

JUST FINANCE FOUNDATION

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

For the year ended 31 December 2020

**Company Number: 10204667
Charity Number: 1172050**

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TRUSTEES, OFFICERS AND ADVISERS

Patron

The Most Reverend and the Right Honourable Justin Welby

Chairman

Sir Douglas Flint CBE

Trustees

Rt Revd Richard Atkinson OBE

Dr Paul Jones

Ms Sheila Nicoll OBE

Sir Hector Sants

Ms Alison Grieve

Ven. Catherine Pickford *from 17.12.2020*

Principal Officers

Executive Director

Rachel Whittington

Programme Director

Sarah Wallace BEM

Advisers

Bankers

National Westminster Bank Plc

Westminster Branch

PO Box 3038

57 Victoria Street

London

SW1H 0HN

Independent Examiner

Stephen Mills FCA

Mazars LLP

6 Sutton Plaza

Sutton Court Road

Sutton

Surrey SM1 4FS

Solicitors

Legal advice is provided by:

Anthony Collins Solicitors LLP

134 Edmund Street

Birmingham B3 2ES

Registered office

JUST FINANCE FOUNDATION

The Foundry, 17 Oval Way, London, SE11 5RR

A company limited by guarantee.

Registered number 10204667

Registered Charity number 1172050

INTRODUCTION FROM THE CHAIR OF TRUSTEES

2020 was a year like no other as COVID-19 presented the world with a host of new challenges, and the charity sector was certainly not exempt from these. Amongst the many inequities this year has brought, the widening of the gulf between those who are financially stable and those in financial precarity is perhaps one of the most damaging to society. The pandemic has thrown further light on the importance of financial literacy and education, not only when it comes to responding to a crisis, but also in preparing future generations to cope better when the next one arrives. The work of the Just Finance Foundation ('JFF') became even more critical during this time of stress and uncertainty, and I am pleased to report that the team rose to the challenge with confidence, determination, and an innovative and proactive approach to repurposing our outreach to address the financial information needs of the communities we serve.

Responding to the year's unexpected circumstances, the team provided new and much-needed support services and resources to broad communities despite geographical and financial limitations. In March, we temporarily suspended our focus on working directly with primary schools, all of which had been closed suddenly and indefinitely, to focus on developing new resources that would bring immediate support to individuals and communities facing financial adversity as a result of the pandemic. This agility led to the creation of our Covid Cash Course, which became an incredibly popular online workshop, training local community leaders and volunteers in understanding the financial entitlements and support that could help the most vulnerable in their communities. Additionally, we introduced a resource hub highlighting how to access Child Trust Funds, and developed a delightful, dinosaur-themed project, Milo's Money that will be introducing 4–7 year-olds to age-appropriate, hands-on financial education in a pilot project that launched in January 2021. At a time when many charities struggled to survive, our small but highly resourceful team has managed to thrive through creative vision and by listening the needs of their communities, constantly driven by the question "How can we meaningfully help?"

The future is looking brighter as we see the vaccination programme heralding a return to a more normal existence and I look forward to seeing what our innovative and resilient team can do when the limitations brought by the past year have been fully lifted. On behalf of all the Trustees I want to recognise the incredible dedication and commitment of the JFF team in very difficult circumstance and note the huge pride we all felt when our Programme Director, Sarah Wallace, was recognised in the 2021 New Year's Honours List with the award of the British Empire Medal for all her work to support the financial education needs of those facing hardship during the COVID crisis.

Douglas Flint
Douglas Flint (Sep 24, 2021 13:31 GMT+1)

Sir Douglas Flint, CBE
Chair of Trustees, Just Finance Foundation

REPORT OF THE TRUSTEES FOR THE YEAR TO 31 DECEMBER 2020

The Trustees present their annual report and financial statements of the charity for the year ended 31 December 2020. The financial statements have been prepared in accordance with the accounting policies set out in Note 1 to the accounts and comply with the Articles of Association, the Companies Act 2006 and Charities Act 2011, and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (effective 1st January 2019).

OBJECTIVES AND ACTIVITIES

The Just Finance Foundation (JFF) was established as a charity on 27th May 2016 and oversees the programmes previously initiated by the Archbishop of Canterbury's Task Group on Responsible Credit and Savings in partnership with its ultimate parent company, the Church Urban Fund (CUF). JFF's aim is to contribute to the development of a fair financial system focused on serving the whole community, in which everyone has access to responsible credit, savings and other essential financial services, and children and adults having the skills and confidence to manage money wisely throughout their lives.

What are our aims?

- **Financial Services** - increase the supply of fair and affordable finance and financial services, particularly for low-income households
- **Future Generations** - equip future generations to manage their money wisely
- **Capability & Access** - build people's motivation, expertise and access to fair financial services
- **Local Communities** - develop fair financial systems in local communities

These are delivered through two main areas of focus:

- **Financial Education** – financial capability programmes for primary schools, helps to equip and build the skills and confidence amongst children across England to manage money wisely both now and in the future. It also equips teachers to teach financial education, support schools to setup savings clubs and provides resources to engage parents and families.
- **Community Financial Capability Programmes** – providing financial capability courses for adults demonstrating the potential to share and generate solutions. Designed as an early intervention, the programme aims to improve the financial wellbeing of working age adults by increasing confidence and skills in making informed choices about money.

There are plans to develop a wider agenda around financial services aimed at increasing the supply of community finance.

We are immensely grateful to The Mercers' Company and Allchurches Trust for their generous funding support.

REVIEW OF 2020

When we formed our plans and strategy for 2020, we could not have anticipated the disruption that would be caused by the COVID-19 pandemic. It has transformed the way we work and the way we think about the world. It has also in many ways emphasised the need for a fair financial system.

After just a few months of the pandemic, 5.7 million¹ individuals across the UK were claiming Universal Credit and 6 million² had fallen behind on their household bills. Everyone knows a friend, family member or colleague who has been financially impacted by the pandemic.

Although the Just Finance Foundation now operates and delivers its projects in a very different way to 2019, the importance of our work could not be clearer. We will continue to support those most financially vulnerable in our society whilst simultaneously advocating for a financial system which supports and works for everyone.

LifeSavers Programme

Covid had a significant impact on schools and teachers this year as schools closed and adapted rapidly to remote learning. Despite these challenges, many of our 120 LifeSavers schools managed to continue teaching the valuable life lesson of using money wisely through our home-learning resources for teachers and parents, and some even managed to keep their Savings Clubs running by developing COVID-safe processes.

This has been an unexpected opportunity to accelerate and test our new remote support model for schools.

Plans to expand the LifeSavers programme to an additional 40 schools, however, have been delayed due to the pandemic. We have agreed with the funder to also extend the recruitment for half of these new schools beyond the three original areas identified.

Since 2016, 30,701 children have benefitted from our programme, 2,114 staff have been trained and £260,000 has been saved.

Community Financial Capability Programmes

Building on our community-based approach to fostering fair financial systems by demonstrating how communities can reach and serve those who are faced with barriers to financial inclusion, we have continued to develop our community financial capability programmes during 2020.

Covid Cash Recovery

By the end of April 2020, we had developed and launched COVID Cash Recovery (originally COVID Cash Course), a free online course which up-skills churches, charities and community organisations to help their communities cope with money issues that have arisen due to COVID-19.

Operating through a 'train-the-trainer' model, attendees leave the course with a vast array of vital information, resources and support to take back to their communities and so are better equipped to help more effectively with money worries. Those trained are also provided with resources that are updated weekly, ensuring they always have the latest information at their fingertips to help their community.

Over the year we ran 129 courses reaching a total of 1,123 charity workers, churches and community organisations. Attendees say they have each directly helped an average of 27 people using course material, meaning the course may have benefited nearly 30,000 financially vulnerable people in the UK.

97% of train-the-trainer attendees said the course increased their ability to help their community and 95% of financially vulnerable people say they have been able to set a clear budget or plan after finishing the course.

Coronavirus Help Hub

Within a day of national lockdown, we launched the Coronavirus Help Hub, a signposting tool for community workers and individuals. Available through our website, the resource pulls together all the latest information and additional resources for people facing financial difficulty or uncertainty as a result of COVID-19. The Hub has easy to understand information but also links to expert websites. Over 10,000 users accessed these pages, with self-employed support being the most utilised page.

Child Trust Fund Scheme

With the Coronavirus taking centre stage in the news, the nation crept towards an important milestone: the earliest children to benefit from the Child Trust Fund (CTF) scheme would turn 18 and be able to access their savings for the first time. However, as time passed, many accounts were forgotten about or 'lost'. There are an estimated 1 million CTF accounts which are 'lost' or forgotten about, meaning many individuals are missing out of around £1,000 money which is rightfully theirs. In light of this, JFF set out to achieve two goals: Ensure everyone is reunited with the money in their CTF, and ensure that CTFs are used wisely in this difficult financial climate. In total 6,000 people have used our CTF resources which included help for deciding what to do with their CTF.

1. <https://www.gov.uk/government/publications/universal-credit-statistics-29-april-2013-to-8-october-2020/universal-credit-statistics-29-april-2013-to-8-october-2020>

2. <https://www.citizensadvice.org.uk/about-us/how-citizens-advice-works/media/press-releases/six-million-fall-behind-on-bills-because-of-coronavirus-with-carersshielders-and-key-workers-hardest-hit/>

PLANS FOR 2021

As the financial repercussions of this period are realised, with the impact already being experienced by millions here in the UK, there exists an overwhelming need for more financial capability work. Debt is projected to rise, including both total arrears and the percentage of the population in arrears; Increased homelessness susceptibility is likely; and finally, the proportion of the population experiencing financial precariousness is expected to rise. In addition, as the various financial measures introduced by the government are withdrawn, vulnerable groups face a cliff edge of withdrawal of support.

In light of this, the Just Finance Foundation is galvanised in our advocacy for a fair financial system that addresses the needs of those that live within it. With these challenges also come the need for new solutions.

Our 2021 strategy seeks to address the issues that have directly and indirectly arisen whilst also equipping future generations for the world they are entering. We will continue to blend our 'just-in-time' financial capability interventions, such as **COVID Cash Recovery**, whilst also seeking to establish long term financial capability. This strategy will be partnered with interventions with a more longitudinal focus, such as our **LifeSavers programme** for primary schools, whereby healthy financial behaviours are established early.

As early years financial education remains underfunded and undervalued, we are excited to launch a pilot of **Milo's Money**, an innovative project to raise the quality and quantity of early years financial education. The pilot develops and tests new solutions alongside existing but untested interventions to address unmet needs and gaps in financial education.

FINANCIAL REVIEW

Income and Expenditure

Total income of £350k (2019: £277k) was an increase on the previous year. The income reflects funding received primarily from corporates, statutory funding and charitable trusts, as well as individual donations.

The total expenditure for the year increased marginally to £308k (2019: £293k); the majority of which provided funding for our financial capability work through the LifeSavers programmes £105k (2019: £196k) and Covid Cash Course £140k (2019: £0k). The balance supported the Just Finance Communities work.

The Trustees wish to thank all our supporters for the financial contribution made towards the charity particularly during this time of economic uncertainty.

Reserves and Reserves Policy

The charity's strategy is to build up its reserves in the medium and longer term to ensure adequate level of unrestricted fund is available to spend on its charitable purposes in the future.

At the 31st December 2020, the charity had an increased level of unrestricted reserves of £39k (2019: £5k) and £133k (2019: £125k) in restricted reserves. These results are better than anticipated in light of the economic uncertainty during the last year, and the Trustees have a reasonable expectation that the reserves levels will continue to grow.

Going Concern

The Trustees have considered the basis on which the accounts are prepared and whether they believe that the basis is appropriate. In particular they have reviewed the cashflow forecast for the next 12 months and assumptions on which it is based; these demonstrate with reasonable certainty that the charity will have the resources it needs to continue to operate over that period. In addition, management has demonstrated during this recent period that they have the agility and flexibility to respond to changing circumstances to ensure that the charity can continue.

DELIVERING PUBLIC BENEFIT

The Trustees have reviewed the guidance on public benefit issued by the Charity Commission and consider that Just Finance Foundation aims and activities, as set out above, fulfil the criteria. The Trustees do not anticipate any future change to this operational approach. The Trustees will continue to consider the guidance on public benefit on an annual basis.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Documents

The Just Finance Foundation is both a company limited by guarantee (Registration Number 10204667), subject to the Companies Act 2006 and a charity registered with the Charity Commission (Charity Number 1172050). It is governed by its Articles of Association, which were dated 27 May 2016.

Governance Structure

The Directors of the company known as Trustees are appointed for five years and can be reappointed for a further five years. The Articles of Association allow for up to eleven Trustees, five being nominated by the Archbishop's Council and six by Church Urban Fund (CUF). The Trustees meet four

times a year to review strategy, operational and financial performance. The composition of the Trustees is listed on page 2 of this report. The balance of skills among the Trustees has been mapped against our work.

None of the Trustees receive any remuneration or benefits for acting as a Trustee of Just Finance Foundation. Any expenses reclaimed are set out in note 5 to the financial statements.

Trustee Induction and Training

All Trustees on appointment receive a detailed briefing on the aims and objectives of the charity as well as the relevant governing documents including the Articles of Association. They also receive a detailed induction with the Programme Director, are given the opportunity to visit Just Finance Communities and are kept abreast of developments at each Board meeting through a detailed report by the Programme Director. Trustees also receive regular briefings on developments in Just Finance Foundation's operating environment to keep them up to date.

Management and Organisational Structure

The day-to-day management and delivery of the Just Finance Foundation is delegated to the Executive Director of CUF and the Director of Programmes and Innovation who reports to the Executive Director. The Director of Programmes and Innovation works closely with other members of CUF's staff team (its ultimate parent company).

Principal Risks

The Trustees have identified the following strategic risks and uncertainties that may seriously affect the performance, future prospects or reputation of the Just Finance Foundation and set out below how they will be managed.

| Potential Risk | How we manage the risk |
|---|--|
| Unable to achieve buy-in and support to back JFF proposition to ensure long term viability leading to a lost opportunity to contribute to the development of a fair financial system. | <p>Evidence-based arguments presenting the difference the programme is making to communities, families, adults and young people.</p> <p>A clear and compelling proposition to supporters explaining why they should support JFF over their own initiatives in this area.</p> <p>Effective strategy to appeal directly to decision-makers and key gate-keepers.</p> |
| Failure of programme, resulting in reputational damage, including negative reputational consequences for its supporters. | <p>Communications strategy in place to raise awareness of the programme.</p> <p>Communications that highlight the pioneering nature of the programme and that its success is vital, but not inevitable.</p> |
| Loss of key supporters and influencers of JFF resulting in a failure to develop the programme. | <p>Ongoing positive engagement of key people including through Board engagement.</p> <p>Broadening networks of support with the sign-up of new supporters and influencers as the programme grows.</p> |

| | |
|--|--|
| | Succession planning incorporated as part of our model of operation. |
| Failure to achieve the levels of funding required to deliver the JFF future strategy. | Funding strategy that includes a diversified income portfolio of prospective funders in order to achieve sustainability. |
| Uncertainty within the key sectors (education, finance, charity) from the impact of Covid-19 | Adapted delivery models and focus quickly - moving to online delivery, securing funding for covid-specific work, and planning future projects with contingency plans should further lockdowns occur. |

Key Management Personnel Remuneration

The Trustees consider the Executive Director and Director of Programmes and Innovation as comprising the key management personnel of the charity in charge of directing, running and operating the charity on a day-to-day basis

Just Finance Foundation is committed to ensuring that staff are remunerated in a way which ensures we attract and retain the right skills to have the greatest impact in delivering our charitable objectives. The remuneration of the Director of Programmes and Innovation is reviewed annually and set by the Chair of Trustees, taking into account the performance and development of the organisation.

Small Company Exemption

The company has taken advantage of the small company exemption, as it is within the threshold criteria. The accounts have been prepared in accordance with the special provision contained in the Companies Act.

THE TRUSTEES' RESPONSIBILITY FOR PREPARING ANNUAL FINANCIAL STATEMENTS

The law applicable to charities in England and Wales requires the Trustees to prepare annual financial statements for each financial year, that give a true and fair view of the Charity's financial activities during the year, stating its surplus or deficit for the year and its financial position at the end of that year. In preparing annual financial statements, the Trustees have followed best practice and:

- Selected suitable accounting policies and applied them consistently
- Made judgments and estimates that are reasonable and prudent
- Followed applicable Accounting Standards and Statements of Recommended Practice
- Prepared the annual financial statements on the going concern basis.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the accounts comply with the Companies Act 2006. They are also responsible for safeguarding the Charity's assets and for taking reasonable steps to prevent and detect fraud and other irregularities. The Trustees have overall responsibility for ensuring that the Charity has appropriate systems of control, financial and otherwise.

Independent Examiners

Stephen Mills at Mazars LLP is being proposed for reappointment as Independent Examiner.

Approved by the Trustees on 29th July 2021 and signed on their behalf by:


Douglas Flint (Sep 24, 2021 13:31 GMT+1)
Douglas Flint

Independent Examiner's Report to the Trustees of Just Finance Foundation

I report on the financial statements of Just Finance Foundation for the year ended 31 December 2020, which is set out on pages 13 to 18.

Respective responsibilities of Trustees and Examiner

The Trustees (who are also the Directors of the company for the purposes of company law) are responsible for the preparation of the financial statements in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

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

This report, including my statement, has been prepared for and only for the charity's Trustees as a body. My work has been undertaken so that I might state to the charity's Trustees those matters I am required to state to them in an independent Examiner's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the charity and the charity's Trustees as a body for my examination work, for this report, or for the statements I have made.

Basis of independent Examiner's report

My examination was carried out in accordance with the 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 financial statements presented with those records. It also includes consideration of any unusual items or disclosures in the financial statements and seeking explanations from you as 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 financial statements present a 'true and fair view' and the report is limited to those matters set out in the statement below.

Independent Examiner's statement

Since the charity's gross income exceeded £250,000, your Examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination by being a qualified member of the Institute of Chartered Accountants in England and Wales, which is one of the listed bodies.

In connection with my examination, which is complete, no matters have come to my attention which give me reasonable cause to believe that in any material respect:

- Accounting records were not kept in respect of Just Finance Foundation in accordance with section 386 of the 2006 Act; or
- The financial statements do not accord with those records; or

- The financial statements do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the financial statements give a 'true and fair' view which is not a matter considered as part of an independent examination; or
- The financial statements have not been prepared in accordance with the methods and principals of the Statement of Recommended Practice for accounting and reporting by charities, applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

I have no concerns and have come across no other matters in connection with the examination to which, in my opinion, attention should be drawn in order to enable a proper understanding of the financial statements to be reached.

Signed: Stephen Mills
Stephen Mills (Sep 24, 2021 15:05 GMT+1)

Name: Stephen Mills FCA

Member of the Institute of Chartered Accountants in England and Wales

6 Sutton Plaza, Sutton Court Road, Sutton, Surrey, SM1 4FS

Date: 24-Sep-2021

JUST FINANCE FOUNDATION

STATEMENT OF FINANCIAL ACTIVITIES for the year ended 31st December 2020

| | | Unrestricted Funds 2020 £'000 | Restricted Funds 2020 £'000 | Total Funds 2020 £'000 | Unrestricted Funds 2019 £'000 | Restricted Funds 2019 £'000 | Total Funds 2019 £'000 |
|---|-------|--|--------------------------------------|---------------------------------|--|--------------------------------------|---------------------------------|
| | Notes | | | | | | |
| INCOME & EXPENDITURE | | | | | | | |
| Income | | | | | | | |
| Income from Donations, Legacies and Trusts | 2 | 115 | 210 | 325 | 63 | 152 | 215 |
| Income from Charitable Activities | 3 | 0 | 25 | 25 | 62 | 0 | 62 |
| Total Income | | 115 | 235 | 350 | 125 | 152 | 277 |
| Expenditure on Charitable activities: | 4 | | | | | | |
| Financial Capability | | | | | | | |
| Lifesavers | | 19 | 86 | 105 | 83 | 113 | 196 |
| Covid Cash Course | | 31 | 109 | 140 | 0 | 0 | 0 |
| Milo's Money | | 30 | 5 | 35 | 0 | 0 | 0 |
| Cash Smart Credit Savvy | | 0 | 0 | 0 | 27 | 0 | 27 |
| Local Communities | | | | | | | |
| Just Finance Communities | | 1 | 27 | 28 | 14 | 54 | 68 |
| Information Hub Development | | 0 | 0 | 0 | 2 | 0 | 2 |
| Total Expenditure | | 81 | 227 | 308 | 126 | 167 | 293 |
| Net Income / (Expenditure) | | 34 | 8 | 42 | (1) | (15) | (16) |
| Total Funds brought forward at 1 January | | 5 | 125 | 130 | 6 | 140 | 146 |
| Total Funds carried forward 31 December | | 39 | 133 | 172 | 5 | 125 | 130 |

The charity has no recognised gains or losses other than the net movement in funds for the year shown above. The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006 and the Financial Reporting Standard (FRS 102). All activities relate to ongoing operations.

The notes on pages 16 to 18 form part of these financial statements.

JUST FINANCE FOUNDATION

BALANCE SHEET AS AT 31 DECEMBER 2020

Registered Company number 10204667 and Registered Charity number 1172050

| | Notes | 2020 | | 2019 | |
|--|-------|-------|------------|-------|------------|
| | | £'000 | £'000 | £'000 | £'000 |
| CURRENT ASSETS | | | | | |
| Debtors & Prepayments | | 5 | | 83 | |
| Cash at bank | | 136 | | 9 | |
| Amount due from parent charity | | 35 | | 53 | |
| | | | 176 | | 145 |
| CURRENT LIABILITIES | | | | | |
| Creditors: amounts falling due within 1 year | 9 | | 4 | | 15 |
| NET CURRENT ASSETS | | | 172 | | 130 |
| NET ASSETS | | | 172 | | 130 |
| FUNDS | | | | | |
| Restricted Funds | 10 | | 133 | | 125 |
| Unrestricted Funds | | | 39 | | 5 |
| TOTAL FUNDS | | | 172 | | 130 |

For the year ended 31 December 2020 the charity was entitled to exemption from audit under section 480 of the Companies Act 2006 relating to dormant companies.

The members have not required the company to obtain an audit in accordance with section 476 of the Companies Act 2006.

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

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small

The notes on pages 16 to 18 form part of these financial statements.

Douglas Flint

Douglas Flint (Sep 24, 2021 13:31 GMT+1)

Douglas Flint 7th September 2021

JUST FINANCE FOUNDATION

STATEMENT OF CASH FLOWS

for the year ended 31 December 2020

| | 2020 | | 2019 | |
|---|-------|------------|-------|-------------|
| | £'000 | £'000 | £'000 | £'000 |
| Reconciliation of net movement in funds to net cash flows from operating activities | | | | |
| Net Income / (Expenditure) for the reporting period (as per statement of financial activities) | | 42 | | (16) |
| Adjustments for: | | | | |
| Decrease in debtors | 96 | | 61 | |
| (Decrease) in creditors | (11) | | (65) | |
| | | 85 | | (4) |
| Net cash provided by operating activities | | 127 | | (20) |
| Change in cash and cash equivalents in the reporting period | | 127 | | (20) |
| Cash and cash equivalents at the start of the reporting period | | 9 | | 29 |
| Cash and cash equivalents at the end of the reporting period | | 136 | | 9 |

JUST FINANCE FOUNDATION

Notes to the Financial Statements for the year ended 31 December 2020

1. ACCOUNTING POLICIES

a. Basis of preparation

The financial statements have been prepared under the historical cost convention and in accordance with the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities", applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) approved on 2nd October 2019 (effective 1 January 2019) Charities SORP and the Companies Act 2006.

The charity constitutes a public benefit entity as defined by FRS102.

The Trustees consider that it is appropriate to prepare the accounts on a going concern basis and there are no material uncertainties about the organisation's ability to continue as a going concern.

b. Income recognition

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.

Donations include tax recoverable where applicable, and are recognised when receivable and when the charity has been notified in writing of both the amount and settlement date.

Legacies are recognised on a case by case basis following the granting of probate when the administrator or executor for the estate has communicated in writing both the amount and settlement date.

Grants receivable and Trust Income are accounted for in the year to which they relate.

c. Expenditure recognition

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 settlement will be required and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis. All expenses including support costs and governance costs are allocated or apportioned to the applicable expenditure headings.

d. Charitable activities

The costs of charitable activities include programme costs, governance costs and an apportionment of support costs as shown in note 4.

e. Support costs

In addition to the costs incurred directly in the course of each charitable activity, Just Finance Foundation also incurs support costs that are necessary to enable it to carry out its activities. These costs are apportioned to activities based upon the time spent on each. Support costs relating to charitable activities have been apportioned based on the staff time spent on each activity and analysed in note 5.

f. Pensions costs

The charity operates a defined contributions pension scheme, Church Urban Fund Pension Plan with Legal and General. The contributions to defined contribution schemes are accounted for in the year to which they relate. The costs of the defined contribution scheme are included within staff costs (note 5). The charity has no liability beyond making its contributions and paying across the deductions for the employee's contributions.

g. Funds

Unrestricted funds are available for use at the discretion of the trustees for any purpose in furtherance of the objectives of the charity.

Restricted funds are funds subject to specific restrictive conditions imposed by donors.

2. Income from Donations and Legacies

| | 2020 £'000 | 2020 £'000 | 2020 £'000 | 2019 £'000 |
|----------------------------------|---------------|---------------|---------------|---------------|
| | Unrestricted | Restricted | Total | Total |
| Donations | 66 | 0 | 66 | 67 |
| Trusts | 46 | 210 | 256 | 148 |
| Statutory - Job Retention Scheme | 3 | 0 | 3 | 0 |
| | 115 | 210 | 325 | 215 |

3. Income from Charitable activities

| | 2020 £'000 | 2020 £'000 | 2020 £'000 | 2019 £'000 |
|--|---------------|---------------|---------------|---------------|
| | Unrestricted | Restricted | Total | Total |
| Income from Corporates - Nationwide Building Society | 0 | 15 | 15 | 0 |
| Income from Other - Money and Pensions Service | 0 | 5 | 5 | 0 |
| Income from Church Urban Fund | 0 | 5 | 5 | 62 |
| | 0 | 25 | 25 | 62 |

Income from Charitable Activities - Church Urban Fund represents funding granted by Church Urban Fund for the Just Finance Foundation programmes.

4. Expenditure on Charitable activities

| | Direct Staff costs £'000 (note 5) | Programme costs £'000 (note 6) | Other direct costs £'000 (note 7) | Support costs £'000 (note 8) | Total 2020 £'000 | Total 2019 £'000 |
|------------------------------|--|---|--|------------------------------------|---------------------|---------------------|
| Charitable Activities | | | | | | |
| Financial Capability | | | | | | |
| Lifesavers | 87 | 13 | 2 | 3 | 105 | 196 |
| Covid Cash Course | 81 | 50 | 3 | 6 | 140 | 0 |
| Milo's Money | 26 | 1 | 3 | 5 | 35 | 0 |
| Cash Smart Credit Savvy | 0 | 0 | 0 | 0 | 0 | 27 |
| Local Communities | | | | | | |
| Just Finance Network | 1 | 27 | 0 | 0 | 28 | 68 |
| Info Hub development | 0 | 0 | 0 | 0 | 0 | 2 |
| Total expenditure | 195 | 91 | 8 | 14 | 308 | 293 |

Support costs have been allocated to activities in proportion to staff time incurred in each activity area.

5. Staff Costs

| | 2020 £'000 | 2019 £'000 |
|---|---------------|---------------|
| Salaries | 167 | 76 |
| Social Security | 16 | 5 |
| Pensions | 12 | 5 |
| | 195 | 86 |
| Staff Costs allocated by Church Urban Fund and charged as a management fee to the Just Finance Foundation | 0 | 26 |
| | 195 | 112 |

The average monthly headcount for Just Finance Foundation was 6 (2019: 2) staff with an average full time equivalent of 5 (2019: 1). Pensions costs are allocated to activities in proportion to the related staffing costs incurred.

Key management personnel were remunerated at £60k (2019:£47k).

The number of staff whose emoluments for the year exceeded £60,000 was:

| | 2020 | 2019 |
|-------------------|------|------|
| £60,000 - £70,000 | 1 | 0 |

Members of the Board of Trustees receive no remuneration for their services or for volunteering their time.

Expenses incurred in attending meetings and on other business of Just Finance Foundation were reimbursed to Trustees or paid directly on their behalf as follows:

| | No. | 2020 £'000 | No. | 2019 £'000 |
|--|-----|---------------|-----|---------------|
| Travel, subsistence and other expenses | 1 | 0 | 6 | 2 |

6. Programme costs

| | 2020 £'000 | 2019 £'000 |
|---------------------------------|---------------|---------------|
| 6a. Lifesavers | | |
| Young Enterprise delivery costs | 0 | 39 |
| Web Portal development | 0 | 10 |
| Project evaluation | 0 | 12 |
| Project Management costs | 13 | 2 |
| | 13 | 63 |
| 6b. Covid Cash Recovery | | |
| Delivery Partner Costs | 50 | 0 |
| | 50 | 0 |
| 6c. Milo's Money | | |
| Other programme costs | 1 | 0 |
| | 1 | 0 |
| 6d. Just Finance Network | | |
| Just Finance workers | 27 | 54 |
| | 27 | 54 |
| Total | 91 | 117 |

7. Other Direct Costs

| | 2020 £'000 | 2019 £'000 |
|------------------------------|---------------|---------------|
| Communications & Development | 3 | 28 |
| Mustard Seed Appeal | 5 | 15 |
| Trustees Expenses | 0 | 2 |
| | 8 | 45 |

8. Support Costs

| | 2020 £'000 | 2019 £'000 |
|--------------------------------------|---------------|---------------|
| Independent Examination | 2 | 2 |
| Office and operations costs | 11 | 1 |
| Training | 0 | 0 |
| Travel & Subsistence and Recruitment | 1 | 16 |
| | 14 | 19 |

9. Creditors (amounts falling due within one year)

| | 2020 £'000 | 2019 £'000 |
|-----------------|---------------|---------------|
| Accruals | 3 | 3 |
| Other Creditors | 1 | 12 |
| | 4 | 15 |

10. Restricted Funds

| | Balance at 01 Jan 2020 £'000 | Income £'000 | Expenditure £'000 | Balance at 31 Dec 2020 £'000 | 31 Dec 2019 £'000 |
|-------------------------------|------------------------------------|-----------------|----------------------|------------------------------------|----------------------|
| Lifesavers | 98 | 96 | 86 | 108 | 98 |
| Covid Cash Course | - | 135 | 109 | 26 | 0 |
| Milo's Money | - | 5 | 5 | - | 0 |
| Just Finance Network | 27 | - | 27 | - | 27 |
| Total restricted funds | 125 | 236 | 227 | 134 | 125 |

11. Ultimate Parent Company

The ultimate parent charity is Church Urban Fund, a company and charity registered in England, registration number 2138994 and charity number 297483

Copies of the group accounts can be obtained from Church Urban Fund, The Foundry, 17 Oval Way, London, SE11 5RR

12. Related Party Transactions

During the year, Just Finance Foundation entered into the following transactions with its parent company:

Just Finance Foundation received a grant of £5k (2019: £62K) from the Church Urban Fund to support Just Finance Foundation programme. Just Finance Foundation paid £11k (2019: £0k) to Church Urban Fund towards office and operations costs incurred by CUF on behalf of JFF. At the year end, there was an intercompany balance of £35k (2019: £51k) owed by Church Urban Fund.

Alison Grieve is a Trustee of both Church Urban Fund and Just Finance Foundation.