



Trustees' report and accounts

12 months to
31 December 2021



Registered Charity No. 1163306

“Sometimes you can be drowning in problems so big, or for so long, that even small things become impossible — and then you can punish yourself unfairly for being so useless.

Very often, people in positions of authority punish you some more because they don’t understand, you can’t explain, and the system just wants to make problem go away.

Crosslight listens, understands, accepts, explains, and helps make the real problems go away (not the people with the problems). It’s life-changing and life-saving. Thank you.”

CONTENTS

1. Welcome	04
2. Mission & Purpose	05
3. Activities, Achievements & Performance	06
4. Structure	12
5. Governance & Management	14
6. Financial Review, Risk Management & Reserves Policy	14
7. Funding & Support	15
8. Independent Examiner's report to the trustees	17
9. Annual Accounts	
a. Statement of Financial Activity	18
b. Balance Sheet	19
c. Notes to the Accounts	20

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 (until 31.12.21)
Nick Lines
Paul Crouch
Seonaid Mackenzie
Patricia Dhar (from 17.03.22)

Bankers

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

Independent examiner

Colin Webster, ACA

1. WELCOME

From the Chair of Trustees

It gives me great pleasure to present our Annual Report and Financial Statements for the year ended 31 December 2021.

2021 was a difficult year for many, with Covid-19 continuing to affect society – in health terms but with huge financial ramifications too. Crosslight's work is directly aimed to address some of these issues.

I have been very thankful to witness the strength of our organisation and how staff and volunteers have risen to meet the challenge. All have worked tirelessly to help our clients. With their help the organisation has grown in size and reaches out to yet more people in more areas.

Our funders have been wonderfully generous too. It is thanks to them that our financial strength is greater than ever, which increases our options for the future, and enables us to help yet more people.

As we look ahead, it is clear that Crosslight's work will be needed more than ever. I am proud of the work accomplished over 2021, but also the planning for this more demanding future. But in the midst of all that has happened, the team has remained client-focused – and this deserves the warmest tribute.



Francis Ellison, Chair of Trustees

From the Chief Executive

2021 has been another remarkable and challenging year in Crosslight's history.

On the one hand, we continued to face the pressures of lockdown, both on our service delivery and on the emotional wellbeing of staff and clients. And we have seen demand increase significantly as more and more people find themselves facing impossible choices such as paying the bills or buying food.

On the other hand, Crosslight was able to support more people, hold more appointments, resolve more debts, and help lift more people out of poverty than ever before.

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



Bruce Connell, Chief Executive

2. MISSION & PURPOSE

Crosslight works to lift people out of poverty and help them build a better future. With 18 locations throughout London and the South, we work with some of the most marginalised and vulnerable people in society. Our programmes provide comprehensive debt & benefit advice, build financial resilience through money education and budgeting coaching, and we mentor clients with open-ended holistic support.

Our approach is deeply personal, taking individual needs and capabilities into account to meet each person at their point of need and help them to full restoration, however long it takes. Consequently, our service is set up to enable us to walk alongside our clients over the long term if necessary; there is no cap on appointments and no limit to the duration of support we provide.

Through our team of dedicated staff and volunteers, we have helped many thousands of people in hardship since we were founded in 2009. Our holistic, person-centred approach supports the most vulnerable in our communities, and consequently most of our clients are facing long-term physical or mental health problems, addiction struggles, or complex social and family issues.

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. ACTIVITIES, ACHIEVEMENTS & PERFORMANCE



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, 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 we work with them to build resilience over the long-term. Our programmes are designed to help clients understand their own finances and teach them simple budgeting skills they can apply day to day.



Encourage

We know that debt and financial difficulty are often symptoms 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. Our advisers and coaches initiate this support with their clients on a case-by-case basis, and examples include helping with job applications, applications for residency or citizenship, and support with family life.



Resourcing Others

As well as providing services directly to our clients, we also seek to build community, and support those in need beyond our catchment areas. We do this by making our Money Course and money education programmes available to other organisations and community groups to run for their own service users. Our Money Course Leader's Hub provides online training and support, as well as full access to all our resources and videos so that our workshops can be run wherever there is a need. Likewise our free, online Budget Builder (web and app) is designed to complement the Money Course and enables anyone to build their own household budget and use it to manage their money more effectively day-to-day.

The dominating themes of 2021 were the continuing impact of the pandemic, which continued to effect how we were able to deliver our service; and rising levels of demand as both the pandemic and the emerging costs of living crisis towards the end of the year inflicted unprecedented hardship on the most vulnerable in our society. We stand almost alone in the areas we serve in terms of the breadth and depth of support we provide, meaning that we are the last and only hope for many of our clients.

Throughout much of the year we had to provide our services remotely, however we were delighted that in the second half of the year, as restrictions were eased, we were able to re-open many of our branches to face-to-face appointments, which has been incredibly important to our most vulnerable clients.

The real story of the year however, was the extraordinary lengths our team went to support those we serve. Their dedication, determination, and compassion shone more brightly than ever. The client stories contained in the following pages are snapshots of the work undertaken throughout the year and are a testament to the many lives changed through our work.

Tanya's Story

Tanya* was referred to Crosslight Advice after seeking support from another charity for a disability benefit application. In her first appointment, she was anxious and tearful when explaining her situation, having recently escaped an abusive relationship and lost her job as a bus driver due to poor health. With debts of over £27,800, including rent and utility arrears, and facing county court action, her emotional state was so low that she wanted to go to jail to escape her life and get the help she felt she needed.

After working with us over several appointments, she found the strength to discuss her emotional and financial situation in more detail. She built a strong relationship with the local Crosslight team and as a result felt as though she finally belonged to a community.

“One of the things that stood out to me was how comfortable the advisers made me feel - the support that I got was tremendous and at no point did I ever feel like I was being judged... From there on it was how I managed to raise my head up from off the ground”.

Over several months, our team contacted creditors and arranged manageable repayment plans. Tanya has recently finalised a payment agreement with her last remaining creditor and is now actively involved in a number of community groups, something she would have found impossible before. She has also started the journey towards becoming a counsellor and is going to university to study later this year with the hope of supporting other women who are suffering domestic abuse. She is excited to tell everyone about Crosslight and her journey to financial freedom.

“It's a brand-new start for me and it all started with Crosslight... I know that the journey I have ahead of me is much better than where I am coming fromCrosslight is a way to start to rebuild yourself”

* When we asked Tanya if she was happy for us to use her name she readily agreed, saying ***“I am no longer ashamed about the situation I was in.”***

2021 Highlights

New satellites

We were thrilled to open new satellites in Fulham and Shepherd's Bush – as well as re-open our satellites in North Kensington and Hounslow West to face-to-face appointments. Our new branch in Ealing has further developed the satellite model, operating out of several Ealing Foodbank sites, which has enabled us to meet more clients directly at their point of need.

Greater use of technology / Hybrid appointments

We continued to explore new ways of using technology to improve the effectiveness of our services. The new Money Course platform was one stand-out example (see below). Equally important was the flexibility developed by our enforced move to remote working and telephone-based appointments. This gave us the ability to deploy advisers and volunteers from different branches into appointments across the 'network' if necessary, which helped us to cover gaps and demand surges across branches. It was also hugely valuable when training the new branch teams and gave them exposure to many more 'live' cases than they might otherwise have seen. Indeed, it would not have been possible to open our branch in Swindon for example, without the experience and confidence gained in working remotely during lockdown. All these innovations will stand us in good stead in the years ahead.

We plan to invest in new IT systems in 2022 in order to build on these developments and increase capacity further.

Renewed focus on volunteers / New Training Manager

This is an undoubted success of the year. We were able to welcome our new Training and People Manager into the team in the Spring, and she has already had a significant impact. One major task was to restructure and relaunch our internal training and development programme, including our process for recruiting and onboarding new volunteers. With support from across the organisation we have now been able to map out a new, simpler but higher-level training programme for new volunteers which takes them straight to MaPS-accredited Adviser status. In consultation with staff and volunteers we launched a continuous development programme for both current and new advisers which covers technical skills, soft/interpersonal skills, and wellbeing. As a result, we have over a dozen current advisers training to reach higher level case manager status, aided by a new external

2021 in numbers

Over **1,800** clients supported
(over **2,700** family members)

Over **4,000** appointments held

Over **£1m** of annualised
income gains for clients

Over **£2m** of unpayable debt
write-offs secured for clients

Over **4,000** individual debts
resolved, including rent arrears,
utility debts, and bailiffs

500 sign-ups for the Money
Course, including an average
of **25** a month for the new self-
led online version since
launching in the autumn

68 external organisations
signed up to Money Course
Leaders Hub to run courses in
their own communities

1,178 downloads of our online
Budget Builder

Our clients

£21,000 average amount
owed by our debt clients

Half of our clients have
incomes below the poverty line

Half of our debt clients have
long-term physical or mental
health problems

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

2 in 3 have utility arrears

9 in 10 say their situation is
causing stress or depression

Half say their family
relationships are in jeopardy

training programme developed by our partners at Community Money Advice. We will introduce further management development modules in 2022 to support line managers.

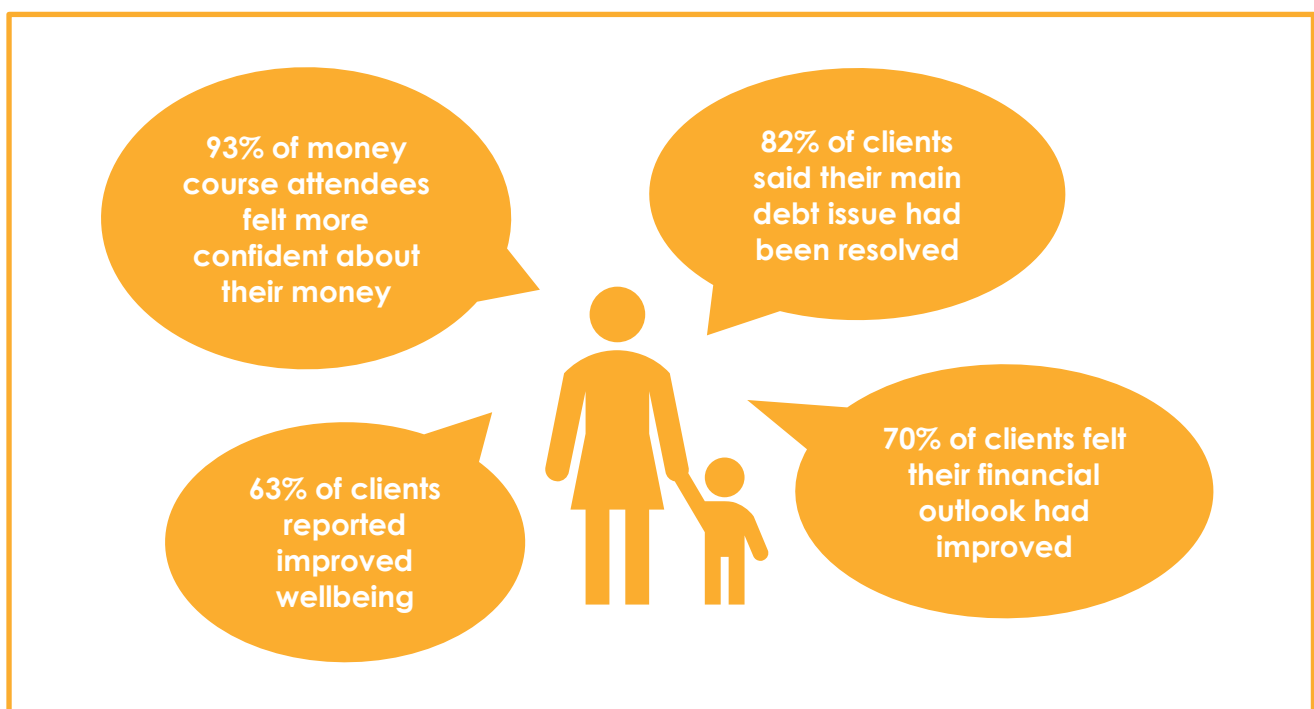
New Case Managers

We have welcomed four new staff into advice roles during the year, two within our branch partners (replacements for leavers) and two in head office roles. Overall, we have added seven extra days capacity each week to our resources.

New Branches

Despite the dampening effect of the pandemic, we were able to open the doors of our new Ealing Branch in May, in partnership with Ealing Foodbank. One of our existing case managers was promoted to the new Ealing Branch Manager role, and her family moved to Ealing from Kent to join the new branch. Ealing is an area of high demand which had been a target for Crosslight's expansion, and the partnership has been a huge success, which we already plan to expand capacity.

We launched a new partnership with St John's Hampton Wick, currently one of the churches which supports our Twickenham Branch. A team of volunteers from St John's is currently going through our training programme and working alongside the Twickenham team. We plan for this partnership to develop further in 2022.



Broadening the support we provide with welfare benefits

We were able to appoint a new specialist benefits adviser to support our work, and the number of referrals received showed the pressing need for such a role. Benefits are a significant aspect of our work, and we will continue to expand our welfare benefits provision, particularly by upskilling volunteers.

Feedback from the Money Course

"We are only recently a married, and money has been a big issue between us. This course has really helped us address many issues and has been such a huge benefit to our marriage".

"I found all the elements of the course really useful and very helpful in practically structuring a budget. I've been trying (without success) in the couple of years preceding the course, to set up a budget, but doing it the wrong way round. If left up to me, I usually spend what's left, which is regularly nothing! The advice given on the money course way makes much more sense and is really simple to do and I just couldn't get my head around how to go about it before. We've been concentrating on structuring our finances according to the advice given on the course and although we still have some trouble keeping to it, I know we are heading in the right direction. The course has really been invaluable and we'd like to thank all of you for your efforts with this. May it continue to be a help to many others."

"I was a reluctant joiner to start with, thinking it wouldn't be much use for me. However, I soon realised that it is relevant to us all, whatever our background, however little we are earning. It was refreshing to hear from others in the group sessions about how they were dealing with similar issues. As was said at the beginning of the course, 'most of us are experts at avoiding talking about money!' But we did. We began considering our emotional approach to money but soon got on to the nuts and bolts of how to budget. We talked about saving, credit and debt as well as strategies to help keep in control. We covered some thorny issues, but had some laughs too. And most of all, I left the course motivated and more equipped to deal with it."

"I am so grateful for this Course especially the Budget Builder and the Piggy Banking method. I feel this course has been very helpful in getting me to confront my finances and giving me a practical plan to be able to manage."

"The budget coaching session last month at Crosslight was really helpful and I have felt thoroughly blessed and helped by [the Crosslight team]. [My boyfriend] was tearful after the session because he could feel how genuine the love and support on offer had been - thank you all"

Launching new Money Course website

This was another big 2021 success story. The new website and resources were launched in the autumn after a huge effort by all involved. We now have a comprehensive multi-channel offering including face-to-face, online, and for the first time a self-study option. We also developed a new delivery platform which hosts all our resources, making our financial capability resources more accessible than ever. Alongside the new course material, we created a new Leader's Hub, providing training and guidance for third parties who want to use the Money Course materials for their own communities.



Better integrating our budgeting resources into our debt advice work

We made significant progress towards this goal, which is an open-ended objective. We launched a new toolkit to help advisers, and the new micro-modules from the Money Course relaunch are now used in our debt advice appointments as an additional resource for advisers. We are developing our Budget Coaching programme to more closely integrate with the debt advice process so that it provides continuity of support for a client.

Developing Crosslight's Budget Coaching programme

Alongside the new platform, we launched a new Budget Coaching programme. We have trained a dozen new budget coaches and are adding more all the time. We now have a comprehensive programme of one-to-one support for anyone who needs specific help in budgeting and money management.

Our Unique Approach

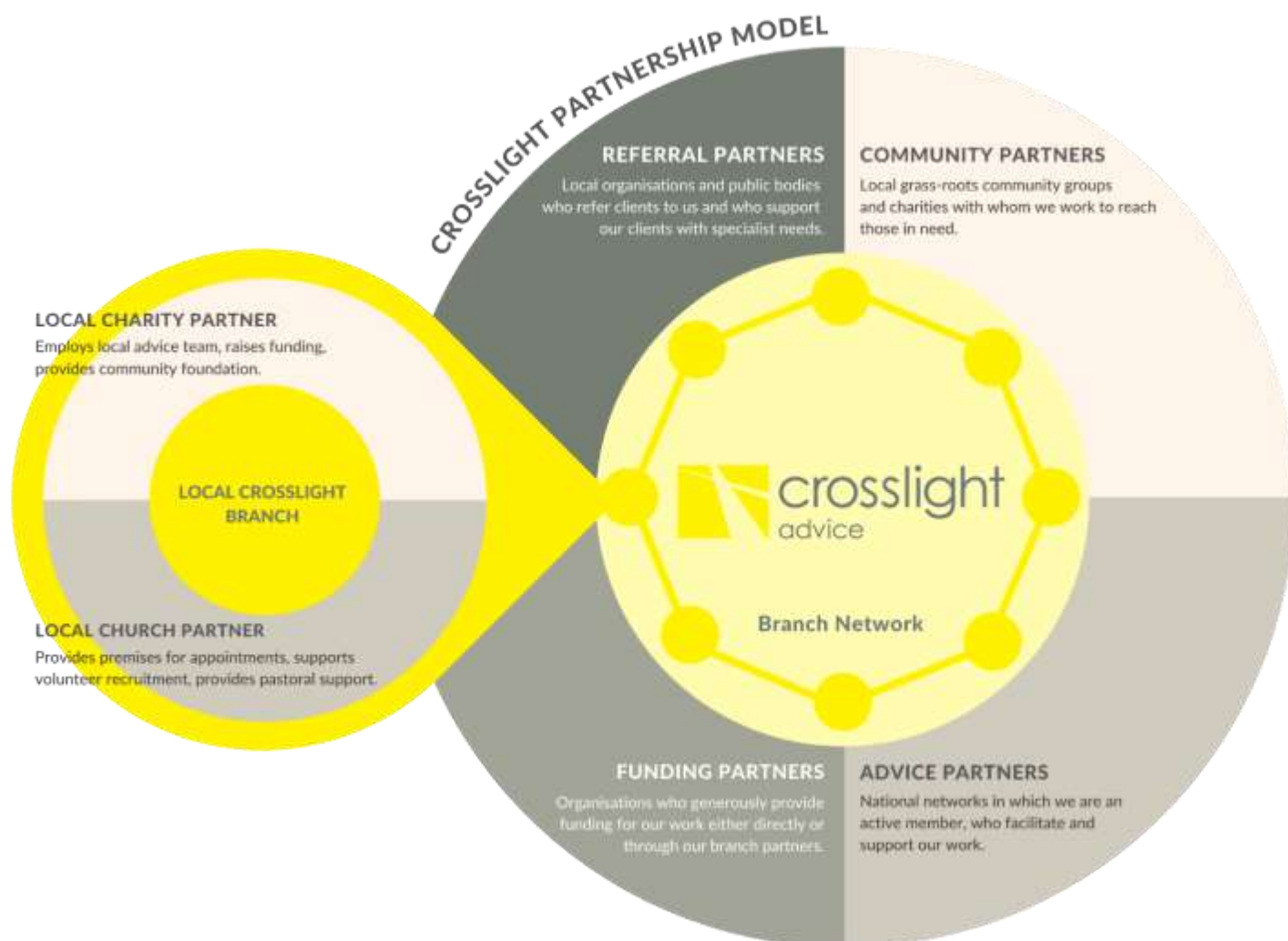
Personal not prescriptive – much advice is becoming more remote and generic in its delivery, with a focus on *information* rather than individual *advice*. In contrast, our service is tailored to the individual, meeting them at their point of need and working at their pace. Although we have procedures to follow, our service is flexible and adapts to the needs of each individual

Outcomes not volumes – many agencies are more focused on meeting volume targets. In contrast, although we seek to help as many people as possible, we are not driven only by numbers. We want to ensure all our clients get the support they need to move beyond a current crisis. We are therefore more interested in the progress of each individual rather than showing off our client volumes

Time to give not timed-out – many advice providers are time-limited in the support they give. In contrast, we support some of the most vulnerable in our communities, many of whom struggle with very complex circumstances. We therefore aim to support our clients for as long as they need to remain engaged with us.

Big picture not just the big problem – most of our clients come to us at a point of crisis, often with one or two main issues that they need support with. Our first task is to help them with these big problems. But where we can, we always seek to go further, to look at the big picture beyond the immediate crisis and support our clients as they deal with the underlying causes of their difficulties.

4. STRUCTURE



Our model is one of collaboration and partnership. We can only achieve lasting change with the support and participation of the communities we serve. The success of this approach is particularly evident in the partnerships that support our branches. Each branch is run with the support of a local partner so we can reflect and respond to the needs of each community. Our partners - either churches or local special-purpose charities with their own boards of trustees - raise funds to resource our branches and employ 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

Sandrine's Story

After escaping an abusive relationship and losing her business, Sandrine* faced multiple debts which had piled up over several years. She struggled with debt related to rent arrears, as well as gas and electric bills. Sandrine and her young daughter soon became homeless. She felt she had to hide herself from everyone, as the fear of her debts built up inside of her. ***"I always felt like I was trying to escape,"*** she recalls.

Sandrine worked with another agency to try to resolve her debts but unfortunately, she didn't get the holistic support she needed. She didn't have computer or internet access, and felt humiliated when she couldn't complete the tasks they requested of her. ***"It felt I was being punished for not knowing how the system works."***

Sandrine was soon referred to Crosslight and has worked with one of our advisors for nearly 10 months. Her advisor managed to obtain a Debt Relief Order to help clear her debts, as well as arrange manageable monthly payment plans to get her bills back on track. Her advisor discovered £3,000 of apparent rent arrears was due to a mistake. We are working to appeal the original decision, as well as obtaining the backdated benefits she is entitled to. Sandrine is now in temporary accommodation in London. She feels less isolated, as well as calmer and more hopeful for the future.

"Everyone at Crosslight is so lovely and helpful. They constantly reassure me and allow me to relax. Every time I see my case manager, I get hope for my life. Her positivity is infectious - it changes my mood."

*Name changed

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 committees to coordinate and oversee specific aspects of Crosslight's activities: People, Compliance, and Fundraising. A trustee sits on each committee alongside outside members who have 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. FINANCIAL REVIEW, RISK MANAGEMENT, & RESERVES POLICY

Total incoming resources for the period amounted to £530,839, an increase of just over 20% on 2020. Resources expended on charitable activities were £470,832, up 50% on the previous year as we sought to rapidly increase service capacity in light of rising demand.

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 current 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 December 2021, current expenditure was averaging £44,000 a month and the reserves target was £264,000. The actual net free reserves at year end was £278,866.

7. FUNDING & SUPPORT

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.

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



Love Your Neighbour

We were honoured 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.



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 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.

Provision of support

The trustees would also like to sincerely thank our partner churches in which most Crosslight branches are based, many of whom also support us financially:

- St Paul's, Hammersmith
- Holy Trinity Brompton
- United Emmanuel, Tunbridge Wells
- Greenford Baptist Church
- St John's, West Ealing
- St Stephen's, Shepherd's Bush
- St Nicholas, Chiswick
- Vine Evangelical Church, Sevenoaks
- St John's, Hampton Wick
- St Mellitus, Hanwell
- St Dionis, Fulham
- HTB St Francis, Dalgarno Way
- St Stephens, Twickenham
- St Paul's, Hounslow West
- Tonbridge Baptist Church
- Pattern Church, Swindon
- Ascension, Balham

Fiaza's Story

"Without Crosslight, my children and I would have been homeless and on the streets!"

These were the parting words from Fiaza* after a recent visit to Crosslight. A Kurdish Iraqi mother of three children of primary school age and lower, she only had a small amount of money after her husband abandoned her and returned to his native Iraq. With only a spousal visa, and with no access to public funds or Leave to Remain, she needed to provide for her children and pay the rent.

Our advisers contacted Social Services with her and persuaded them that they had a duty to provide for her as two of her children are British Nationals. They also referred her to a local agency who helped her to apply for a Domestic Violence Visa and put her in touch with solicitors so she could submit a Leave to Remain application.

Once the visa was granted, we helped her apply for Universal Credit. We supported her with the debts she had built up, liaising with her creditors, and agreeing a debt repayment holiday with her gas & electricity supplier, giving us time to arrange a grant to clear her first six months of bills.

We also supported her to stabilize her rent situation and ensure her home was secure. A lot of our support has been about benefits and coping with the first few months of independent living. As well as securing Universal Credit, we helped her transfer the child benefit from her husband's name, and her Council Tax is now paid in full through the benefits she is entitled to.

We arranged a further grant for a school uniform for her son and guided her through an application for a Warm Home Discount for her electricity bills. We also put her in touch with charities who supplied her with some bedding and furniture, and a PC for her son's schooling.

Her gratitude towards her advisers has been humbling for all involved, but so too was her determination to rise above her circumstances and create a better future for herself and her children.

*Name changed

8. INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES FOR THE PERIOD ENDED 31 DECEMBER 2021

I report on the accounts for the period ended 31.12.21 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: 17th May 2022

9. ANNUAL ACCOUNTS

9a. Statement of Financial Activities for the 12 months ended 31 December 2021

	Note	2021 Unrestricted £	2021 Restricted £	2021 Total £	2020 Total £
Income from					
Grants, Donations and gifts	3	295,487	196,643	492,130	402,012
Advice delivery agreements	3	37,195	-	37,195	38,475
Coronavirus Job Retention Scheme		-	1,514	1,514	-
Total income		332,682	198,157	530,839	440,487
Expenditure on					
Charitable activities	4	214,801	212,160	426,961	296,379
Fund-raising	5	43,871	-	43,871	17,956
Total expenditure		258,672	212,160	470,832	314,335
Net income / (expenditure)		74,010	(14,003)	60,007	126,152
Total funds at 1 st January 2021	7	204,856	51,565	256,421	130,269
Total funds at 31st December 2021	7	278,866	37,562	316,428	256,421

See Section 6 on page 13 above for Reserves Policy and analysis

The notes on the following pages form part of these financial statements

9b. Balance Sheet

as at 31 December 2021

	Note	£	2021 £	£	2020 £
Fixed Assets					
Tangible assets		-		-	
Current Assets					
Debtors	8	2,260		2,344	
Cash at bank and in hand		341,199		306,088	
Total current assets		343,459		308,432	
Less: liabilities due within 1 year	9	(27,031)		(52,011)	
Net current assets			316,428		256,421
Total net assets	10		316,428		256,421
Funds					
Unrestricted funds			278,866		204,856
Restricted funds	11		37,562		51,565
Total funds			316,428		256,421

The financial statements were approved by the Board of Trustees on 16th May 2022 and signed on their behalf by:



Francis Ellison
Trustee (Chair)



Mark Farrar
Trustee (Treasurer)

9c. 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 2020

The following table analyses 2020's income and expenditure between unrestricted and restricted funds.

	2020 Unrestricted £	2020 Restricted £	2020 Total £
Income from			
Grants, Donations and gifts	194,316	207,696	402,012
Advice delivery agreements	38,475	-	38,475
Total income	232,791	207,696	440,487
Expenditure on			
Charitable activities	116,223	180,156	296,379
Fund-raising	17,956	-	17,956
Total expenditure	134,179	180,156	314,335
Net income / (expenditure)	98,612	27,540	126,152
Total funds at 1 st January 2020	106,244	24,025	130,269
Total funds at 31st December 2020	204,856	51,565	256,421

3. Grants and donations

	Unrestricted £	Restricted £	2021 £	2020 £
Grants, donations and gifts breakdown				
Trusts and foundations				
City Bridge Trust		34,800		42,250
City Bridge Trust Community Response	-	-		42,315
Henry Smith Charity	-	60,000		60,000
Social Venture Partners London	-	-		2,500
Thebetterway Foundation		25,000		
The Fore	-	-		22,011
Garfield Weston	30,000	-		15,000
Tudor Trust	30,000	2,000		10,000
Amalur Foundation	-	-		25,730
London Legal Support Trust	-	-		9,486
Charities Aid Foundation	-	-		30,617
Local Authority (RBKC)		-		8,000
Drapers	15,000			-
Love Your Neighbour / CRT		40,000		-
People's Postcode Trust	19,642			
Other	8,500			4,000
			264,942	271,909
Corporate (philanthropic)				
Markel Insurance	750			750
Tides / Blackrock		6,451		-
Therium Access	6,667	24,642		3,333
Other	-			1,500
			38,510	5,583
Partner charities contribution	143,452	-	143,452	95,700
Individuals (incl. Gift Aid)	41,075	3,750	44,825	20,422
Other	401	-	401	8,398
	295,487	196,643	492,130	402,012
Advice delivery agreements				
We Are Digital (L&Q)	1,720	-	1,720	-
Local Authority (LBHF)	35,000	-	35,000	35,000
Other	475		475	3,475
	37,195	-	37,195	38,475

During 2021, Crosslight was awarded several 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	2 nd
City Bridge Trust	£68,600	£34,800	2	2 nd
Tudor Trust	£60,000	£30,000	3	2 nd
Thebetterway Foundation	£75,000	£25,000	3	1 st

4. Expenditure on charitable activities ¹

	2021 £	2020 £
Staff costs	365,061	259,342
Regulatory, insurance & professional	3,514	3,194
Infrastructure, IT, and operational support costs	15,696	13,448
Training and recruitment	10,412	9,440
Financial Capability programme costs	12,980	3,023
Grants ²	19,298	6,432
Other	-	1,500
	426,961	296,379

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 2021 was £185,911 (£158,967 in 2020).

² Crosslight made a grant to partner charity St Paul's Money Advice Centre ('SPMAC') in respect of Crosslight branch staff employed by SPMAC.

5. Fund-raising expenditure

	2021 £	2020 £
Staff costs ¹	40,594	17,714
Other costs	3,277	242
	43,871	17,956

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

6. Staff Costs

	2021 £	2020 £
Wages and salaries	358,889	245,356
National insurance	28,199	17,573
Employer Pension	15,078	10,891
Other staff costs	3,489	3,236
	405,655	277,056

The number of Crosslight-employed staff at year end was **15 (11.9 FTE)**, employed as follows:

	As at 31.12.21	As at 31.12.20
Full time staff	7	5
Part time staff	8 (4.9 FTE)	8 (4.9 FTE)

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

The above figures do not include staff employed by our partners and seconded to Crosslight. The staff figures below include all staff, including those employed by our partners, at 31st December 2021.

	As at 31.12.21	As at 31.12.20
Full time staff, including those employed by our partners	9	6
Part time staff, including those employed by our partners	17 (9.9 FTE)	15 (9.2 FTE)

7. Movement in funds

	At 1 st Jan 2021 £	Incoming resources £	Outgoing resources £	At 31 st Dec 2021 £
Restricted funds	51,565	198,157	212,160	37,562
Unrestricted funds	204,856	332,682	258,672	278,866
Total funds	256,421	530,839	470,832	316,428

8. Debtors

	2021 £	2020 £
Prepayments	2,166	2,306
Gift Aid recoverable	94	38
	2,260	2,344

9. Liabilities due within one year

	2021 £	2020 £
Unrestricted income received in advance	25,000	50,541
Pension Contributions in arrears	2,031	1,470
	27,031	52,011

10. Analysis of net assets between funds

	Unrestricted 2021 £	Restricted 2021 £	Total 2021 £	Total 2020 £
Tangible fixed assets	-	-	-	-
Cash and bank	303,637	37,562	341,199	306,088
Other current assets	2,260		2,260	2,344
(Liabilities)	(27,031)		(27,031)	(52,011)
Net assets at year end	278,866	37,562	316,428	256,421

11. Restricted funds analysis Current Year 2021

	Brought forward £	Income £	Expenses £	Carried forward £
Specified salaries	-	65,893	39,261	26,632
Restricted general running costs	-	60,000	60,000	-
Specified projects (Fin Cap)	-	25,000	14,070	10,930
Specified projects (Hammersmith)	17,770	-	17,770	-
Specified projects (North Kensington)	6,667	-	6,667	-
Covid-19 Response	27,128	-	27,128	-
Love Your Neighbour project	-	40,000	40,000	-
Staff welfare	-	5,750	5,750	-
Coronavirus Job Retention scheme	-	1,514	1,514	-
	51,565	198,157	212,160	37,562

Restricted funds analysis Prior 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

12. Lease and guarantee obligations

As at 31 December 2021 the Charity was not committed to any lease agreements or guarantees.

13. 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 £8,500 during 2021 (£6,500 in 2020)
	Attends 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 £12,157 during 2021 (£11,300 in 2020)
	Attends 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) (until 31.12.21)	Trustee and Curate at Holy Trinity Brompton church (HTB)	HTB made contributions of £43,900 during 2021 (£43,900 in 2020) and provided free premises from which the charity operated
	CEO of Love Your Neighbour (LYN)	LYN provided direct grant funding of £40,000 in 2021 (£4,000 in 2020) as well as providing indirect grant funding through a number of our partners
Nick Lines (Trustee)	Trustee of Chiswick Money Advice Centre (CMAC)	CMAC made contributions of £4,875 in 2020 (£1,625 in 2020)
	Trustee of St Nicholas church, Chiswick	St Nicholas provided free premises from which the charity operated (£4,875 in 2020)
Paul Crouch (Trustee)	Trustee of West Kent Debt Advice (WKDA)	WKDA made contributions of £23,500 during 2021 (£23,500 in 2020)
	Attends Tonbridge Baptist Church (TBC)	TBC provided free premises from which the charity operated
Seonaid Mackenzie (Trustee)	Attends Holy Trinity Brompton church (HTB)	HTB made contributions of £43,900 during 2021 (£43,900 in 2020) and provided free premises from which the charity operated

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

During 2021, Crosslight did not receive any donations from Trustees (2020 £0).

Jane's Story

Jane* is a woman in her 60's who lives alone and suffers with serious long-term illness and disability. When she first came to see us, she was in a desperate state. It transpired that 2-years ago, her main income benefit (ESA) was stopped, after a disputed assessment. Instead, she was wrongly advised to claim Universal Credit – a benefit only obtainable online.

Jane has never had the chance to learn how to use a computer and she was left entirely unassisted so she could not claim Universal Credit. Left with no other option, she was surviving on a relatively small amount of disability benefit.

As her story unfolded, we learnt that Jane struggled to afford food. She also had no heating or cooking facilities in her home - she couldn't afford to top up her gas meter even to cover the standing charges, let alone actual usage. What cooking she was able to do was being done in very hazardous conditions using a camping gas stove she had bought at Argos.

Crosslight helped Jane re-apply for ESA pending an appeal of the original decision. Within a few weeks of first coming to see us, Jane was receiving £72 a week, and we were able to secure a backdating of benefits of some £6,000.

With this money, Jane was able to pay back family and friends who have been supporting her all this time. She also paid off her gas debt and through tears, told us that she was finally looking forward to a hot shower for the first time in two years!

*Name changed



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.

