

CENTRE FOR RESPONSIBLE CREDIT LTD

England & Wales · Charity number 1199945

Details

Status Registered

Legal form Charitable company

Company number [12488846](#)

Registered 2022-08-03

Register [View on the Charity Commission register](#)

Contact

Address 27 Cambridge Street
Leicester
LE3 0JQ

Phone 07961869473

Email admin@responsible-credit.org.uk

Website www.responsible-credit.org.uk

Activities

Objects: 4. THE CHARITY'S OBJECTS ('OBJECTS') ARE SPECIFICALLY RESTRICTED TO THE FOLLOWING:FOR THE PUBLIC BENEFIT1. TO PREVENT AND TO RELIEVE POVERTY AND TO RELIEVE FINANCIAL HARDSHIP IN THE UK, PARTICULARLY FOR PERSONS IN LOW-INCOME HOUSEHOLDS AND THOSE IN DEBT.2. TO ADVANCE THE EDUCATION OF THE PUBLIC IN THE REGULATION, OPERATION, AND IMPACT OF CREDIT USE AND THE MECHANISMS PROVIDING FOR THE DEBT RELIEF, FINANCIAL EDUCATION, AND IMPROVED FINANCIAL WELL-BEING OF HOUSEHOLDS.

Activities: The charity conducts research into over-indebtedness amongst low to middle income households, evaluates lending practices and other approaches to reduce this, and develops innovative solutions to improve financial support and access to effective debt advice.

Classification

- **How:** Provides Services, Sponsors Or Undertakes Research
- **What:** The Prevention Or Relief Of Poverty
- **Who:** The General Public/mankind

Geography

- Throughout England And Wales

Finances

Period end	Income	Expenditure	Assets	Employees
2025-03-31	£385,190	£369,766	-	-
2024-03-31	£453,566	£340,973	-	-
2023-03-31	£464,894	£464,927	-	-

Trustees

Name	Role	Appointed
Anthony Denny		2025-11-12
Diane Burridge		2022-11-07
Eleanor Lister		2025-10-13
Emily Barr		2025-10-13
Gemma Glass		2025-10-15
Maria Booker		2025-10-13
Niall Alexander		2020-12-07
Richard Hollland		2025-10-13
Samantha Mitchell		2025-10-13
Stephen Simmons		2025-11-19

CENTRE FOR RESPONSIBLE CREDIT LTD

England & Wales - Charity number 1199945

Accounts

Company no. 12488846
Charity no. 1199945

Centre for Responsible Credit Ltd
Report and Unaudited Financial
Statements
31 March 2025

Centre for Responsible Credit Ltd

Reference and administrative details

For the year ended 31 March 2025

Company number	12488846
Charity number	1199945
Registered office and operational address	27 Cambridge Street Leicester LE3 0JQ
Trustees	The trustees who served during the year and up to the date of this report were as follows: Niall Alexander Diane Burridge Clare Payne
Chief executive officer	Damon Gibbons
Bankers	National Westminster Bank Plc 250 Bishopsgate London EC2M 4AA
Independent examiners	Godfrey Wilson Limited Chartered accountants and statutory auditors 5th Floor Mariner House 62 Prince Street Bristol BS1 4QD

Centre for Responsible Credit Ltd

Report of the trustees

For the year ended 31 March 2025

The trustees present their report along with the financial statements of the company for the year ended 31 March 2025.

Reference and administrative information set out on page 1 forms part of this report. The financial statements comply with current statutory requirements, the Constitution and the Statement of Recommended Practice - Accounting and Reporting by Charities (effective from January 2019).

Objectives and activities

The company's objectives for the public benefit are:

- To prevent and to relieve poverty and to relieve financial hardship in the UK, particularly for persons in low-income households and those in debt; and
- To advance the education of the public in the regulation, operation and impact of credit use and the mechanisms providing for the debt relief, financial education and improved financial well-being of households.

To these ends, the company undertakes the following activities:

Research and evaluation: We conduct research into the extent of credit use amongst households (particularly amongst those on low to middle incomes) and explore the interactions between credit use and poverty.

Developing and delivering new solutions: Based on our research findings, we are engaged in the development of new solutions to help reduce the risk and level of indebtedness for low to middle income households.

Networking: To both help inform and conduct our research programme, and assist with the dissemination of our findings, we engage in networking activities with, for example, debt advice agencies, financial services providers, regulators, and policymakers. These activities include the organisation of our own conferences and can involve us in supporting the development of new networks (e.g. with front-line debt advisers and people with lived experience of debt) where these are needed.

Campaigning and political activity: In some cases, our research may identify a possible need for changes to be made to the regulation of credit markets or products, or to the systems providing for debt relief, financial education, and promoting financial well-being more generally. In these cases, preventing and alleviating poverty amongst debtor households may lead us to undertake campaigns and political activities to highlight the issues involved to policymakers and/or advance the education of the public.

Consultancy services: We are sometimes asked to provide consultancy services by members of our networks - for example, to help them apply insights from our pre-existing research findings to the design of new products and services, or to assist them to provide evidence to policy and/or operational reviews conducted by Government or other statutory agencies.

Centre for Responsible Credit Ltd

Report of the trustees

For the year ended 31 March 2025

Achievements and performance

The table below, provides details of our main achievements in relation to each of the above activities over the period.

<p>Research and Evaluation</p>	<p>We conducted secondary analysis of the Money and Pensions Service’s (MaPS) Debt Needs Survey finding that the MaPS method for determining the need for debt advice, excludes many struggling households. We developed an expanded model, which suggests 25% of adults (13.5 million) need debt advice, far exceeding current service provision. The report highlights that younger, low-income renters, families with children, and those with health conditions are most at risk. It also questions the effectiveness of remote advice channels, finding face-to-face support more successful. Based on its findings we recommended a review of MaPS’ model, increased funding via the Financial Services Levy, and better targeting of services.</p> <p>We also undertook a secondary analysis of the Bank of England’s Household Debt Survey, highlighting that whilst the debt-to-income ratio has fallen to 13.2%, this improvement has been not shared by the poorest. Lower income households, when they do hold consumer credit, have much higher debt-to-income and debt servicing ratios than the average. After accounting for essential living costs, many spend two-thirds of their disposable income on debt repayments. This leaves little for food, utilities, or other necessities, forcing impossible choices and increasing financial vulnerability. The research concluded that urgent action was needed to reduce debt burdens for households earning below £17,500 per year, as current conditions are unsustainable.</p> <p>Finally, we continued with the delivery of a research project exploring how borrower concerns about their credit scores has been interacting with cost-of-living pressures and how this impacts financial behaviours, conducting qualitative interviews with around thirty lower income borrowers. This project continues into 2025/26, when we will be publishing the findings from this qualitative phase, and also commission a quantitative survey of 3,500 low to middle income consumers.</p>
<p>Developing and Delivering New Solutions</p>	<p>We published an independent evaluation of our FlexMyRent scheme, which concluded its trials in the previous financial year. The scheme allowed social housing tenants to flexibly adjust rent payments throughout the year, easing financial pressure during tight periods. Evaluation was provided for the digital trial we conducted with Southern Housing from 2021–2024. This found that FlexMyRent reached a diverse tenant group, many facing debt and financial stress. Most found our digital platform easy to use and reported reduced anxiety, better financial management, and improved satisfaction with their landlord. Success rates for rent plans were positive, with no material impact on rent arrears compared to non-participants, despite the cost-of-living crisis. The report recommended scaling up FlexMyRent, improving support for deferred tenants, and enhancing communication and administration for future trials.</p>

Centre for Responsible Credit Ltd

Report of the trustees

For the year ended 31 March 2025

	<p>Working with a researcher from the University of Nottingham, we also compared the decision-making process used in the FlexMyRent project to traditional credit scoring and underwriting processes. The study found that most applicants honestly disclosed financial pressures, with their responses aligning with broader surveys of social housing tenants. The FlexMyRent application process was viewed as less intrusive than traditional credit checks, and our support needs questionnaire helped identify those needing extra assistance. Machine learning analysis showed that self-disclosed financial stress and starting rent balances were key predictors of successful outcomes. The report concluded that trust-based approaches can effectively assess risk and may offer a cost-effective alternative to extensive data surveillance.</p> <p>We continued with the delivery of our Financial Shield project, which is being funded by a grant from Impact on Urban Health and has been extended through to the end of September 2025. This is trialling a new co-ordinated support service for residents in Peckham, South Bermondsey and Stockwell who have both long-term health conditions and money worries. We are delivering this project in partnership with GP practices, Social Prescribing Teams, advice agencies, local authorities and housing associations.</p> <p>In June 2024, we began a new project – ‘Breakthrough’ - with Southwark Council exploring the impact of additional monthly income boosts and debt write-downs for the financial well-being of 150 food bank users. The project is due to run until December 2025.</p>
Networking	<p>We continued to support the ‘We Are Debt Advisers’ network on a pro bono basis. This network, which includes approximately 700 people, has previously been successful in preventing large scale cuts to the funding of community-based debt advice.</p>
Campaigning and political activity	<p>Throughout the year we challenged an emerging narrative that over-regulation of the financial services industry was holding back economic growth by pointing to historic problems associated with too little, and ineffective, regulation rather than too much. Activities included blogs, letters to the press, and a response to the joint Financial Conduct Authority and Financial Ombudsman Service consultation concerning ‘mass redress’ events.</p>
Consultancy services	<p>No consultancy services were provided in the year.</p>

Centre for Responsible Credit Ltd

Report of the trustees

For the year ended 31 March 2025

Financial review

2024/25 saw us implement the plans set out in our last annual report to invest in the expansion of our staff team. Following an open recruitment procedure that attracted more than 500 applicants, we appointed an External Affairs Lead and Researcher in January 2025. This brought our average headcount to 2.42 in the year. However, the recruitment exercise disrupted our ability to seek additional work, and our turnover reduced by 15% compared to 2023/24. Despite this, and by continuing to operate with lean overheads, we achieved a small overall surplus and ended the year with total funds of just under £224,000. This would not have been possible without the continued support of Impact on Urban Health, who are providing us with a core funding grant of nearly £67,000 per annum through to July 2026.

Once again, our major costs relate to Research and Consultancy services, with these reflecting the sub-contracted delivery arrangements that we have in place for the Financial Shield project with Age UK Lambeth and Citizens Advice Southwark. Staffing costs also rose as a percentage of turnover (24% compared to 17% in the year previously) reflecting both the expanded staff team toward the end of the year and the reduction in turnover. However, software development costs reduced by nearly 40% due to the decommissioning of the digital platform commissioned for use in the FlexMyRent project, and governance costs again remained below £4,000. Total support and governance costs were just £12,500, reflecting the organisation's use of remote working, with no rental liabilities for office space or other premises.

Total unrestricted funds at the end of the year are £83,131, which easily exceeded our reserves policy, which the Trustees have previously set as requiring cover for at least three months of staff costs and overheads (equivalent at year end to £33,222) and we do not anticipate any difficulties maintaining sufficient funds to meet this requirement over the next 12 months, due to the projects currently on our books.

Plans for future periods

Our priorities for the next year have been identified by the Board and include:

Strengthening governance: A recruitment exercise to expand the number of Trustees to a minimum of five by the end of the financial year was slightly delayed but will be completed in early 2025. Within this, we recognise the need to secure a more diverse membership. It is also desirable for us to include Board members with knowledge of the issues facing the debt advice sector, and/or who have experience of tackling inequalities in local government, housing, and health settings. The new Board will oversee the development of a new three-year Business Plan for the period 2025 to 2028.

Staffing: We have no immediate plans to further expand the staff team but will review staffing levels again toward the end of 2025/26.

Communicating the findings from our work: We will provide a public-facing report concerning the impact of the Financial Shield project in Autumn 2025 and will engage with policymakers including Government and local integrated care boards to disseminate learning and potentially roll out the model.

Centre for Responsible Credit Ltd

Report of the trustees

For the year ended 31 March 2025

Structure, governance, and management

There were no changes to the structure, governance, or management arrangements for the company in the year.

Statement of responsibilities of the trustees

The trustees (who are also directors of the charity for the purposes of company law) are responsible for preparing the trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charity and of the income and expenditure of the charity for that period. In preparing those financial statements the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK accounting standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and which enable them to ensure that the financial statements comply with the Charities Act 2011. The trustees are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Members of the charity guarantee to contribute an amount not exceeding £10 to the assets of the charity in the event of winding up. The trustees are members of the charity but this entitles them only to voting rights. The trustees have no beneficial interest in the charity.

Independent examiners

Godfrey Wilson Limited were re-appointed as independent examiners to the charity during the year and have expressed their willingness to continue in that capacity.

Approved by the trustees on 11 November 2025 and signed on their behalf by



Clare Payne - Chair

Independent examiner's report

To the trustees of

Centre for Responsible Credit Ltd

I report to the trustees on my examination of the accounts of Centre for Responsible Credit Ltd (the charitable company) for the year ended 31 March 2025, which are set out on pages 8 to 19.

Responsibilities and basis of report

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

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

Independent examiner's statement

Since the charitable company'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 because I am a member of the Institute of Chartered Accountants in England and Wales (ICAEW), which is one of the listed bodies.

Godfrey Wilson Limited also provides bookkeeping services to the charitable company. I confirm that as a member of the ICAEW I am subject to the FRC's Revised Ethical Standard 2016, which I have applied with respect to this engagement.

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

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

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

Rob Wilson

Date: 11 November 2025

Robert Wilson FCA, Member of the ICAEW

For and on behalf of:

Godfrey Wilson Limited

Chartered accountants and statutory auditors

5th Floor Mariner House

62 Prince Street

Bristol, BS1 4QD

Centre for Responsible Credit Ltd

Statement of financial activities *(incorporating an income and expenditure account)*

For the year ended 31 March 2025

	Note	Restricted £	Unrestricted £	2025 Total £	2024 Total £
Income from:					
Donations	3	10	66,998	67,008	66,667
Charitable activities	4	200,000	105,152	305,152	384,273
Investments		-	5,030	5,030	2,626
Other		-	8,000	8,000	-
Total income		<u>200,010</u>	<u>185,180</u>	<u>385,190</u>	<u>453,566</u>
Expenditure on:					
Raising funds		-	7,568	7,568	-
Charitable activities		<u>238,896</u>	<u>123,302</u>	<u>362,198</u>	<u>340,973</u>
Total expenditure	5	<u>238,896</u>	<u>130,870</u>	<u>369,766</u>	<u>340,973</u>
Net income / (expenditure) and net movement in funds	6	(38,886)	54,310	15,424	112,593
Reconciliation of funds:					
Total funds brought forward		<u>179,462</u>	<u>28,821</u>	<u>208,283</u>	<u>95,690</u>
Total funds carried forward		<u><u>140,576</u></u>	<u><u>83,131</u></u>	<u><u>223,707</u></u>	<u><u>208,283</u></u>

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in note 13 to the accounts.

Centre for Responsible Credit Ltd

Balance sheet

As at 31 March 2025

	Note	£	2025 £	2024 £
Fixed assets				
Tangible assets	9		818	110
Current assets				
Debtors	10	11,020		17,569
Cash at bank and in hand		<u>244,707</u>		<u>242,894</u>
		255,727		260,463
Liabilities				
Creditors: amounts falling due within 1 year	11	<u>(32,838)</u>		<u>(52,290)</u>
Net current assets			<u>222,889</u>	<u>208,173</u>
Net assets	12		<u>223,707</u>	<u>208,283</u>
Funds	13			
Restricted funds			140,576	179,462
Unrestricted funds			<u>83,131</u>	<u>28,821</u>
Total charity funds			<u>223,707</u>	<u>208,283</u>

The directors are satisfied that the company is entitled to exemption from the provisions of the Companies Act 2006 (the Act) relating to the audit of the financial statements for the year by virtue of section 477(2), and that no member or members have requested an audit pursuant to section 476 of the Act.

The directors acknowledge their responsibilities for:

- (i) ensuring that the company keeps proper accounting records which comply with section 386 of the Act; and
- (ii) preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its profit or loss for the financial year in accordance with the requirements of section 393, and which otherwise comply with the requirements of the Act relating to financial statements, so far as applicable to the company.

These accounts have been prepared in accordance with the special provisions applicable to companies subject to the small companies' regime.

Approved by the trustees on 11 November 2025 and signed on their behalf by



Clare Payne - Chair

Centre for Responsible Credit Ltd

Notes to the financial statements

For the year ended 31 March 2025

1. Accounting policies

a) Basis of preparation

Centre for Responsible Credit Ltd is a charitable company limited by guarantee registered in England and Wales. The registered office address is 27 Cambridge Street, Leicestershire, LE3 0JQ.

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities in preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

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

b) Going concern basis of accounting

The accounts have been prepared on the assumption that the charity is able to continue as a going concern, which the trustees consider appropriate having regard to the current level of unrestricted reserves. There are no material uncertainties about the charity's ability to continue as a going concern.

c) Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the item of income have been met, it is probable that the income will be received and the amount can be measured reliably.

Income from the government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

d) Donated services and facilities

Donated professional services and donated facilities are recognised as income when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use by the charity of the item, is probable and the economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), general volunteer time is not recognised.

On receipt, donated professional services and donated facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

e) Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity: this is normally upon notification of the interest paid or payable by the bank.

Centre for Responsible Credit Ltd

Notes to the financial statements

For the year ended 31 March 2025

1. Accounting policies (continued)

f) Funds accounting

Unrestricted funds are available to spend on activities that further any of the purposes of the charity. Designated funds are unrestricted funds of the charity which the trustees have decided at their discretion to set aside to use for a specific purpose. Restricted funds are donations which the donor has specified are to be solely used for particular areas of the charity's work or for specific projects being undertaken by the charity.

g) Expenditure and irrecoverable VAT

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

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

h) Allocation of support and governance costs

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Governance costs are the costs associated with the governance arrangements of the charity, including the costs of complying with constitutional and statutory requirements and any costs associated with the strategic management of the charity's activities. These costs have been allocated in full to charitable activities as fundraising expenditure only relates to staff costs.

i) Tangible fixed assets

Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The depreciation rates in use are as follows:

Computer equipment	3 years
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j) Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

k) Cash at bank and in hand

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

l) Creditors

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

m) Financial instruments

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

Centre for Responsible Credit Ltd

Notes to the financial statements

For the year ended 31 March 2025

1. Accounting policies (continued)

n) Pension costs

The charity operates a defined contribution pension scheme for its employees. There are no further liabilities other than that already recognised in the SOFA.

o) Accounting estimates and key judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The key sources of estimation uncertainty that have a significant effect on the amounts recognised in the financial statements are depreciation as described in note i) above.

2. Prior period comparatives: statement of financial activities

	Restricted £	Unrestricted £	2024 Total £
Income from:			
Doantions	-	66,667	66,667
Charitable activities	369,136	15,137	384,273
Investments	-	2,626	2,626
Total income	<u>369,136</u>	<u>84,430</u>	<u>453,566</u>
Expenditure on:			
Charitable activities	<u>272,623</u>	<u>68,350</u>	<u>340,973</u>
Total expenditure	<u>272,623</u>	<u>68,350</u>	<u>340,973</u>
Net income and net movement in funds	<u>96,513</u>	<u>16,080</u>	<u>112,593</u>

Centre for Responsible Credit Ltd

Notes to the financial statements

For the year ended 31 March 2025

3. Income from donations

	Restricted £	Unrestricted £	2025 Total £	2024 Total £
Donations	10	331	341	-
Grants	-	66,667	66,667	66,667
Total income from donations	10	66,998	67,008	66,667

All income from donations in the prior period was unrestricted.

4. Income from charitable activities

	Restricted £	Unrestricted £	2025 Total £
Grants	200,000	-	200,000
Contracts	-	105,152	105,152
Total income from charitable activities	200,000	105,152	305,152

Prior period comparative:	Restricted £	Unrestricted £	2024 Total £
Grants	340,123	-	340,123
Contracts	29,013	15,137	44,150
Total income from charitable activities	369,136	15,137	384,273

Centre for Responsible Credit Ltd

Notes to the financial statements

For the year ended 31 March 2025

5. Total expenditure

	Raising funds £	Charitable activities £	Support and governance £	2025 Total £
Staff costs (note 7)	7,568	76,263	7,568	91,399
Research and consultancy costs	-	239,043	-	239,043
Professional subscriptions	-	957	-	957
Legal and professional	-	-	35	35
Accountancy	-	-	4,702	4,702
Insurance	-	913	-	913
Printing, postage and stationery	-	3,741	-	3,741
Software development	-	26,087	-	26,087
Travel	-	937	-	937
Staff training	-	-	195	195
Sundry	-	799	-	799
Depreciation	-	514	-	514
Bank charges	-	444	-	444
Sub-total	7,568	349,698	12,500	369,766
Allocation of support and governance costs	-	12,500	(12,500)	-
Total expenditure	7,568	362,198	-	369,766

Total governance costs were £3,787 (2024: £3,340).

Prior period comparative

	Charitable activities £	Support and governance £	2024 Total £
Staff costs (note 7)	71,336	3,755	75,091
Research and consultancy costs	211,493	-	211,493
Professional subscriptions	867	-	867
Legal and professional	-	35	35
Accountancy	-	4,501	4,501
Insurance	471	-	471
Printing, postage and stationery	2,301	-	2,301
Software development	43,296	-	43,296
Travel	1,216	-	1,216
Sundry	1,287	-	1,287
Depreciation	110	-	110
Bank charges	305	-	305
Sub-total	332,682	8,291	340,973
Allocation of support and governance costs	8,291	(8,291)	-
Total expenditure	340,973	-	340,973

Centre for Responsible Credit Ltd

Notes to the financial statements

For the year ended 31 March 2025

6. Net movement in funds

This is stated after charging:

	2025	2024
	£	£
Depreciation	514	110
Trustees' remuneration	Nil	Nil
Trustees' reimbursed expenses	Nil	Nil
Independent examiner's remuneration (excluding VAT):		
▪ Independent examination	2,950	2,800
▪ Other services	837	540
	<u>837</u>	<u>540</u>

7. Staff costs and numbers

Staff costs were as follows:

	2025	2024
	£	£
Salaries and wages	83,997	69,538
Social security costs	3,558	2,086
Pension costs	3,844	3,467
	<u>91,399</u>	<u>75,091</u>

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

The key management personnel of the charity comprise the Directors and Chief Executive. The total employee benefits of the key management personnel were £64,102 (2024: £60,963).

	2025	2024
	No.	No.
Average head count	<u>2.42</u>	<u>2.00</u>

8. Taxation

The charity is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

Centre for Responsible Credit Ltd

Notes to the financial statements

For the year ended 31 March 2025

9. Tangible fixed assets

	Total £
Cost	
At 1 April 2024	1,283
Additions in year	<u>1,222</u>
At 31 March 2025	<u>2,505</u>
Depreciation	
At 1 April 2024	1,173
Charge for the year	<u>514</u>
At 31 March 2025	<u>1,687</u>
Net book value	
At 31 March 2025	<u><u>818</u></u>
At 31 March 2024	<u><u>110</u></u>

10. Debtors

	2025 £	2024 £
Accrued income	-	8,333
VAT	2,057	4,236
Other debtors	<u>8,963</u>	<u>5,000</u>
	<u><u>11,020</u></u>	<u><u>17,569</u></u>

11. Creditors : amounts due within 1 year

	2025 £	2024 £
Trade creditors	28,571	1,650
Accruals	4,267	48,316
Other taxation and social security	-	1,768
Other creditors	<u>-</u>	<u>556</u>
	<u><u>32,838</u></u>	<u><u>52,290</u></u>

Centre for Responsible Credit Ltd

Notes to the financial statements

For the year ended 31 March 2025

12. Analysis of net assets between funds

	Restricted funds	Unrestricted funds	Total funds
	£	£	£
Tangible fixed assets	-	818	818
Current assets	142,226	113,501	255,727
Current liabilities	<u>(1,650)</u>	<u>(31,188)</u>	<u>(32,838)</u>
Net assets at 31 March 2025	<u>140,576</u>	<u>83,131</u>	<u>223,707</u>

	Restricted funds	Unrestricted funds	Total funds
	£	£	£
Prior year comparative			
Tangible fixed assets	-	110	110
Current assets	226,415	34,048	260,463
Current liabilities	<u>(46,953)</u>	<u>(5,337)</u>	<u>(52,290)</u>
Net assets at 31 March 2024	<u>179,462</u>	<u>28,821</u>	<u>208,283</u>

Centre for Responsible Credit Ltd

Notes to the financial statements

For the year ended 31 March 2025

13. Movements in funds

	At 1 April 2024 £	Income £	Expenditure £	At 31 March 2025 £
Restricted funds				
Abrdn Financial Fairness	18,540	10	(8,057)	10,493
Financial Shield	<u>160,922</u>	<u>200,000</u>	<u>(230,839)</u>	<u>130,083</u>
Total restricted funds	<u>179,462</u>	<u>200,010</u>	<u>(238,896)</u>	<u>140,576</u>
Unrestricted funds				
General funds	<u>28,821</u>	<u>185,180</u>	<u>(130,870)</u>	<u>83,131</u>
Total unrestricted funds	<u>28,821</u>	<u>185,180</u>	<u>(130,870)</u>	<u>83,131</u>
Total funds	<u><u>208,283</u></u>	<u><u>385,190</u></u>	<u><u>(369,766)</u></u>	<u><u>223,707</u></u>

Purposes of restricted funds

Abrdn Financial Fairness

This project explores how Credit Reference Agency messaging about the importance of building and maintaining credit scores affects financial decisions when households are under pressure, including whether it deters people from seeking help with their debts. The project is undertaking qualitative interviews with around thirty low to middle income borrowers. The findings from these will be discussed with key stakeholders and will inform a survey of approximately 3,500 lower income households in the later part of the project to assess the scale of any problems. The project is due to conclude in late 2025.

Financial Shield

Funded by Impact on Urban Health, this pilot brings together Primary Care Networks, social prescribing teams, local authorities, and housing associations with advice and community-based support agencies to provide a holistic response to people's financial and health support needs. The pilot is being conducted in Lambeth and Southwark and will evaluate the impact of benefits advice and support with rent and Council Tax debts on the health of people living with long-term conditions.

Centre for Responsible Credit Ltd

Notes to the financial statements

For the year ended 31 March 2025

13. Movements in funds (continued)

Prior year comparative

	At 1 April 2023 £	Income £	Expenditure £	At 31 March 2024 £
Restricted funds				
Abrdn Financial Fairness	-	18,540	-	18,540
Financial Shield	82,688	321,583	(243,349)	160,922
FlexMyRent	261	29,013	(29,274)	-
Total restricted funds	<u>82,949</u>	<u>369,136</u>	<u>(272,623)</u>	<u>179,462</u>
Unrestricted funds				
General funds	<u>12,741</u>	<u>84,430</u>	<u>(68,350)</u>	<u>28,821</u>
Total unrestricted funds	<u>12,741</u>	<u>84,430</u>	<u>(68,350)</u>	<u>28,821</u>
Total funds	<u><u>95,690</u></u>	<u><u>453,566</u></u>	<u><u>(340,973)</u></u>	<u><u>208,283</u></u>

14. Related party transactions

There were no related party transactions in the current or prior period.

CENTRE FOR RESPONSIBLE CREDIT LTD

England & Wales - Charity number 1199945

Accounts

Company no. 12488846
Charity no. 1199945

Centre for Responsible Credit Ltd
Report and Unaudited Financial
Statements
31 March 2024

Centre for Responsible Credit Ltd

Reference and administrative details

For the year ended 31 March 2024

Company number	12488846
Charity number	1199945
Registered office and operational address	27 Cambridge Street Leicester LE3 0JQ
Trustees	The trustees who served during the year and up to the date of this report were as follows: Niall Alexander Diane Burrige Clare Payne
Chief executive officer	Damon Gibbons
Bankers	National Westminster Bank Plc 250 Bishopsgate London EC2M 4AA
Independent examiners	Godfrey Wilson Limited Chartered accountants and statutory auditors 5th Floor Mariner House 62 Prince Street Bristol BS1 4QD

Centre for Responsible Credit Ltd

Report of the trustees

For the year ended 31 March 2024

The trustees present their report along with the financial statements of the company for the year ended 31 March 2024.

Reference and administrative information set out on page 1 forms part of this report. The financial statements comply with current statutory requirements, the Constitution and the Statement of Recommended Practice - Accounting and Reporting by Charities (effective from January 2019).

Objectives and activities

The company's objectives for the public benefit are:

- To prevent and to relieve poverty and to relieve financial hardship in the UK, particularly for persons in low-income households and those in debt; and
- To advance the education of the public in the regulation, operation and impact of credit use and the mechanisms providing for the debt relief, financial education and improved financial well-being of households.

To these ends, the company undertakes the following activities:

Research and evaluation: We conduct research into the extent of credit use amongst households (particularly amongst those on low to middle incomes) and explore the interactions between credit use and poverty.

Developing and delivering new solutions: Based on our research findings, we are engaged in the development of new solutions to help reduce the risk and level of indebtedness for low to middle income households.

Networking: To both help inform and conduct our research programme, and assist with the dissemination of our findings, we engage in networking activities with, for example, debt advice agencies, financial services providers, regulators, and policymakers. These activities include the organisation of our own conferences and can involve us in supporting the development of new networks (e.g. with front-line debt advisers and people with lived experience of debt) where these are needed.

Campaigning and political activity: In some cases, our research may identify a possible need for changes to be made to the regulation of credit markets or products, or to the systems providing for debt relief, financial education, and promoting financial well-being more generally. In these cases, preventing and alleviating poverty amongst debtor households may lead us to undertake campaigns and political activities to highlight the issues involved to policymakers and/or advance the education of the public.

Consultancy services: We are sometimes asked to provide consultancy services by members of our networks - for example, to help them apply insights from our pre-existing research findings to the design of new products and services, or to assist them to provide evidence to policy and/or operational reviews conducted by Government or other statutory agencies.

Centre for Responsible Credit Ltd

Report of the trustees

For the year ended 31 March 2024

Achievements and performance

Details of our main achievements in relation to each of the above activities over the period are below.

Research and evaluation: Building on our work in the previous year, we conducted a follow-up evaluation of the not-for-profit provider Fair for You's trial schemes, which offers small sum interest-free loans to customers of Iceland Foods. The trials were successful in reducing the need for food banks and helped lower income households to better cope with financial pressures caused by the ongoing cost-of-living-crisis. Wider benefits included improved diets and a reduction in the use of high-cost credit, including from illegal lenders.

We conducted secondary analysis of the Financial Conduct Authority's Financial Lives survey for 2020 to investigate the drivers of illegal moneylending. The report indicates that the use of legal, high-cost credit significantly increases the risk of people using illegal lenders within a year. The report also provided insights into the possible reasons for large variations between the Financial Lives Survey estimates of illegal lending prevalence and those of several smaller surveys conducted since 2020.

We published a briefing concerning the Council Tax collection and how this has been impacted by both the cost-of-living crisis and increasing financial pressures on local authorities. The briefing called for Council Tax revaluation and reform; for further research into the cost and benefits of different approaches to Council Tax collection, for Council Taxpayers to be provided with greater payment flexibility, and for more funding for debt advice services.

Finally, we secured grant funding from Ayr Financial Fairness Trust to start a new research project exploring how borrower concerns about their credit scores has been interacting with cost-of-living pressures and how this impacts financial behaviours.

Developing and delivering new solutions: We concluded the delivery phase of our FlexMyRent trial with Southern Housing in the year. An independent evaluation of the scheme with recommendations for next steps will be published in 2024/25.

We continued with the delivery of our Financial Shield project, which is being funded by a grant from Impact on Urban Health and has been extended through to the end of September 2025. This is trialling a new co-ordinated support service for residents in Peckham, South Bermondsey and Stockwell who have both long-term health conditions and money worries. We are delivering this project in partnership with GP practices, Social Prescribing Teams, advice agencies, local authorities and housing associations. To date, the project has provided support to over 800 people and successfully increased their income and/or reduced their debts by £1.2 million.

Networking: We continued to support the 'We Are Debt Advisers' network on a pro bono basis. This network, which includes approximately 700 people, has previously been successful in preventing large scale cuts to the funding of community-based debt advice.

Campaigning and political activity: We contributed to the campaign for a Fair Banking Act being led by the Finance Innovation Lab. This is seeking improved disclosure of bank and consumer credit lending patterns to financially excluded groups and for 'Community Reinvestment' type obligations to be placed on lenders to increase access to responsible provided credit. Our role included helping to develop possible indicators to rate lender's current performance.

Centre for Responsible Credit Ltd

Report of the trustees

For the year ended 31 March 2024

Consultancy services: We continued to provide advice to Debt Justice's 'Together Against Debt' project which is seeking to bring the voices of people with lived experience of debt into the policy-making process. We also completed our work on the advisory group for a Centre for Justice Innovation project exploring the impacts of Magistrates Court Fines for people on low incomes.

Financial review

2023/24 was a successful year, during which we have laid the foundations for future expansion. We secured unrestricted grant funding from Impact on Urban Health worth £180,000 over this and the next two years. This was used to support the appointment of a part-time Research and Development Lead, who subsequently developed a successful application for a research grant from Abridn Financial Fairness Trust. We plan to use the unrestricted funding to expand our staff team further in 2024/25, including by adding a full-time External Affairs Lead to increase our capacity for campaigning and fund-raising activities.

Turnover for the year was again just short of £500,000 but expenditure reduced by around £120,000 compared to 2022/23. This was primarily due to a reduction in delivery costs for the Financial Shield project. Expenditure to deliver this project was channelled through our sub-contracts with Age UK Lambeth, Citizens Advice Southwark and StockWellBeing PCN. The costs of those appear as consultancy fees in our accounts and this category accounted for 62% of our total expenditure.

Other significant expenditure related to payments to our software developers in respect of their work on the FlexMyRent platform. This included its decommissioning at the end of the trial. With the FlexMyRent trial now concluded expenditure on software development will fall significantly in the following year.

Staffing costs rose slightly as a percentage of turnover (17% compared to 12% in the year previously) whilst support and governance costs again remained low compared at just 1.8%, reflecting the organisation's continuing determination to operate with extremely lean overheads. This includes remote working, with no rental liabilities for office space or other premises.

Overall, we ended the year with net assets of just over £208,000, easily exceeding our reserves policy, which the trustees have previously set as requiring cover for at least three months of staff costs and overheads.

Plans for future periods

Our priorities for the next year have been identified by the Board and include:

Strengthening governance: We will conduct a recruitment exercise to increase the number of trustees to five. Within this, we recognise the need to secure a more diverse membership. It is also desirable for us to include Board members with knowledge of the issues facing the debt advice sector, and/or who have experience of tackling inequalities in local government, housing, and health settings. The new Board will oversee the development of a new three-year Business Plan for the period 2025 to 2028.

Staffing: We will recruit to an External Affairs Lead position and also look to increase our in-house research capacity.

Centre for Responsible Credit Ltd

Report of the trustees

For the year ended 31 March 2024

Communicating the findings from our work: We will provide a public-facing report concerning the impact of the Financial Shield project in Autumn 2024 and will engage with policymakers including Government and local integrated care boards to disseminate learning and potentially roll out the model.

Structure, governance, and management

Aside from gaining charitable status in August 2022, there were no changes to the structure, governance or management arrangements for the company in the year.

Statement of responsibilities of the trustees

The trustees (who are also directors of the charity for the purposes of company law) are responsible for preparing the trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charity and of the income and expenditure of the charity for that period. In preparing those financial statements the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK accounting standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and which enable them to ensure that the financial statements comply with the Charities Act 2011. The trustees are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Members of the charity guarantee to contribute an amount not exceeding £10 to the assets of the charity in the event of winding up. The trustees are members of the charity but this entitles them only to voting rights. The trustees have no beneficial interest in the charity.

Centre for Responsible Credit Ltd

Report of the trustees

For the year ended 31 March 2024

Independent examiners

Godfrey Wilson Limited were re-appointed as independent examiners to the charity during the year and have expressed their willingness to continue in that capacity.

Approved by the trustees on 13 September 2024 and signed on their behalf by



Clare Payne - Chair

Independent examiner's report

To the trustees of

Centre for Responsible Credit Ltd

I report to the trustees on my examination of the accounts of Centre for Responsible Credit Ltd (the charitable company) for the year ended 31 March 2024, which are set out on pages 8 to 19.

Responsibilities and basis of report

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

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

Independent examiner's statement

Since the charitable company'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 because I am a member of the Institute of Chartered Accountants in England and Wales (ICAEW), which is one of the listed bodies.

Godfrey Wilson Limited also provides bookkeeping services to the charitable company. I confirm that as a member of the ICAEW I am subject to the FRC's Revised Ethical Standard 2016, which I have applied with respect to this engagement.

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

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

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

Rob Wilson

Date: 13 September 2024

Robert Wilson FCA, Member of the ICAEW

For and on behalf of:

Godfrey Wilson Limited

Chartered accountants and statutory auditors

5th Floor Mariner House

62 Prince Street

Bristol, BS1 4QD

Centre for Responsible Credit Ltd**Statement of financial activities** *(incorporating an income and expenditure account)***For the year ended 31 March 2024**

	Note	Restricted £	Unrestricted £	2024 Total £	2023 Total £
Income from:					
Donations	3	-	66,667	66,667	-
Charitable activities	4	369,136	15,137	384,273	464,513
Investments		-	2,626	2,626	381
Total income		<u>369,136</u>	<u>84,430</u>	<u>453,566</u>	<u>464,894</u>
Expenditure on:					
Charitable activities		<u>272,623</u>	<u>68,350</u>	<u>340,973</u>	<u>464,927</u>
Total expenditure	5	<u>272,623</u>	<u>68,350</u>	<u>340,973</u>	<u>464,927</u>
Net income / (expenditure) and net movement in funds	6	96,513	16,080	112,593	(33)
Reconciliation of funds:					
Total funds brought forward		<u>82,949</u>	<u>12,741</u>	<u>95,690</u>	<u>95,723</u>
Total funds carried forward		<u><u>179,462</u></u>	<u><u>28,821</u></u>	<u><u>208,283</u></u>	<u><u>95,690</u></u>

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in note 13 to the accounts.

Centre for Responsible Credit Ltd

Balance sheet

As at 31 March 2024

	Note	£	2024 £	2023 £
Fixed assets				
Tangible assets	9		110	220
Current assets				
Debtors	10	17,569		61,881
Cash at bank and in hand		<u>242,894</u>		<u>96,213</u>
		260,463		158,094
Liabilities				
Creditors: amounts falling due within 1 year	11	<u>(52,290)</u>		<u>(62,624)</u>
Net current assets			<u>208,173</u>	<u>95,470</u>
Net assets	12		<u>208,283</u>	<u>95,690</u>
Funds	13			
Restricted funds			179,462	82,949
Unrestricted funds			<u>28,821</u>	<u>12,741</u>
Total charity funds			<u>208,283</u>	<u>95,690</u>

The directors are satisfied that the company is entitled to exemption from the provisions of the Companies Act 2006 (the Act) relating to the audit of the financial statements for the year by virtue of section 477(2), and that no member or members have requested an audit pursuant to section 476 of the Act.

The directors acknowledge their responsibilities for:

- (i) ensuring that the company keeps proper accounting records which comply with section 386 of the Act; and
- (ii) preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its profit or loss for the financial year in accordance with the requirements of section 393, and which otherwise comply with the requirements of the Act relating to financial statements, so far as applicable to the company.

These accounts have been prepared in accordance with the special provisions applicable to companies subject to the small companies' regime.

Approved by the trustees on 13 September 2024 and signed on their behalf by



Clare Payne - Chair

Centre for Responsible Credit Ltd

Notes to the financial statements

For the year ended 31 March 2024

1. Accounting policies

a) Basis of preparation

Centre for Responsible Credit Ltd is a charitable company limited by guarantee registered in England and Wales. The registered office address is 27 Cambridge Street, Leicestershire, LE3 0JQ.

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities in preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

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

b) Going concern basis of accounting

The accounts have been prepared on the assumption that the charity is able to continue as a going concern, which the trustees consider appropriate having regard to the current level of unrestricted reserves. There are no material uncertainties about the charity's ability to continue as a going concern.

c) Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the item of income have been met, it is probable that the income will be received and the amount can be measured reliably.

Income from the government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

d) Donated services and facilities

Donated professional services and donated facilities are recognised as income when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use by the charity of the item, is probable and the economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), general volunteer time is not recognised.

On receipt, donated professional services and donated facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

e) Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity: this is normally upon notification of the interest paid or payable by the bank.

Centre for Responsible Credit Ltd

Notes to the financial statements

For the year ended 31 March 2024

1. Accounting policies (continued)

f) Funds accounting

Unrestricted funds are available to spend on activities that further any of the purposes of the charity. Designated funds are unrestricted funds of the charity which the trustees have decided at their discretion to set aside to use for a specific purpose. Restricted funds are donations which the donor has specified are to be solely used for particular areas of the charity's work or for specific projects being undertaken by the charity.

g) Expenditure and irrecoverable VAT

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

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

h) Allocation of support and governance costs

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Governance costs are the costs associated with the governance arrangements of the charity, including the costs of complying with constitutional and statutory requirements and any costs associated with the strategic management of the charity's activities. These costs have been allocated in full to charitable activities as there is no fundraising expenditure in the charity.

i) Tangible fixed assets

Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The depreciation rates in use are as follows:

Computer equipment	3 years
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j) Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

k) Cash at bank and in hand

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

l) Creditors

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

m) Financial instruments

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

Centre for Responsible Credit Ltd

Notes to the financial statements

For the year ended 31 March 2024

1. Accounting policies (continued)

n) Pension costs

The charity operates a defined contribution pension scheme for its employees. There are no further liabilities other than that already recognised in the SOFA.

o) Accounting estimates and key judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The key sources of estimation uncertainty that have a significant effect on the amounts recognised in the financial statements are depreciation as described in note i above.

2. Prior period comparatives: statement of financial activities

	Restricted £	Unrestricted £	2023 Total £
Income from:			
Charitable activities	438,913	25,600	464,513
Investments	-	381	381
Total income	<u>438,913</u>	<u>25,981</u>	<u>464,894</u>
Expenditure on:			
Charitable activities	<u>404,938</u>	<u>59,989</u>	<u>464,927</u>
Total expenditure	<u>404,938</u>	<u>59,989</u>	<u>464,927</u>
Net income / (expenditure) and net movement in funds	<u>33,975</u>	<u>(34,008)</u>	<u>(33)</u>

Centre for Responsible Credit Ltd

Notes to the financial statements

For the year ended 31 March 2024

3. Income from donations

	2024	2023
	Total	Total
	£	£
Grants	<u>66,667</u>	-
Total income from donations	<u>66,667</u>	<u>-</u>

All income from donations in the current and prior year was unrestricted.

4. Income from charitable activities

	Restricted	Unrestricted	2024
	£	£	Total
			£
Grants	340,123	-	340,123
Contracts	<u>29,013</u>	<u>15,137</u>	44,150
Total income from charitable activities	<u>369,136</u>	<u>15,137</u>	<u>384,273</u>

Prior period comparative:

	Restricted	Unrestricted	2023
	£	£	Total
			£
Grants	386,310	287	386,597
Contracts	<u>52,603</u>	<u>25,313</u>	<u>77,916</u>
Total income from charitable activities	<u>438,913</u>	<u>25,600</u>	<u>464,513</u>

Centre for Responsible Credit Ltd

Notes to the financial statements

For the year ended 31 March 2024

5. Total expenditure

	Charitable activities £	Support and governance costs £	2024 Total £
Staff costs (note 7)	71,336	3,755	75,091
Research and consultancy costs	211,493	-	211,493
Professional subscriptions	867	-	867
Legal and professional	-	35	35
Accountancy	-	4,501	4,501
Insurance	471	-	471
Printing, postage and stationery	2,301	-	2,301
Software development	43,296	-	43,296
Travel	1,216	-	1,216
Sundry	1,287	-	1,287
Depreciation	110	-	110
Bank charges	305	-	305
Sub-total	332,682	8,291	340,973
Allocation of support and governance costs	8,291	(8,291)	-
Total expenditure	340,973	-	340,973

Prior period comparative	Charitable activities £	Support and governance £	2023 Total £
Staff costs (note 7)	55,991	-	55,991
Research and consultancy costs	335,846	-	335,846
Professional subscriptions	470	-	470
Legal and professional	-	4,765	4,765
Accountancy	-	3,331	3,331
Insurance	665	-	665
Printing, postage and stationery	3,139	-	3,139
Software development	59,038	-	59,038
Travel	955	-	955
Sundry	221	-	221
Depreciation	427	-	427
Bank charges	79	-	79
Sub-total	456,831	8,096	464,927
Allocation of support and governance costs	8,096	(8,096)	-
Total expenditure	464,927	-	464,927

Total governance costs were £3,340 (2023: £3,331).

Centre for Responsible Credit Ltd

Notes to the financial statements

For the year ended 31 March 2024

6. Net movement in funds

This is stated after charging:

	2024	2023
	£	£
Depreciation	110	427
Trustees' remuneration	Nil	Nil
Trustees' reimbursed expenses	Nil	Nil
Independent examiner's remuneration (excluding VAT):		
▪ Independent examination	2,800	2,650
▪ Other services	540	455
	<u>540</u>	<u>455</u>

7. Staff costs and numbers

Staff costs were as follows:

	2024	2023
	£	£
Salaries and wages	69,538	47,981
Social security costs	2,086	5,537
Pension costs	3,467	2,473
	<u>75,091</u>	<u>55,991</u>

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

The key management personnel of the charity comprise the Directors and Chief Executive. The total employee benefits of the key management personnel were £60,963 (2023: £54,843).

	2024	2023
	No.	No.
Average head count	<u>2.00</u>	<u>1.00</u>

8. Taxation

The charity is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

Centre for Responsible Credit Ltd

Notes to the financial statements

For the year ended 31 March 2024

9. Tangible fixed assets

	Total £
Cost	
At 1 April 2023 and at 31 March 2024	<u>1,283</u>
Depreciation	
At 1 April 2023	1,063
Charge for the year	<u>110</u>
At 31 March 2024	<u>1,173</u>
Net book value	
At 31 March 2024	<u><u>110</u></u>
At 31 March 2023	<u><u>220</u></u>

10. Debtors

	2024 £	2023 £
Trade debtors	-	1,386
Accrued income	8,333	57,334
VAT	4,236	3,161
Other debtors	<u>5,000</u>	<u>-</u>
	<u><u>17,569</u></u>	<u><u>61,881</u></u>

11. Creditors : amounts due within 1 year

	2024 £	2023 £
Trade creditors	1,650	25,504
Accruals	48,316	36,837
Other taxation and social security	1,768	-
Other creditors	<u>556</u>	<u>283</u>
	<u><u>52,290</u></u>	<u><u>62,624</u></u>

Centre for Responsible Credit Ltd

Notes to the financial statements

For the year ended 31 March 2024

12. Analysis of net assets between funds

	Restricted funds £	Unrestricted funds £	Total funds £
Tangible fixed assets	-	110	110
Current assets	226,415	34,048	260,463
Current liabilities	<u>(46,953)</u>	<u>(5,337)</u>	<u>(52,290)</u>
Net assets at 31 March 2024	<u>179,462</u>	<u>28,821</u>	<u>208,283</u>
Prior year comparative			
	Restricted funds £	Unrestricted funds £	Total funds £
Tangible fixed assets	-	220	220
Current assets	82,949	75,145	158,094
Current liabilities	<u>-</u>	<u>(62,624)</u>	<u>(62,624)</u>
Net assets at 31 March 2023	<u>82,949</u>	<u>12,741</u>	<u>95,690</u>

13. Movements in funds

	At 1 April 2023 £	Income £	Expenditure £	At 31 March 2024 £
Restricted funds				
Abrdn Financial Fairness	-	18,540	-	18,540
Financial Shield	82,688	321,583	(243,349)	160,922
FlexMyRent	261	29,013	(29,274)	-
Total restricted funds	<u>82,949</u>	<u>369,136</u>	<u>(272,623)</u>	<u>179,462</u>
Unrestricted funds				
General funds	<u>12,741</u>	<u>84,430</u>	<u>(68,350)</u>	<u>28,821</u>
Total unrestricted funds	<u>12,741</u>	<u>84,430</u>	<u>(68,350)</u>	<u>28,821</u>
Total funds	<u><u>95,690</u></u>	<u><u>453,566</u></u>	<u><u>(340,973)</u></u>	<u><u>208,283</u></u>

Purposes of restricted funds

Abrdn Financial Fairness	This project is exploring how Credit Reference Agency messaging about the importance of building and maintaining credit scores affects financial decisions when households are under pressure, including whether it deters people from seeking help with their debts. The project is undertaking qualitative interviews with forty-five low to middle income borrowers. The findings from these will be discussed with key stakeholders and will inform a survey of 4,000 lower income households in the later part of the project to assess the scale of any problems.
FlexMyRent	Funded by JP Morgan Charitable Foundation, and in partnership with HACT, we trialled a new way for housing association tenants to plan their rent payments and manage cash-flow problems over the year. Residents used our digital platform to create personalised rent payment plans, providing them with the opportunity to pay less rent in months when money was tight and slightly more when things were that little bit easier. The trial concluded in 2023/24. An independent evaluation is scheduled for publication in 2024/25.
Financial Shield	Funded by Impact on Urban Health, this pilot brings together Primary Care Networks, social prescribing teams, local authorities, and housing associations with advice and community based support agencies to provide a holistic response to people's financial and health support needs. The pilot is being conducted in Lambeth and Southwark and will evaluate the impact of benefits advice and support with rent and Council Tax debts on the health of people living with long-term conditions.

Centre for Responsible Credit Ltd

Notes to the financial statements

For the year ended 31 March 2024

13. Movements in funds (continued)

Prior year comparative

	At 1 April 2022 £	Income £	Expenditure £	At 31 March 2023 £
Restricted funds				
Financial Shield	36,861	386,310	(340,483)	82,688
FlexMyRent	<u>12,113</u>	<u>52,603</u>	<u>(64,455)</u>	<u>261</u>
Total restricted funds	<u>48,974</u>	<u>438,913</u>	<u>(404,938)</u>	<u>82,949</u>
Unrestricted funds				
General funds	<u>46,749</u>	<u>25,981</u>	<u>(59,989)</u>	<u>12,741</u>
Total unrestricted funds	<u>46,749</u>	<u>25,981</u>	<u>(59,989)</u>	<u>12,741</u>
Total funds	<u><u>95,723</u></u>	<u><u>464,894</u></u>	<u><u>(464,927)</u></u>	<u><u>95,690</u></u>

14. Related party transactions

There were no related party transactions in the current or prior period.

CENTRE FOR RESPONSIBLE CREDIT LTD

England & Wales - Charity number 1199945

Accounts

Company no. 12488846
Charity no. 1199945

Centre for Responsible Credit Ltd
Report and Unaudited Financial
Statements
31 March 2023

Centre for Responsible Credit Ltd

Reference and administrative details

For the year ended 31 March 2023

Company number	12488846
Charity number	1199945
Registered office and operational address	27 Cambridge Street Leicester LE3 0JQ
Trustees	The trustees who served during the year and up to the date of this report were as follows: Niall Alexander Diane Burridge appointed 7 November 2022 Clare Payne
Chief executive officer	Damon Gibbons
Bankers	National Westminster Bank Plc 250 Bishopsgate London EC2M 4AA
Independent examiners	Godfrey Wilson Limited Chartered accountants and statutory auditors 5th Floor Mariner House 62 Prince Street Bristol BS1 4QD

Centre for Responsible Credit Ltd

Report of the trustees

For the year ended 31 March 2023

Company Report

The Trustees present their report along with the financial statements of the company for the year ended 31 March 2023.

Reference and administrative information set out on page 1 forms part of this report. The financial statements comply with current statutory requirements, the Constitution and the Statement of Recommended Practice - Accounting and Reporting by Charities (effective from January 2019).

Objectives and activities

The company's objectives are:

For the public benefit

- To prevent and to relieve poverty and to relieve financial hardship in the UK, particularly for persons in low-income households and those in debt; and
- To advance the education of the public in the regulation, operation, and impact of credit use and the mechanisms providing for the debt relief, financial education, and improved financial well-being of households.

To these ends, the company undertakes the following activities:

Research and Evaluation: We conduct research into the extent of credit use amongst households (particularly amongst those on low to middle incomes) and explore the interactions between credit use and poverty.

Developing and delivering new solutions: Based on our research findings, we are engaged in the development of new solutions to help reduce the risk and level of indebtedness for low to middle income households.

Networking: To both help inform and conduct our research programme and assist with the dissemination of our findings, we engage in networking activities with, for example, debt advice agencies, financial services providers, regulators, and policymakers. These activities include the organisation of our own conferences and can involve us in supporting the development of new networks (e.g., with front-line debt advisers and people with lived experience of debt) where these are needed.

Campaigning and political activity: In some cases, our research may identify a possible need for changes to be made to the regulation of credit markets or products, or to the systems providing for debt relief, financial education, and promoting financial well-being more generally. In these cases, preventing and alleviating poverty amongst debtor households may lead us to undertake campaigns and political activities to highlight the issues involved to policymakers and/or advance the education of the public.

Consultancy services: We are sometimes asked to provide consultancy services by members of our networks - for example to help them apply insights from our pre-existing research findings to the design of new products and services, or to assist them to provide evidence to policy and/or operational reviews conducted by Government or other statutory agencies.

Centre for Responsible Credit Ltd

Report of the trustees

For the year ended 31 March 2023

Achievements and performance

Table 1, below, provides details of our main achievements in relation to each of the above activities over the period.

Research and Evaluation	<p>We conducted an evaluation of the not-for-profit provider Fair for You's trial schemes, which offered small sum low interest loans to customers of Iceland Foods. This indicated that the trials were successful in reducing the need for food banks and helped lower income households to better cope with financial pressures caused by the ongoing cost-of-living-crisis. Wider benefits included improved diets and a reduction in the use of high-cost credit, including from illegal lenders. Our evaluation fed into Iceland Foods' decision to fund a national roll-out of a completely interest-free scheme in partnership with Fair for You in August 2022.</p>
Developing and Delivering New Solutions	<p>We continued the delivery of two pilot projects: FlexMyRent and Financial Shield.</p> <p>FlexMyRent is being trialled with two housing associations, Optivo and MTVH, and is funded by a grant from the JP Morgan Chase Foundation which runs through to December 2023. The project involves CfRC in providing a digital platform for tenants to propose and receive decisions concerning personalised rent payment schedules. It is hoped this will provide an interest free alternative to credit use for these households. By the end of the financial year, the project had engaged over 600 social housing tenants and over 150 proposals for flexibility had been submitted through our platform. Activities to evaluate the impacts of the scheme are ongoing.</p> <p>Financial Shield is being funded by a grant from Impact on Urban Health and is trialling a new co-ordinated support service for residents in Peckham, South Bermondsey, and Stockwell who have both long-term health conditions and money worries. We are delivering this project in partnership with GP practices, Social Prescribing Teams, advice agencies, local authorities, and housing associations. The Financial Shield project has now been extended to September 2025. In the financial year, the project received 650 referrals, resulting in 330 people being successfully onboarded. Advisers working on the project secured over £350,000 in additional benefits and grants for these individuals.</p>
Networking	<p>We continued to support the 'We Are Debt Advisers' network on a pro bono basis. This network, which includes approximately 700 people, has previously been successful in preventing large scale cuts to the funding of community-based debt advice. Activities in the year included consultation events with debt advisers regarding new grant agreement arrangements with the Money and Pensions Service, with whom we also met on regular basis.</p>
Campaigning and political activity	<p>We responded to several consultations over the year, including with respect to the Financial Conduct Authority's Credit Market Information Study and the new Consumer Duty and Government's Insolvency Review. We also engaged with HM Treasury and the Bank of England concerning the latter's new Cost-of-living adjusted measures of the household debt burden.</p>
Consultancy services	<p>We continued to provide advice to Debt Justice's 'Together Against Debt' project which is seeking to bring the voices of people with lived experience of debt into the policy-making process. We also joined the advisory group for a Centre for Justice Innovation project exploring the impacts of Magistrates Court Fines for people on low incomes.</p>

Centre for Responsible Credit Ltd

Report of the trustees

For the year ended 31 March 2023

Financial Review

The accounts demonstrate that this was a year in which we consolidated our operations. Income was again around £450,000, with this primarily comprising the grant from Impact on Urban Health for the delivery of the Financial Shield project. Expenditure to deliver this project was channelled through our sub-contracts with Age UK Lambeth and three Primary Care Networks. The costs of those appear as consultancy fees in our accounts and this category of expenditure accounted for 75% of turnover. Other significant expenditure related to payments to our software developers in respect of their work on the FlexMyRent platform.

Staffing costs rose slightly as a percentage of turnover (12% compared to 10% in the year previously) whilst support and governance costs again remained low compared at just 1.7%, reflecting the organisation's continuing determination to operate with extremely lean overheads. This includes continued remote working, with no rental liabilities for office space or other premises.

Overall, the budget was balanced for the year (net loss of just £33), which has allowed us to carry forward £95,690 from previous periods to 2023/24. During the course of the year, the Trustees adopted a policy of maintaining reserves at a level sufficient to cover at least three months of staff costs and overheads. As reserves were well above this at year end, a decision was taken to create a part-time Research and Development Lead position, and this was successfully recruited to in March 2023.

Plans for future periods

The employment of the new Research and Development Lead is expected to generate new research activity and diversify our current funding base. This is consistent with our business plan covering the period 2020 to 2023, which prioritised consideration of recruitment to the core staff team when resources allowed. A new Business Plan, covering the period to 2026, is under development and it is anticipated that this will include further recruitment to the staff team in 2024.

Structure, governance, and management

Aside from gaining charitable status in August 2022, there were no changes to the structure, governance, or management arrangements for the company in the year.

Statement of responsibilities of the trustees

The trustees (who are also directors of the charity for the purposes of company law) are responsible for preparing the trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charity and of the income and expenditure of the charity for that period. In preparing those financial statements the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK accounting standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

Centre for Responsible Credit Ltd

Report of the trustees

For the year ended 31 March 2023

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and which enable them to ensure that the financial statements comply with the Charities Act 2011. The trustees are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Members of the charity guarantee to contribute an amount not exceeding £10 to the assets of the charity in the event of winding up. The trustees are members of the charity but this entitles them only to voting rights. The trustees have no beneficial interest in the charity.

Independent examiners

Godfrey Wilson Limited were re-appointed as independent examiners to the charity during the year and have expressed their willingness to continue in that capacity.

Approved by the trustees on 24 November 2023 and signed on their behalf by



Clare Payne - Chair

Independent examiner's report

To the trustees of

Centre for Responsible Credit Ltd

I report to the trustees on my examination of the accounts of Centre for Responsible Credit Ltd (the charitable company) for the year ended 31 March 2023, which are set out on pages 7 to 19.

Responsibilities and basis of report

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

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

Independent examiner's statement

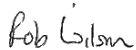
Since the charitable company's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of the Institute of Chartered Accountants in England and Wales (ICAEW), which is one of the listed bodies.

Godfrey Wilson Limited also provides bookkeeping services to the charitable company. I confirm that as a member of the ICAEW I am subject to the FRC's Revised Ethical Standard 2016, which I have applied with respect to this engagement.

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

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

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



Date: 24 November 2023

Rob Wilson FCA

Member of the ICAEW

For and on behalf of:

Godfrey Wilson Limited

Chartered accountants and statutory auditors

5th Floor Mariner House

62 Prince Street

Bristol

BS1 4QD

Centre for Responsible Credit Ltd

Statement of financial activities

For the year ended 31 March 2023

	Note	Restricted £	Unrestricted £	2023 Total £	2022 Total £
Income (and endowments) from:					
Charitable activities	3	438,913	25,600	464,513	455,413
Investments	4	-	381	381	-
Total income (and endowments)		<u>438,913</u>	<u>25,981</u>	<u>464,894</u>	<u>455,413</u>
Expenditure on:					
Charitable activities		<u>404,938</u>	<u>59,989</u>	<u>464,927</u>	<u>450,951</u>
Total expenditure	5	<u>404,938</u>	<u>59,989</u>	<u>464,927</u>	<u>450,951</u>
Net gains / (losses) on investments		-	-	-	-
Net income / (expenditure)		33,975	(34,008)	(33)	4,462
Transfers between funds		-	-	-	-
Net movement in funds	7	33,975	(34,008)	(33)	4,462
Reconciliation of funds:					
Total funds brought forward		<u>48,974</u>	<u>46,749</u>	<u>95,723</u>	<u>91,261</u>
Total funds carried forward		<u><u>82,949</u></u>	<u><u>12,741</u></u>	<u><u>95,690</u></u>	<u><u>95,723</u></u>

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in note 14 to the accounts.

Centre for Responsible Credit Ltd

Balance sheet

As at 31 March 2023

	Note	£	2023 £	2022 £
Fixed assets				
Tangible assets	10		220	317
Current assets				
Debtors	11	61,881		84,451
Cash at bank and in hand		<u>96,213</u>		<u>43,917</u>
		158,094		128,368
Liabilities				
Creditors: amounts falling due within 1 year	12	<u>(62,624)</u>		<u>(32,962)</u>
Net current assets / (liabilities)			95,470	95,406
Net assets / (liabilities)	13		95,690	<u>95,723</u>
Funds	14			
Restricted funds			82,949	48,974
Unrestricted funds				
General funds			<u>12,741</u>	<u>46,749</u>
Total charity funds			95,690	<u>95,723</u>

The directors are satisfied that the company is entitled to exemption from the provisions of the Companies Act 2006 (the Act) relating to the audit of the financial statements for the year by virtue of section 477(2), and that no member or members have requested an audit pursuant to section 476 of the Act.

The directors acknowledge their responsibilities for:

- (i) ensuring that the Company keeps proper accounting records which comply with section 386 of the Act; and
- (ii) preparing financial statements which give a true and fair view of the state of affairs of the Company as at the end of the financial year and of its profit or loss for the financial year in accordance with the requirements of section 393, and which otherwise comply with the requirements of the Act relating to financial statements, so far as applicable to the company.

These accounts have been prepared in accordance with the special provisions applicable to companies subject to the small companies' regime.

Approved by the trustees on 24 November 2023 and signed on their behalf by



Clare Payne - Chair

Centre for Responsible Credit Ltd

Notes to the financial statements

For the year ended 31 March 2023

1. Accounting policies

a) Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities in preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

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

b) Going concern basis of accounting

The accounts have been prepared on the assumption that the charity is able to continue as a going concern, which the trustees consider appropriate having regard to the current level of unrestricted reserves. There are no material uncertainties about the charity's ability to continue as a going concern.

c) Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the item of income have been met, it is probable that the income will be received and the amount can be measured reliably.

Income from the government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

For legacies, entitlement is taken as the earlier of the date on which either: the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the Trust that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

Income received in advance is deferred until criteria for income recognition are met.

d) Donated services and facilities

Donated professional services and donated facilities are recognised as income when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use by the charity of the item, is probable and the economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), general volunteer time is not recognised.

On receipt, donated professional services and donated facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

Centre for Responsible Credit Ltd

Notes to the financial statements

For the year ended 31 March 2023

e) Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity: this is normally upon notification of the interest paid or payable by the bank.

f) Funds accounting

Unrestricted funds are available to spend on activities that further any of the purposes of the charity. Designated funds are unrestricted funds of the charity which the trustees have decided at their discretion to set aside to use for a specific purpose. Restricted funds are donations which the donor has specified are to be solely used for particular areas of the charity's work or for specific projects being undertaken by the charity.

g) Expenditure and irrecoverable VAT

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

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

h) Allocation of support and governance costs

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Governance costs are the costs associated with the governance arrangements of the charity, including the costs of complying with constitutional and statutory requirements and any costs associated with the strategic management of the charity's activities. These costs have been allocated between cost of raising funds and expenditure on charitable activities as follows:

	2023	2022
Raising funds	0.0%	0.0%
Charitable activities	100.0%	100.0%

i) Tangible fixed assets

Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The depreciation rates in use are as follows:

Computer equipment	3 years
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j) Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

k) Cash at bank and in hand

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

Centre for Responsible Credit Ltd

Notes to the financial statements

For the year ended 31 March 2023

l) Creditors

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

m) Financial instruments

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

n) Pension costs

The charity operates a defined contribution pension scheme for its employees. There are no further liabilities other than that already recognised in the SOFA.

o) Foreign currency transactions

Transactions in foreign currencies are translated at rates prevailing at the date of the transaction. Balances denominated in foreign currencies are translated at the rate of exchange prevailing at the year end.

p) Accounting estimates and key judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The key sources of estimation uncertainty that have a significant effect on the amounts recognised in the financial statements are depreciation as described in note i above.

Centre for Responsible Credit Ltd

Notes to the financial statements

For the year ended 31 March 2023

2. Prior period comparatives: statement of financial activities

	Restricted £	Unrestricted £	2022 Total £
Income from:			
Charitable activities	<u>405,546</u>	<u>49,867</u>	<u>455,413</u>
Total income	<u>405,546</u>	<u>49,867</u>	<u>455,413</u>
Expenditure on:			
Raising funds			-
Charitable activities	<u>401,222</u>	<u>49,729</u>	<u>450,951</u>
Total expenditure	<u>401,222</u>	<u>49,729</u>	<u>450,951</u>
Net income / (expenditure)	4,324	138	4,462
Transfers between funds	-	-	-
Net movement in funds	<u>4,324</u>	<u>138</u>	<u>4,462</u>

3. Income from charitable activities

	Restricted £	Unrestricted £	2023 Total £
Grants	386,310	287	386,597
Service level agreements	<u>52,603</u>	<u>25,313</u>	77,916
Total income from charitable activities	<u>438,913</u>	<u>25,600</u>	464,513
Prior period comparative:			2022
	Restricted £	Unrestricted £	Total £
Grants	367,773	1,167	368,940
Service level agreements	<u>37,773</u>	<u>48,700</u>	<u>86,473</u>
Total income from charitable activities	<u>405,546</u>	<u>49,867</u>	<u>455,413</u>

4. Income from investments

	Restricted £	Unrestricted £	2023 Total £
Interest	-	381	381
Total income from investments	<u>-</u>	<u>381</u>	381
Prior period comparative:			2022
	Restricted £	Unrestricted £	Total £
Interest	-	-	-
Total income from investments	<u>-</u>	<u>-</u>	<u>-</u>

Centre for Responsible Credit Ltd

Notes to the financial statements

For the year ended 31 March 2023

5. Total expenditure

	Raising funds £	Charitable activities £	Support and governance costs £	2023 Total £
Staff costs (note 8)	-	55,991	-	55,991
Research and consultancy costs	-	335,846	-	335,846
Professional subscriptions	-	470	-	470
Legal and professional	-	-	4,765	4,765
Accountancy	-	-	3,331	3,331
Insurance	-	665	-	665
PPS	-	3,139	-	3,139
Software development	-	59,038	-	59,038
Travel	-	955	-	955
Sundry	-	221	-	221
Depreciation	-	427	-	427
Bank Charges	-	79	-	79
Sub-total	-	456,831	8,096	464,927
Allocation of support and governance costs	-	8,096	(8,096)	-
Total expenditure	-	464,927	-	464,927

Total governance costs were £3,331 (2022: £3,540)

Centre for Responsible Credit Ltd

Notes to the financial statements

For the year ended 31 March 2023

6. Total expenditure

Prior period comparative

	Raising funds £	Charitable activities £	Support and governance costs £	2022 Total £
Staff costs (note 8)	-	47,054	-	47,054
Research and consultancy	-	312,699	-	312,699
Professional subscriptions	-	231	-	231
Legal and professional	-	-	3,823	3,823
Accountancy	-	-	3,540	3,540
Insurance	-	474	-	474
Printing, postage and stationery	-	4,726	-	4,726
Advertising	-	-	-	-
Software development	-	76,378	-	76,378
Travel	-	755	-	755
Depreciation	-	318	-	318
Miscellaneous costs	-	953	-	953
Sub-total	-	443,588	7,363	450,951
Allocation of support and governance costs	-	7,363	(7,363)	-
Total expenditure	-	450,951	-	450,951

Centre for Responsible Credit Ltd

Notes to the financial statements

For the year ended 31 March 2023

7. Net movement in funds

This is stated after charging:

	2023	2022
	£	£
Depreciation	<u><u>427</u></u>	<u><u>318</u></u>

8. Staff costs and numbers

Staff costs were as follows:

	2023	2022
	£	£
Salaries and wages	47,981	42,420
Social security costs	5,537	4,634
Pension costs	<u><u>2,473</u></u>	-
	<u><u>55,991</u></u>	<u><u>47,054</u></u>

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

The key management personnel of the charity comprise the Directors and Chief Executive. The total employee benefits of the key management personnel were £54,843 (2022: £47,054).

	2023	2022
	No.	No.
Average head count	<u><u>1.00</u></u>	<u><u>1.00</u></u>

9. Taxation

The charity is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

Centre for Responsible Credit Ltd

Notes to the financial statements

For the year ended 31 March 2023

10. Tangible fixed assets

	Total £
Cost	
At 1 April 2022	953
Additions in year	330
Disposals	-
	<u>1,283</u>
At 31 March 2023	<u>1,283</u>
Depreciation	
At 1 April 2022	636
Charge for the year	427
On disposals	-
	<u>1,063</u>
At 31 March 2023	<u>1,063</u>
Net book value	
At 31 March 2023	<u><u>220</u></u>
At 31 March 2022	<u><u>317</u></u>

11. Debtors

	2023 £	2022 £
Trade debtors	1,386	5,221
Accrued income	57,334	79,230
VAT	3,161	-
	<u>61,881</u>	<u>84,451</u>

12. Creditors : amounts due within 1 year

	2023 £	2022 £
Trade creditors	25,504	2,930
Accruals	36,837	23,708
Other taxation and social security	283	1,409
VAT	-	4,915
	<u>62,624</u>	<u>32,962</u>

Centre for Responsible Credit Ltd

Notes to the financial statements

For the year ended 31 March 2023

13. Analysis of net assets between funds

	Restricted funds £	General funds £	Total funds £
Tangible fixed assets	-	220	220
Current assets	82,949	75,145	158,094
Current liabilities	-	(62,624)	(62,624)
Net assets at 31 March 2023	82,949	12,741	95,690
	Restricted funds £	General funds £	Total funds £
Prior year comparative			
Tangible fixed assets	-	317	317
Current assets	48,974	79,394	128,368
Current liabilities	-	(32,962)	(32,962)
Net assets at 31 March 2022	48,974	46,749	95,723

Centre for Responsible Credit Ltd

Notes to the financial statements

For the year ended 31 March 2023

14. Movements in funds

	At 1 April 2022 £	Income £	Expenditure £	Transfers between funds £	At 31 March 2023 £
Restricted funds					
Financial Shield	36,861	386,310	(340,483)	-	82,688
FlexMyRent	12,113	52,604	(64,456)	-	261
Total restricted funds	48,974	438,914	(404,939)	-	82,949
Unrestricted funds					
General funds	46,749	25,981	(59,989)	-	12,741
Total unrestricted funds	46,749	25,981	(59,989)	-	12,741
Total funds	95,723	464,895	(464,928)	-	95,690

Purposes of restricted funds

FlexMyRent Funded by JP Morgan Charitable Foundation, FlexMyRent is trialling a new way for residents to plan rent payments and offers them a completely free way to manage cash-flow problems over the year. Residents use our digital platform to create a personalised rent payment plan, providing them with the opportunity to pay less rent in months when money is tight and slightly more when things are that little bit easier. In exchange, residents engage with support services provided by their housing provider and keep them informed of their financial situation so any extra help required can be provided. CfRC is currently trialling the scheme with two housing associations: Southern Housing and MTVH.

Financial Shield Funded by Impact on Urban Health, this pilot brings together Primary Care Networks, social prescribing teams, local authorities, and housing associations with advice and community based support agencies to provide a holistic response to people's financial and health support needs. The pilot is being conducted in Lambeth and Southwark and will evaluate the impact of benefits advice and support with rent and Council Tax debts on the health of people living with long-term conditions.

Centre for Responsible Credit Ltd

Notes to the financial statements

For the year ended 31 March 2023

14. Movements in funds (continued)

Prior year comparative

	At 1 April 2021 £	Income £	Expenditure £	Transfers between funds £	At 31 March 2022 £
Restricted funds					
Financial Shield	44,650	332,073	(339,862)	-	36,861
FlexMyRent	-	73,473	(61,360)	-	12,113
Total restricted funds	<u>44,650</u>	<u>405,546</u>	<u>(401,222)</u>	<u>-</u>	<u>48,974</u>
Unrestricted funds					
General funds	<u>46,611</u>	<u>49,867</u>	<u>(49,729)</u>	<u>-</u>	<u>46,749</u>
Total unrestricted funds	<u>46,611</u>	<u>49,867</u>	<u>(49,729)</u>	<u>-</u>	<u>46,749</u>
Total funds	<u>91,261</u>	<u>455,413</u>	<u>(450,951)</u>	<u>-</u>	<u>95,723</u>

15. Related party transactions

There were no related party transactions in the current or prior period.