	17,956	-	17,956	17,718
Total expenditure		134,179	180,156	314,335	240,064
Net income / (expenditure)		98,612	27,540	126,152	49,974
Total funds at 1 st January 2020	6	106,244	24,025	130,269	80,295
Total funds at 31st December 2020	6	204,856	51,565	256,421	130,269

10b. Balance Sheet

as at 31 December 2020

	Note	£	2020 £	£	2019 £
Fixed Assets					
Tangible assets		-		-	
Current Assets					
Debtors	7	2,344		1,931	
Cash at bank and in hand		306,088		155,005	
Total current assets		308,432		156,936	
Less: liabilities due within 1 year	8	(52,011)		(26,667)	
Net current assets			256,421		130,269
Total net assets	9		256,421		130,269
Funds					
Unrestricted funds			204,856		106,244
Restricted funds	10		51,565		24,025
Total funds			256,421		130,269

The financial statements were approved by the Board of Trustees 20th May 2021 and signed on their behalf by:



Francis Ellison
Trustee (Chair)



Mark Farrar
Treasurer

10c. Notes to the Accounts

1. Accounting policies

A summary of principal accounting policies, all of which have been applied consistently throughout the year and the preceding year, is set out below:

a. Basis of preparing the financial statements

The financial statements of the charity, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice' and the Charities Act 2011. The financial statements have been prepared under the historical cost convention.

b. Critical accounting estimates and judgements

It is necessary to make certain judgements, estimates and assumptions that affect the amounts recognised in the financial statements. The following judgements and estimates are considered by the trustees to have most significant effect on amounts recognised in the financial statements: (i) the carrying amounts of assets and liabilities, which are based on the best and most reliable evidence available at the time when the decisions are made and are based on historical experience and other factors that are considered to be applicable. Due to the inherent subjectivity involved in making such judgements, the actual results and outcomes may differ. These estimates are reassessed annually and amended where necessary to reflect current circumstances. (ii) the allocation of costs between activities, which is based

on estimates of the resources used by each activity.

c. Funds

Unrestricted funds represent the funds of the charity that are not subject to any restrictions regarding their use and are available for general charitable activities at the discretion of the trustees

Restricted funds represent those received for specific purposes as specified by the donors.

d. Income recognition

Charitable income is recognised on a cash received basis other than where an accruals basis provides a more accurate basis or will give a fairer representation of the underlying nature of the transaction. Income is recognised so far as there is entitlement to the income, there is certainty of its receipt and the amount is quantifiable.

e. Expenditure Recognition

Resources expended are included in the Statement of Financial Activities on an accruals basis, inclusive of VAT which cannot be recovered.

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category.

Expenditure on charitable activities includes all costs incurred by the charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities.

f. Provisions

Provisions are recognised when there is a present obligation (legal or constructive) as a result of a past event, it is probable that the obligation will be required to be settled, and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting taking into account the risks and uncertainties surrounding the obligation. Provisions are discounted when the time value of money is material.

g. Financial instruments

Financial assets and liabilities are recognised when the charity becomes party to the contractual provisions of the financial instrument. The charity holds basic financial instruments which may comprise cash at bank, trade and other receivables and trade and other payables.

h. Financial assets and liabilities – classified as basic financial instruments

(i) Cash at bank and in hand

Cash at bank and in hand includes cash in hand, deposits held with banks, and other short-term highly liquid investments with original maturities of three months or less.

(ii) Other receivables

Other receivables are initially recognised at the transaction price, including any transaction costs. Amounts that are receivable within one year are measured at the undiscounted amount of the cash expected to be received.

(iii) Other payables

Other payables are initially measured at the transaction price, including any transaction costs, and subsequently measured at amortised cost using the effective interest method. Amounts that are payable within one year are measured at the undiscounted amount of the cash expected to be paid.

i. Going concern

After making enquiries, the trustees believe that Crosslight has adequate resources to continue in operational existence for the foreseeable future. For this reason, the trustees have continued to adopt the going concern basis in preparing the financial statements.

j. Cashflow statement

The charity has taken advantage of the exemption under FRS 102 from producing a cash flow statement on the grounds that it is a small entity.

k. Depreciation

Fixed assets are stated at cost less accumulated depreciation. Depreciation is provided at 33% per annum to write off the cost, less estimated residual value, of each asset over its expected useful life. Only assets costing more than £1,000 are capitalised.

2. Comparative Statement of Financial Activities for 2019

The following table analyses 2019's income and expenditure between unrestricted and restricted funds.

	2019 Unrestricted £	2019 Restricted £	2019 Total £
Income from			
Grants, Donations and gifts	151,538	103,500	255,038
Advice service agreements	35,000	-	35,000
Total income	186,538	103,500	290,038
Expenditure on			
Charitable activities	142,871	79,475	222,346
Fund-raising	17,718	-	17,718
Total expenditure	160,589	79,475	240,064
Net income / (expenditure)	25,949	24,025	49,974
Total funds at 1 st January 2018	80,295	-	80,295
Total funds at 31st December 2018	106,244	24,025	130,269

3. Grants and donations

	Unrestricted £	Restricted £	2020 £	2019 £
Grants, donations and gifts breakdown				
Trusts and foundations				
City Bridge Trust	8,450	33,800		24,600
City Bridge Trust Community Response	-	42,315		
Henry Smith Charity	-	60,000		25,000
Social Venture Partners London	2,500	-		9,000
National Lottery Awards for All	-	-		5,850
The Fore	22,011	-		8,333
Garfield Weston	15,000	-		
Tudor Trust	10,000	-		
Amalur Foundation	-	25,730		
London Legal Support Trust	-	9,486		
Charities Aid Foundation	6,252	24,365		
Local Authority (RBKC)		8,000		
Other	4,000			2,000
			271,909	74,783
Corporate (philanthropic)				
Markel Insurance	750			5,750
TSB	-	-		3,196
Therium	3,333	-		48,050
M&G Investments	-	-		12,500
Other	1,500			
			5,583	69,496
Partner charities contribution	91,700	4,000	95,700	90,900
Individuals	20,422	-	20,422	8,955
Other	8,398	-	8,398	3,161
	194,316	207,696	402,012	255,038

Advice service agreements

Corporate	3,475	-		-
Local Authority (LBHF)	35,000	-		35,000
	38,475	-	38,475	35,000

During 2020, Crosslight was awarded a number of multi-year grants and received funding from other multi-year grants awarded in previous years. These were:

Funder	Total amount awarded	Amount applied in year	No. of years	Receipt year
Henry Smith Charity	£180,000	£60,000	3	1 st
City Bridge Trust	£68,600	£33,800	2	1 st
Tudor Trust	£60,000	£10,000	3	1 st

4. Expenditure on charitable activities ¹

	2020 £	2019 £
Staff costs	259,342	199,853
Legal, professional and regulatory	3,194	3,014
Infrastructure, IT and office costs	13,448	13,393
Training and development	12,463	6,086
Other	7,932	-
	296,379	222,346

¹ Expenditure on charitable activities does not include four partner charities who supported our work during the year by employing staff and/or contributing to the local running costs of some of our branches. The total amount expended by these partners on the activities of Crosslight in 2020 was £158,967.

Staff costs	2020 £	2019 £
Wages and salaries	229,092	177,436
National insurance	16,379	13,508
Pension	12,104	8,274
Other staff costs	1,767	635
	259,342	199,853

The number of Crosslight-employed staff ² at year end was **13 (9.7 FTE)**, employed as follows:

	As at 31.12.20	As at 31.12.19
Full time staff	5	4
Part time staff	8 (4.7 FTE)	4

No employees earned more than £60,000 during the year

² These figures do not include staff employed by our partners and seconded to Crosslight. Including staff employed by our partners at 31st December 2020, there were 21 (15.2 FTE) staff in total (6 full time and 15 part time), compared to 15 (11 FTE) staff in total (5 full time and 10 part time) as at 31.12.19.

5. Fund-raising expenditure

	2020 £	2019 £
Staff costs ¹	17,714	17,322
Other costs	242	396
	17,956	17,718

¹ Staff costs relate to the salary and remuneration of an employed fundraiser.

6. Movement in funds

	At 1 st Jan 2020 £	Incoming resources £	Outgoing resources £	At 31 st Dec 2020 £
Restricted funds	24,025	207,696	180,156	51,565
Unrestricted funds	106,244	232,791	134,179	204,856
Total funds	130,269	440,487	314,335	256,421

7. Debtors

	2020 £	2019 £
Prepayments	2,306	1,706
Gift Aid recoverable	38	225
	2,344	1,931

8. Liabilities due within one year

	2020 £	2019 £
Unrestricted income received in advance	50,541	26,667
Pension Contributions in arrears	1,470	-
	52,011	26,667

9. Analysis of net assets between funds

	Unrestricted 2020 £	Restricted 2020 £	Total 2020 £	Total 2019 £
Tangible fixed assets	-	-	-	-
Cash and bank	254,523	51,565	306,088	155,005
Other current assets	2,344		2,344	1,931
(Liabilities)	(52,011)		(52,011)	(26,667)
Net assets at year end	204,856	51,565	256,421	130,269

10. Restricted funds analysis Current Year 2020

	Brought forward £	Income £	Expenses £	Carried forward £
Specified salaries	-	33,800	33,800	-
Restricted general running costs	-	60,000	60,000	-
Specified projects (North Kensington)	24,025	8,000	25,358	6,667
Specified projects (Hammersmith)	-	25,730	7,960	17,770
Covid-19 Response	-	76,166	49,038	27,128
Love Your Neighbour project	-	4,000	4,000	-
	24,025	207,696	180,156	51,565

Restricted funds analysis Prior Year 2019

	Brought forward £	Income £	Expenses £	Carried forward £
Specified salaries	-	24,600	24,600	-
Restricted general running costs	-	25,000	25,000	-
Specified projects (North Kensington)	-	48,050	24,025	24,025
Specified assets (e.g. IT equipment)	-	5,850	5,850	-
	-	103,500	79,475	24,025

11. Lease and guarantee obligations

As at 31 December 2020 the Charity was not committed to any lease agreements or guarantees.

12. Related party transactions

The following trustees or key management personnel (KMP) were connected to people or organisations that either received funds from or made donations to Crosslight.

Trustee or KMP	Related position	Related party transaction
Martin Duffy (Trustee)	Trustee of TW Money Advice Service (TWMAS)	TWMAS made contributions of £6,500 during 2020 (£6,500 in 2019)
	Member of St Stephen's church, Twickenham	St Stephen's provided free premises from which the charity operated
Francis Ellison (Trustee)	Trustee of St Paul's Money Advice Service (SPMAC)	SPMAC made contributions of £11,300 during 2020 (£10,500 in 2019)
	Trustee of St Paul's church, Hammersmith	St Paul's provided free premises from which the charity operated
Mark Farrar (Trustee)	Member of Tonbridge Baptist Church (TBC)	TBC provided free premises from which the charity operated
Tom Jackson (Trustee)	Trustee and Curate at Holy Trinity Brompton church (HTB)	HTB made contributions of £43,900 during 2020 (£43,900 in 2019) and provided free premises from which the charity operated
	CEO of Love Your Neighbour (LYN)	Some of our branches are delivery partners of LYN. LYN also provided grant funding through one of our partners of £4,000 in 2020 (£0 in 2019)
Nick Lines (Trustee)	Trustee of Chiswick Money Advice Centre (CMAC)	CMAC made contributions of £1,625 in 2020 (£0 in 2019)
	Trustee of St Nicholas church, Chiswick	St Nicholas made contributions of £4,875 during 2020 (£6,500 in 2019) and provided free premises from which the charity operated
Barry Lock (Trustee)	Trustee of West Kent Debt Advice (WKDA)	WKDA made contributions of £23,500 during 2020 (£23,500 in 2019)
	Member of Tonbridge Baptist Church (TBC)	TBC provided free premises from which the charity operated
Seonaid Mackenzie (Trustee)	Member of Holy Trinity Brompton church (HTB)	HTB made contributions of £43,900 during 2020 (£43,900 in 2019) and provided free premises from which the charity operated

No trustees received any remuneration from the charity during the year.

During 2020, Crosslight did not receive any donations from Trustees (2019 £5,000).

*“I was in such a state when we first met
and now, I'm a different person.”*



Crosslight Advice is a registered Charitable Incorporated Organisation (charity no. 1163306) and is authorised and regulated by the Financial Conduct Authority (registration no. 715066). Crosslight is part of the Community Money Advice network of debt advice agencies and a member of AdviceUK. Crosslight holds the Advice Quality Standard.

