

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**

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

## Centre for Responsible Credit Ltd

### Report of the trustees

#### For the year ended 31 March 2024

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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

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##### **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 Ayrdrn 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

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**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**

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**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**

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**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

A handwritten signature in black ink, appearing to read 'Clare Payne', written over a horizontal line.

Clare Payne - Chair

## **Independent examiner's report**

### **To the trustees of**

#### **Centre for Responsible Credit Ltd**

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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**

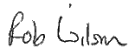
Since the charitable company's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of the Institute of Chartered Accountants in England and Wales (ICAEW), which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



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<br>£       | Unrestricted<br>£    | 2024<br>Total<br>£           | 2023<br>Total<br>£   |
|---|------|-----------------------|----------------------|------------------------------|----------------------|
| <b>Income from:</b>   |      |                       |                      |                              |                      |
| Donations   | 3    | -                     | 66,667               | <b>66,667</b>                | -                    |
| Charitable activities                                       | 4    | 369,136               | 15,137               | <b>384,273</b>               | 464,513              |
| Investments   |      | -                     | 2,626                | <b>2,626</b>                 | 381                  |
| <b>Total income</b>   |      | <u>369,136</u>        | <u>84,430</u>        | <u><b>453,566</b></u>        | <u>464,894</u>       |
| <b>Expenditure on:</b>                                      |      |                       |                      |                              |                      |
| Charitable activities                                       |      | <u>272,623</u>        | <u>68,350</u>        | <u><b>340,973</b></u>        | <u>464,927</u>       |
| <b>Total expenditure</b>                                    | 5    | <u>272,623</u>        | <u>68,350</u>        | <u><b>340,973</b></u>        | <u>464,927</u>       |
| <b>Net income / (expenditure) and net movement in funds</b> | 6    | 96,513                | 16,080               | <b>112,593</b>               | (33)                 |
| <b>Reconciliation of funds:</b>                             |      |                       |                      |                              |                      |
| Total funds brought forward                                 |      | <u>82,949</u>         | <u>12,741</u>        | <u><b>95,690</b></u>         | <u>95,723</u>        |
| <b>Total funds carried forward</b>                          |      | <u><u>179,462</u></u> | <u><u>28,821</u></u> | <u><u><b>208,283</b></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<br>£             | 2023<br>£            |
|--|------|-----------------|-----------------------|----------------------|
| <b>Fixed assets</b>                          |      |                 |                       |                      |
| Tangible assets                              | 9    |                 | 110                   | 220                  |
| <b>Current assets</b>                        |      |                 |                       |                      |
| Debtors                                      | 10   | 17,569          |                       | 61,881               |
| Cash at bank and in hand                     |      | <u>242,894</u>  |                       | <u>96,213</u>        |
|  |      | 260,463         |                       | 158,094              |
| <b>Liabilities</b>                           |      |                 |                       |                      |
| Creditors: amounts falling due within 1 year | 11   | <u>(52,290)</u> |                       | <u>(62,624)</u>      |
| <b>Net current assets</b>                    |      |                 | <u>208,173</u>        | <u>95,470</u>        |
| <b>Net assets</b>                            | 12   |                 | <u><u>208,283</u></u> | <u><u>95,690</u></u> |
| <b>Funds</b>                                 | 13   |                 |                       |                      |
| Restricted funds                             |      |                 | 179,462               | 82,949               |
| Unrestricted funds                           |      |                 | <u>28,821</u>         | <u>12,741</u>        |
| <b>Total charity funds</b>                   |      |                 | <u><u>208,283</u></u> | <u><u>95,690</u></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:

- ensuring that the company keeps proper accounting records which comply with section 386 of the Act; and
- 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**

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#### **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.

Notes to the financial statements

For the year ended 31 March 2024

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**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 |
|--------------------|---------|

**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

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

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

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

**4. Income from charitable activities**

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

**Prior period comparative:**

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

Centre for Responsible Credit Ltd

Notes to the financial statements

For the year ended 31 March 2024

5. Total expenditure

|  | Charitable<br>activities<br>£ | Support and<br>governance costs<br>£ | 2024 Total<br>£ |
|--|-------------------------------|--------------------------------------|-----------------|
| 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             |
| <b>Sub-total</b>                           | <b>332,682</b>                | <b>8,291</b>                         | <b>340,973</b>  |
| Allocation of support and governance costs | 8,291                         | (8,291)                              | -               |
| <b>Total expenditure</b>                   | <b>340,973</b>                | <b>-</b>                             | <b>340,973</b>  |

Prior period comparative

|  | Charitable<br>activities<br>£ | Support and<br>governance<br>£ | 2023 Total<br>£ |
|--|-------------------------------|--------------------------------|-----------------|
| 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              |
| <b>Sub-total</b>                           | <b>456,831</b>                | <b>8,096</b>                   | <b>464,927</b>  |
| Allocation of support and governance costs | 8,096                         | (8,096)                        | -               |
| <b>Total expenditure</b>                   | <b>464,927</b>                | <b>-</b>                       | <b>464,927</b>  |

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<br>£ | 2023<br>£ |
|--|-----------|-----------|
| 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       |

##### 7. Staff costs and numbers

Staff costs were as follows:

|                       | 2024<br>£     | 2023<br>£     |
|-----------------------|---------------|---------------|
| 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<br>No. | 2023<br>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**

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

**10. Debtors**

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

**11. Creditors : amounts due within 1 year**

|                                    | <b>2024<br/>£</b>           | <b>2023<br/>£</b>           |
|------------------------------------|-----------------------------|-----------------------------|
| Trade creditors                    | <b>1,650</b>                | 25,504                      |
| Accruals                           | <b>48,316</b>               | 36,837                      |
| Other taxation and social security | <b>1,768</b>                | -                           |
| Other creditors                    | <u><b>556</b></u>           | <u><b>283</b></u>           |
|                                    | <u><u><b>52,290</b></u></u> | <u><u><b>62,624</b></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<br>funds<br>£ | Unrestricted<br>funds<br>£ | Total<br>funds<br>£ |
|------------------------------------|--------------------------|----------------------------|---------------------|
| Tangible fixed assets              | -                        | 110                        | 110                 |
| Current assets                     | 226,415                  | 34,048                     | 260,463             |
| Current liabilities                | (46,953)                 | (5,337)                    | (52,290)            |
| <b>Net assets at 31 March 2024</b> | <b>179,462</b>           | <b>28,821</b>              | <b>208,283</b>      |

|                                    | Restricted<br>funds<br>£ | Unrestricted<br>funds<br>£ | Total<br>funds<br>£ |
|------------------------------------|--------------------------|----------------------------|---------------------|
| <b>Prior year comparative</b>      |                          |                            |                     |
| Tangible fixed assets              | -                        | 220                        | 220                 |
| Current assets                     | 82,949                   | 75,145                     | 158,094             |
| Current liabilities                | -                        | (62,624)                   | (62,624)            |
| <b>Net assets at 31 March 2023</b> | <b>82,949</b>            | <b>12,741</b>              | <b>95,690</b>       |

## 13. Movements in funds

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

**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<br>2022<br>£ | Income<br>£           | Expenditure<br>£        | At 31 March<br>2023<br>£ |
|---------------------------------|-------------------------|-----------------------|-------------------------|--------------------------|
| <b>Restricted funds</b>         |                         |                       |                         |                          |
| 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>               |
| <b>Total restricted funds</b>   | <u>48,974</u>           | <u>438,913</u>        | <u>(404,938)</u>        | <u>82,949</u>            |
| <b>Unrestricted funds</b>       |                         |                       |                         |                          |
| General funds                   | <u>46,749</u>           | <u>25,981</u>         | <u>(59,989)</u>         | <u>12,741</u>            |
| <b>Total unrestricted funds</b> | <u>46,749</u>           | <u>25,981</u>         | <u>(59,989)</u>         | <u>12,741</u>            |
| <b>Total funds</b>              | <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.