



crosslight  
advice

Registered Charity No. 1163306

# Trustees' report and accounts

---

12 months to  
31 December 2022



## CONTENTS

1. Welcome	03
2. Mission & Purpose	03
3. Activities, Achievements & Performance	04
4. Structure	08
5. Governance & Management	09
6. Financial Review, Risk Management & Reserves Policy	09
7. Funding & Support	10
8. Independent Examiner's report to the trustees	13
9. Annual Accounts	
a. Statement of Financial Activity	14
b. Balance Sheet	15
c. Notes to the Accounts	16

## CHARITY INFORMATION

**Charity number**

1163306

**FCA registration number**

715066

**Registered office and principal address**

HTB Brompton Road, London,  
SW7 1JA

**Trustees**

Martin Duffy (until 17.7.22)  
Francis Ellison (Chair)  
Mark Farrar (Treasurer)  
Nick Lines  
Paul Crouch  
Seonaid Mackenzie  
Patricia Dhar (from 17.03.22)  
Jean Moorhouse (from 28.11.22)

**Bankers**

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

**Independent examiner**

Colin Webster, ACA

## 1. WELCOME



Francis Ellison  
Trustee Chair

Welcome to our 2022 Trustees' Report and Accounts. We hope that the following pages give a useful summary of the life-changing work that the charity has undertaken during the year.

For Crosslight, and in particular for those we support, 2022 was tough! More people than ever before found themselves struggling as the cost-of-living crisis forced many to make impossible choices. And against a difficult backdrop in terms of charity funding, we had to work hard to increase our capacity.

Full credit must go to our staff, volunteers, and those who supported us financially, that we were able to help record numbers of clients. As we look ahead to 2023, huge challenges remain, and even greater numbers will need our support. We will again rise to the challenge, and ensure we live up to our vision of 'Restoring Dignity, Renewing Hope'.

## 2. MISSION & PURPOSE

Crosslight works to lift people out of poverty and help them build a better future. With locations throughout London and the South, we work with some of the most marginalised and vulnerable in society. We do this through programmes providing comprehensive debt & benefits advice, building financial resilience through money education and budget coaching, and mentoring clients with open-ended holistic support.

Our approach is deeply personal, taking individual needs and capabilities into account to meet each person at their point of need. Our service is set up to enable us to walk alongside our clients over the long term if necessary to achieve lasting change.

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

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

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

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

### 3. ACTIVITIES, ACHIEVEMENTS & PERFORMANCE IN 2022

#### Advise

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

#### Equip

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

#### Encourage

We know that debt and financial difficulty are often symptoms of a deeper problem. We work hard to support clients through their difficulties and empower them to turn their lives around. We achieve this by taking a 'whole-person' approach which includes mentoring, befriending, social engagement and encouragement. Our advisers and coaches initiate this support on a case-by-case basis, and past examples have included helping with job applications, housing issues, and support with family life.

#### Resourcing Others

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

2022 has been another very challenging year for Crosslight. Emerging from the pandemic we were plunged straight into a cost-of-living crisis, with profound consequences for our clients. With the unwavering support of our incredible team of staff and volunteers, we were able to help more people, and in more locations, than ever before.

#### Advice



Bruce Connell  
Chief Executive

During the year we supported over 2,200 individuals, collectively representing over 3,600 family members and children impacted by our help and advice. We continued our strategy of opening satellite locations to ensure our services are accessible to those who need our support. We opened 10 new sites, including our first satellite in Lambeth, three new locations in Kent, and several new sites in Hounslow and Ealing.

We increased the support available for clients with benefit issues. As well as providing additional technical training to our debt advisers, our Welfare Rights Lead helped 124 new clients, including with 40 Mandatory Reconsiderations and 22 tribunal appeals. These actions contributed towards over £1.3m of annualised income gains achieved for our clients.

## Financial Capability



Lorelei Freeman  
Financial Capability Lead

**Money Course:** The course has gone from strength to strength, running live online twice per month via Zoom, and once per term in person in most of our branches. The course is also available 24/7 in an online 'self-led' form which can be undertaken independently. During 2022, over 500 individuals completed the course, and 95% told us that they felt 'better equipped' to manage their money as a result.

**Cost of Living Toolkit (COLT):** In the autumn we launched our new COLT workshops – aimed initially at Crosslight clients, this focuses on the cost-of-living crisis, including rising energy costs, and supports clients to take action and access help to address the issues they are facing. Following attendance at a COLT workshop, clients are matched with a Budget Coach, who works with them one-to-one to identify their priorities and support them to reach their money management goals.

**Paid-for resources:** Another big success for our Financial Capability work has been our expansion of the paid-for services we offer to organisations, to enable them to equip others with Money Skills. Building on our popular Money Course Leaders' Hub (we started charging for this in May '22, and 66 organisations signed up over the year), and our Bespoke Money Course option, we have added more workshops to our range. These include our Financial First Aid workshop and our bespoke COLT. Revenue raised enables us to continue our free Money Course and Budget Coaching programmes for those who need them most.

## Central Services



Andrew Toynbee  
Head of Operations

2022 was a transformative year for Crosslight Advice. Crosslight's IT infrastructure was transferred from one of our church partners, who have generously supported us so far, to our own system. The migration, which included over a hundred users with individual phone lines, happened over a weekend with no interruption to front-line operations. This opens up enhanced possibilities for client engagement and has allowed Crosslight to put improved policies in place to make our IT estate more secure.

### 2022 in numbers

Over **2,200** clients supported (over **3,600** family members)

**4,791** appointments held

Over **£1.3m** of annualised income gains for clients including grants and benefits

Over **£1.8m** of unpayable debt write-offs secured for clients

Over **500** sign-ups for the Money Course online, face-to-face, and self-led

**66** new external organisations signed up to the Money Course Leaders Hub to run courses in their own communities

Welcomed the **5,000<sup>th</sup>** user our online Budget Builder (now 5,200+)

New **Cost of Living Toolkit** workshop launched

As part of the IT migration, and thanks to the incredible support of the Benefact Trust, we were able to upgrade our IT hardware. Equipping our front-line team with high quality technology ensures an efficient and professional service.

Last year saw record numbers of individuals wanting to access our service, with our Advice Services team handled 2244 new enquiries from individuals seeking advice. New enquiries in 2022 were 70% higher than pre-pandemic levels (2019) and have been rising steadily over the last two years - average enquiries each quarter in 2022 were more than 35% higher than at the start of last year (2021). As we navigated out of the pandemic, we increased the proportion of face-to-face appointments from 35% in 2021, to 57% in 2022. Looking forward, we expect to hold over 5000 appointments in 2023, and we will continue to encourage clients to attend more appointments by video or in person, so they can feel better supported and case progress will be more efficient.

**People**



Tanya Lowe  
People Manager

2022 has been another exciting year for Crosslight in terms of recruitment and development of our staff and volunteers. We recruited 10 new staff and 44 volunteers. We continued to upskill our team with 34 undertaking Debt Advisor training, 10 gaining Debt Advisor accreditation and four completing the next step to Case Manager status.

We have continued to expand internal training with the successful launch of our popular Crosslight Learning Academy. We delivered 14 sessions on a range of interpersonal and technical topics ranging from welfare benefits to coaching skills. Building on this success, we have planned our 2023 curriculum which will offer 15 more sessions focusing on Advice Skills, Leadership Development, and Mental Health and Wellbeing. Our curriculum has been tailored to take account of the results of our first team Wellbeing Survey in the summer.

**Our clients**

Our clients told us that in the months leading up to their first appointment...

**Half** (51%) have had to cut down or go without food

**Two in five** (40%) of our debt clients have long-term physical or mental health problems

**Two in three** (66%) of our debt clients are struggling to pay their rent and are facing possible eviction

Almost **8 in 10** (79%) say their situation is adversely affecting their mental health

**Half** say their family relationships are in jeopardy due to debt

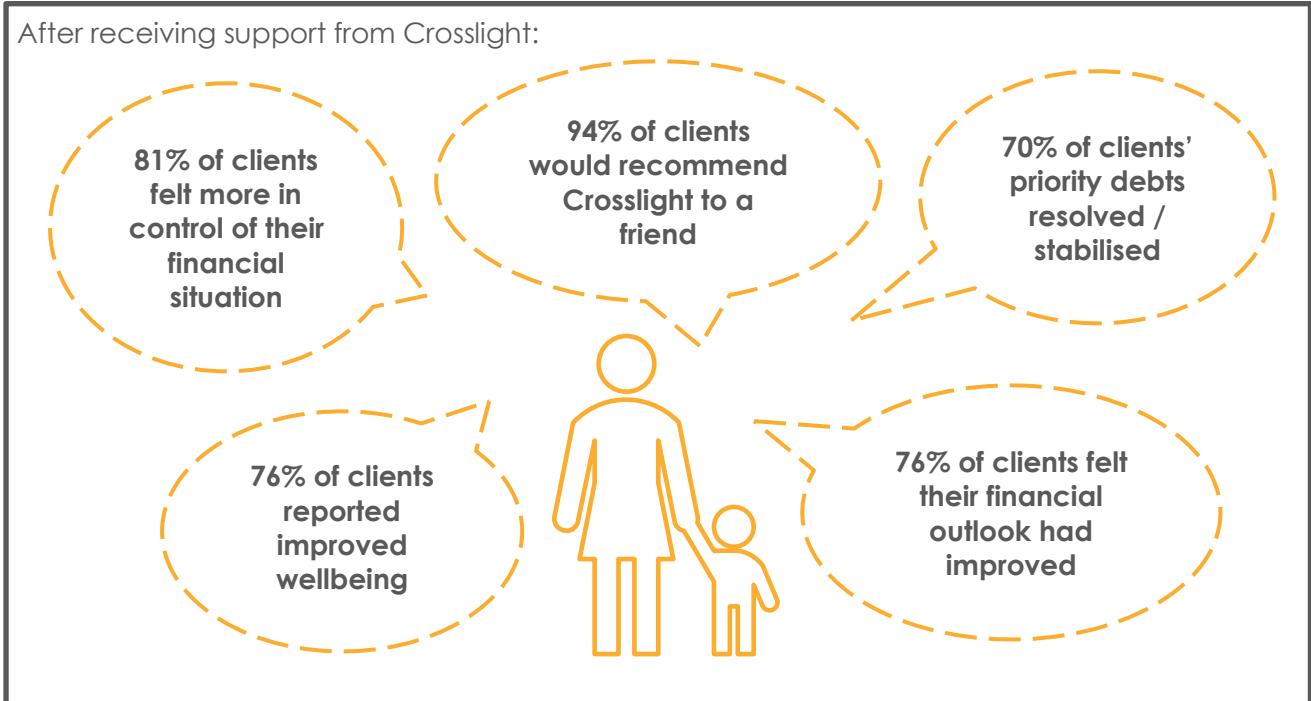
**Energy Crisis**

**2 in 3** (66%) of our advice clients in 2022 had fallen into fuel arrears as prices rocketed

**2 in 5** (40%) had to go for periods without heating altogether

We ran our first Team Investment Week offering several learning and development opportunities for our team each day. This included external expert speakers on Building Resilience and Coaching Skills. We continue to expand and diversify our training provision as our team grows.

## The Impact of our work



## Our Unique Approach

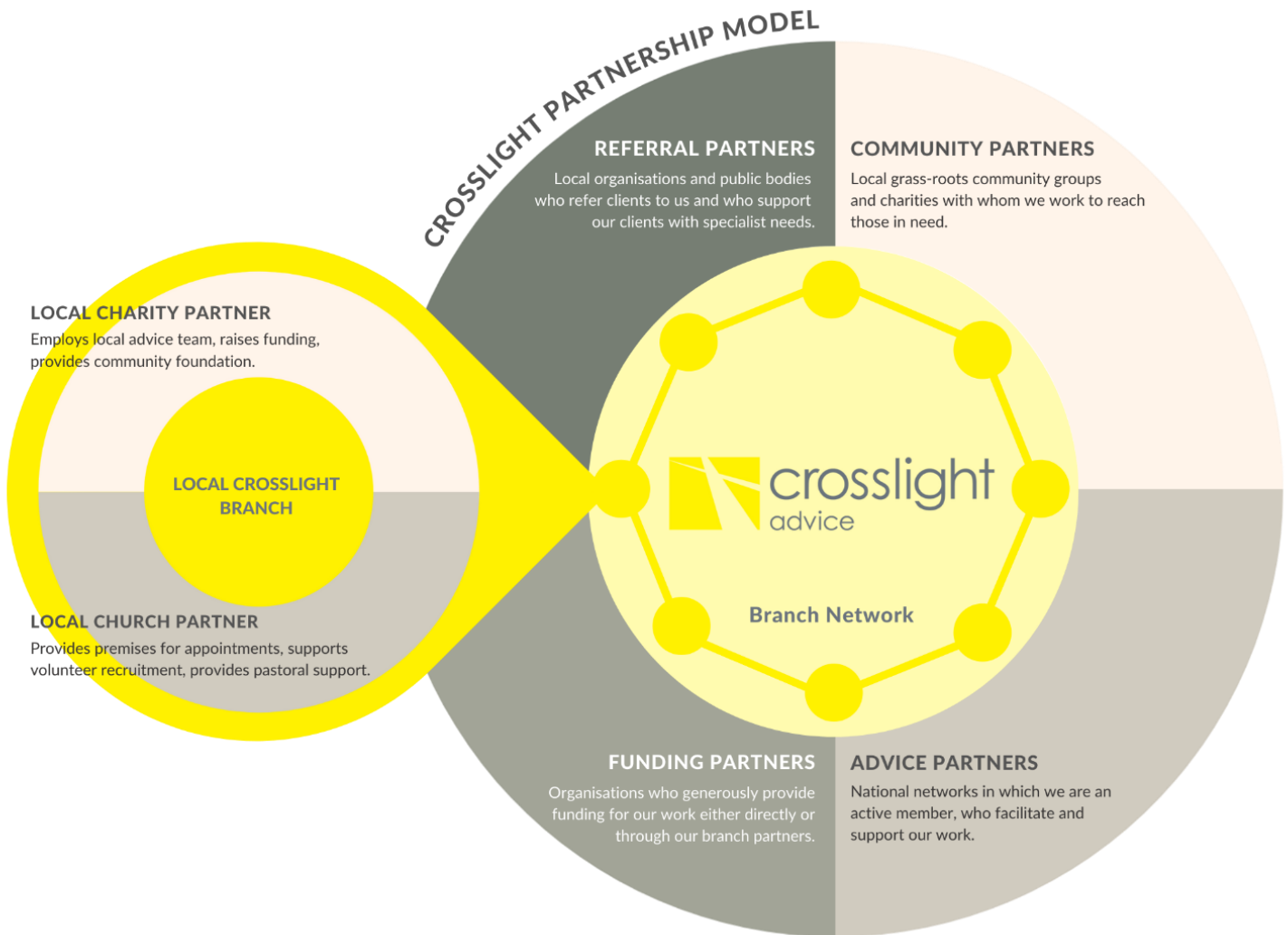
**Personal not prescriptive** – much advice delivery is becoming more generic, with a focus on information rather than individual advice. In contrast, our service is tailored to the individual, meeting them at their point of need and working at their pace. Our service is flexible and adapts to the needs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

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

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

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

## 4. STRUCTURE



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

### Our current branch partners are:

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



## 5. GOVERNANCE & MANAGEMENT

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

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

The trustees operate three committees to coordinate and oversee specific aspects of our activities: People, Compliance, and Fundraising. A trustee sits on each committee alongside outside members who have particular knowledge and experience in these fields.

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

### **Pay & Remuneration**

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

## 6. FINANCIAL REVIEW, RISK MANAGEMENT & RESERVES POLICY

Total incoming resources for the period amounted to £727,216, an increase of 37% on 2021. Resources expended on charitable activities were £640,395, up 36% on the previous year, as we continued to prudently expand our service capacity in light of ever increasing demand. These figures include £114,985 of income received by Crosslight, and expenditure (by way of grants to our partners) that was ring-fenced to support some of our local branches (see note 7 to the Accounts below).

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

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

The trustees consider that this provides sufficient flexibility to cover temporary shortfalls in incoming resources and will allow the charity to continue its work and respond to unforeseen events whilst remedial plans are implemented. Financial reserves are monitored monthly.

At December 2022, expenditure was averaging £50,000 a month and the reserves target was £300,000. The actual net free reserves at year end were £296,090.

## 7. FUNDING & SUPPORT



Laura McIntee-Fowler  
Fundraising & Engagement Lead

We saw some great fundraising successes in 2022. Laura joined our team in April as Crosslight's new Fundraising & Engagement Lead, with a remit to diversify and expand our fundraising and communications.

Amongst many new initiatives, we ran our first ever Christmas campaign, grew individual giving income and saw an increase in positive interactions across our social media platforms. We also partnered with Run for Charity, giving our supporters places in hundreds of Challenge Events, and plans are underway for Crosslight-wide fundraising events in 2023.

Our regular funders, such as The Henry Smith Charity, Garfield Weston, and the Points Family Trust, continued to give graciously in 2022. Alongside this, we were able to secure funding from new partners such as The Benefact Trust, SHCJ, Vintners Foundation and The Maurice & Hilda Laing Charitable Trust. We look forward to these new relationships flourishing in the future. In 2023, we will be adding to our fundraising team to ensure our income continues to support the growing demand from our clients and the communities we serve.

We are very grateful to the many individuals, companies, partners, churches, and trusts that have given so generously in support of Crosslight and our partners. It is only through the kindness of our supporters that our transformational work can continue.



### Provision of support

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

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

## CLIENT STORY

**“Debt was an anchor that held me down under the water, I was drowning.”**

**Ryan (name changed) shares the difficult journey he has been on over the last few years, and how he found help through Crosslight to get back on his feet and into work.**

If it wasn't for Crosslight, I don't know where I would be today. It doesn't even bear thinking about - I was heading to such a dark place, a really dark place. **Crosslight were literally lifesavers. Their care, advice, and patience literally saved my life.**

Things were really difficult, and I became homeless for about a year. It really knocked me for six, I was struggling day-to-day. I was living on under £7 a day if I was lucky. I eventually managed to find housing, but I was only just keeping my head above water and the unpaid bills just piled up. **It got to the point that every day was just so debilitating, I was like the walking dead.**

I was connected to Crosslight through my GP. I went to my first appointment and broke down. The stress I had been carrying every day, debt really is such a heavy burden to carry. Everything is coloured by it. It felt like I was in jail.

The team are very clued up on how people can get by month to month and how you can start taking pressure off yourself. For example, I couldn't really afford my medication each month, but Crosslight helped organise for me to get it covered. And I was terrified of becoming homeless again, but **Crosslight helped me get Universal Credit so I could keep my home, which was a huge thing for me.**

After some time, it was clear that I needed to apply for bankruptcy, but there was no way I could have afforded the £680 fee – Crosslight raised it for me. For all the time I was struggling in debt, I couldn't seem to make my life work. **Debt was an anchor that held me down under the water, I was drowning. It's all very physical.** When you clear that anchor, you can swim to the surface and breathe again. This means that other things can happen, life can happen. **Within the space of a week of the bankruptcy, I managed to get a full-time job.** I don't think it would have happened if I had not gone through the bankruptcy, it had to happen in that way.

**There are so many aspects of my life that Crosslight helped with.** When I think back to how I was before, constantly stressing about money every day, waking up in the middle of the night worrying. I compare this to how I am now, and it is chalk and cheese. Every single month I am getting stronger and stronger. Debt is such a cruel aspect to life, and it really hits the poorest the hardest.

As I am coming to the end of this dark period of my life and coming into the light, **Crosslight have also helped with budgeting support. I am being helped with budgeting on my current wages** as this is the first time I've had income that wasn't going straight onto debt or other living costs. I always ended up short each month, which now no longer happens. I can now manage.

There is a lot of fear attached to debt. If I didn't have people like my debt adviser, I wouldn't have been able to navigate through it. **I am a different person today.** Before I wouldn't talk to anyone. Now I'm talking to strangers, walking down the street and smiling. **There are benefits to society when people come out of debt, relationships blossom when they couldn't have before.**

**I wish that I could tell the world about Crosslight because they are amazing.**

## 8. INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES FOR THE PERIOD ENDED 31 DECEMBER 2022

I report on the accounts for the period ended 31.12.22 which are set out in the following pages.

### Respective responsibilities of trustees and independent examiner

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

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

### Basis of independent examiner's report

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

### Independent examiner's statement

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

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

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

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



Colin Webster, ACA

Date: 10<sup>th</sup> March 2023

## 9. ANNUAL ACCOUNTS

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

### 9a. Statement of Financial Activities for the 12 months ended 31 December 2022

	Note	2022 Unrestricted £	2022 Restricted £	2022 Total £	2021 Total £
<b>Income from</b>					
Grants, Donations and gifts	3	£362,031	£216,292	£578,323	£492,130
Advice delivery agreements	3	£0	£143,575	£143,575	£37,195
Other, including paid-for services	3	£5,318	£0	£5,318	£1,514
<b>Total income</b>		<b>£367,349</b>	<b>£359,867</b>	<b>£727,216</b>	<b>£530,839</b>
<b>Expenditure on</b>					
Charitable activities	4	£303,374	£290,271	£593,645	£426,961
Fund-raising	5	£46,751	£0	£46,751	£43,871
<b>Total expenditure</b>		<b>£350,125</b>	<b>£290,271</b>	<b>£640,395</b>	<b>£470,832</b>
Net income / (expenditure)		£17,224	£69,596	£86,820	£60,007
Total funds at 1 <sup>st</sup> January 2022	8	£278,866	£37,562	£316,428	£256,421
<b>Total funds at 31<sup>st</sup> December 2022</b>	8	<b>£296,090</b>	<b>£107,158</b>	<b>£403,248</b>	<b>£316,428</b>

## 9b. Balance Sheet as at 31 December 2022

	Note	£	2022 £	£	2021 £
<b>Fixed Assets</b>					
Tangible assets		-		-	
<b>Current Assets</b>					
Debtors	9	4,533		2,260	
Cash at bank and in hand		428,714		341,199	
<b>Total current assets</b>		<b>433,248</b>		<b>343,459</b>	
<b>Less: liabilities due within 1 year</b>	10	<b>30,000</b>		<b>27,031</b>	
<b>Net current assets</b>			403,248		316,428
<b>Total net assets</b>	11		<b>403,248</b>		<b>316,428</b>
<b>Funds</b>					
Unrestricted funds			<b>296,090</b>		278,866
Restricted funds	13		<b>107,158</b>		37,562
<b>Total funds</b>			<b>403,248</b>		<b>316,428</b>

The financial statements were approved by the Board of Trustees on 16<sup>th</sup> March 2023 and signed on their behalf by:



Francis Ellison  
Trustee (Chair)



Mark Farrar  
Trustee (Treasurer)

## 9c. Notes to the Accounts

### 1. Accounting policies

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

#### **a. Basis of preparing the financial statements**

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

#### **b. Critical accounting estimates and judgements**

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

on estimates of the resources used by each activity.

#### **c. Funds**

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

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

#### **d. Income recognition**

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

#### **e. Expenditure Recognition**

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

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

Expenditure under £50 is accounted for on a cash paid basis. All other expenditure is accounted for on an accruals basis and

has been classified under headings that aggregate all cost related to the category.

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

#### **f. Provisions**

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

#### **g. Financial instruments**

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

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

##### **(i) Cash at bank and in hand**

Cash at bank and in hand includes cash in hand, deposits held with banks, and other short-term highly

liquid investments with original maturities of three months or less.

##### **(ii) Other receivables**

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

##### **(iii) Other payables**

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

#### **i. Going concern**

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

#### **j. Cashflow statement**

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

#### **k. Depreciation**

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



## 2. Comparative Statement of Financial Activities for 2021

The following table analyses 2021's income and expenditure between unrestricted and restricted funds.

	2021 Unrestricted £	2021 Restricted £	2021 Total £
<b>Income from</b>			
Grants, Donations, and gifts	£295,487	£196,643	£492,130
Advice delivery agreements	£37,195	-	£37,195
Other, including paid-for services	-	£1,514	£1,514
<b>Total income</b>	<b>£332,682</b>	<b>£198,157</b>	<b>£530,839</b>
<b>Expenditure on</b>			
Charitable activities	£214,801	£212,160	£426,961
Fund-raising	£43,871	-	£43,871
<b>Total expenditure</b>	<b>£258,672</b>	<b>£212,160</b>	<b>£470,832</b>
Net income / (expenditure)	£74,010	(£14,003)	£60,007
Total funds at 1 <sup>st</sup> January 2020	£204,856	£51,565	£256,421
<b>Total funds at 31<sup>st</sup> December 2020</b>	<b>£278,866</b>	<b>£37,562</b>	<b>£316,428</b>

### 3. Grants and donations

	Unrestricted £	Restricted £	2022 £	2021 £
<b>Grants, donations and gifts breakdown</b>				
Trusts and foundations				
City Bridge Trust				£34,800
Henry Smith Charity		£97,300	£97,300	£60,000
Society of the Holy Child Jesus	£24,000		£24,000	
The Better Way Foundation	£25,000		£25,000	£25,000
Walcot Foundation		£29,365	£29,365	
Garfield Weston	£30,000		£30,000	£30,000
Tudor Trust	£20,000		£20,000	£32,000
Vintners Foundation		£4,500	£4,500	
Benefact Trust		£50,000	£50,000	
National Lottery Awards for All		£9,871	£9,871	
The Maurice & Hilda Laing Trust		£12,500	£12,500	
Drapers Foundation				£15,000
Love Your Neighbour / CRT				£40,000
People's Postcode Trust		£12,756	£12,756	£19,642
Other	£10,000		£10,000	£8,500
			<b>£325,292</b>	<b>£264,942</b>
Corporate (philanthropic)	£2,294		<b>£2,294</b>	£38,510
Partner charities' contribution	£183,524		<b>£183,524</b>	£143,452
Individuals (incl. Gift Aid)	£57,821		<b>£57,821</b>	£44,825
Other	£9,392		<b>£9,392</b>	£401
	<b>£362,031</b>	<b>£216,292</b>	<b>£578,323</b>	<b>£492,130</b>
<b>Advice delivery agreements</b>				
Local Authority		£137,854	<b>£137,854</b>	£35,000
Other		£5,721	<b>£5,721</b>	£2,195
		<b>£143,575</b>	<b>£143,575</b>	<b>£37,195</b>
<b>Other</b>				
Paid-for services	£5,318		<b>£5,318</b>	
Other				£1,514
	<b>£5,318</b>		<b>£5,318</b>	<b>£1,514</b>

During 2022, Crosslight was awarded several multi-year grants and received funding from other multi-year grants awarded in previous years. These were:

Funder	Amount awarded	Amount applied in year	No. of years	Receipt year
Henry Smith Charity	£180,000	£60,000	3	3 <sup>rd</sup>
Tudor Trust	£60,000	£30,000	2	2 <sup>nd</sup>
The Better Way Foundation	£75,000	£25,000	3	2 <sup>nd</sup>
Walcot Foundation	£73,095	£11,425	3	1 <sup>st</sup>
Benefact Trust	£67,000	£16,140	2	1 <sup>st</sup>
Edenbridge Foodbank	£41,190	£5,721	3	1 <sup>st</sup>

#### 4. Expenditure on charitable activities

	2022 £	2021 £
Staff costs (see note 6)	<b>£424,552</b>	£365,061
Regulatory, insurance & professional	<b>£3,466</b>	£3,514
Infrastructure, IT, and operational support costs	<b>£27,634</b>	£15,696
Training and recruitment	<b>£16,418</b>	£10,412
Financial Capability programme costs	<b>£3,839</b>	£12,980
Grants to support local branches (see note 7)	<b>£114,985</b>	£19,298
Other	<b>£2,752</b>	
	<b>£593,645</b>	£426,961

#### 5. Fund-raising expenditure

	2022 £	2021 £
Staff costs (see note 6)	£43,439	£40,594
Other costs	£3,311	£3,277
	<b>£46,751</b>	£43,871

Fund-raising staff costs relate to the salary and related costs of an employed fundraiser.

#### 6. Staff Costs Breakdown

	2022 £	2021 £
Wages and salaries	<b>£415,256</b>	£358,889
National insurance	<b>£33,820</b>	£28,199
Employer Pension	<b>£16,469</b>	£15,078
Other staff costs	<b>£2,446</b>	£3,489
	<b>£467,991</b>	£405,655

The number of Crosslight-employed staff at year end was **18 (13.7 FTE)**, employed as follows:

	As at 31.12.22	As at 31.12.21
Full time staff	<b>9</b>	7
Part time staff	<b>9 (4.7 FTE)</b>	8 (4.9 FTE)

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

These figures do not include Crosslight staff employed by our partners (see note 7).

## 7. Local Branch Partners

Crosslight works in collaboration with a number of close Branch Partners who directly support the work of our local branches, some of which directly employ some of the advisers who work in our local branches, who are then managed by Crosslight as Agents. This collaborative approach ensures that each of our branches is rooted in the communities they serve. As a consequence, some grants which are restricted to support a particular branch or location, are utilised by our Branch Partners in order to meet the costs of the locally employed staff working for Crosslight as Agents.

Income received which was restricted to support specific local branches	£114,985
Grants made to Branch Partners in 2022	£114,985

Branch Partners who directly employed Crosslight staff in 2022

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

	As at 31.12.22	As at 31.12.21
Full time Crosslight staff employed by our Branch Partners	3	2
Part time Crosslight staff employed by our Branch Partners	11 (6.7 FTE)	9 (5 FTE)

The total amount expended by our Branch Partners on the activities of Crosslight (including staff) in 2022 was £285,467 (£185,911 in 2021).

## 8. Movement in funds

	At 1 <sup>st</sup> Jan 2022 £	Incoming resources £	Outgoing resources £	At 31 <sup>st</sup> Dec 2022 £
Restricted funds	£37,562	£359,867	£290,271	£107,158
Unrestricted funds	£278,866	£367,349	£350,125	£296,090
<b>Total funds</b>	<b>£316,428</b>	<b>£727,216</b>	<b>£640,395</b>	<b>£403,248</b>

## 9. Debtors

	2022 £	2021 £
Prepayments	£4,090	£2,166
Gift Aid recoverable	£444	£94
	<b>£4,533</b>	<b>£2,260</b>

### 10. Liabilities due within one year

	2022	2021
	£	£
Unrestricted income received in advance	£30,000	£25,000
Pension Contributions in arrears	£0	£2,031
	<b>£30,000</b>	<b>£27,031</b>

### 11. Analysis of net assets between funds

	Unrestricted	Restricted	Total	Total
	2022	2022	2022	2021
	£	£	£	£
Tangible fixed assets	-	-	-	-
Cash and bank	£321,556	£107,158	£428,714	£341,199
Other current assets	£4,533		£4,533	£2,260
(Liabilities)	(£30,000)		(£30,000)	(£27,031)
<b>Net assets at year end</b>	<b>£296,089</b>	<b>£107,158</b>	<b>£403,248</b>	<b>£316,428</b>

### 12. Lease and guarantee obligations

As at 31 December 2022 the Charity was not committed to any lease agreements or guarantees.

**13. Restricted funds analysis**  
**Current Year 2022**

	Brought forward £	Income £	Expenses £	Carried forward £
Specified salaries	<b>£26,632</b>		<b>£26,632</b>	
Restricted projects (Advice Provision)		<b>£97,300</b>	<b>£68,723</b>	£28,577
Specified projects (FinCap)	<b>£10,930</b>	<b>£12,756</b>	<b>£23,686</b>	
Specified projects (London)		<b>£4,500</b>	<b>£4,500</b>	
Specified projects with partners				
Hammersmith		<b>£35,000</b>	<b>£35,000</b>	
Lambeth		<b>£29,365</b>	<b>£16,425</b>	£12,940
Edenbridge		<b>£5,721</b>	<b>£5,721</b>	
Hounslow		<b>£102,854</b>	<b>£82,932</b>	£19,922
Specified Projects (IT and operations)		<b>£59,871</b>	<b>£16,140</b>	£43,731
Specified Projects (L&D)		<b>£12,500</b>	<b>£10,513</b>	£1,987
	<b>£37,562</b>	<b>£359,867</b>	<b>£290,271</b>	£107,158

**Restricted funds analysis**  
**Prior Year 2021**

	Brought forward £	Income £	Expenses £	Carried forward £
Specified salaries	-	65 893	£39,261	£26,632
Restricted general running costs	-	£60,000	£60,000	-
Specified projects (Fin Cap)	-	25000	£14,070	£10,930
Specified projects (Hammersmith)	£17,770	-	17770	-
Specified projects (North Kensington)	£6,667	-	£6,667	-
Covid-19 Response	£27,128	-	£27,128	-
Love Your Neighbour project	-	£40,000	£40,000	-
Staff welfare	-	5750	£5,750	-
Coronavirus Job Retention scheme	-	£1,514	£1,514	-
	£51,565	£198,157	£212,160	£37,562

## 14. Related party transactions

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

Trustee or KMP	Related position	Related party transaction
Martin Duffy (Trustee until 17.7.22)	Trustee of TW Money Advice Service (TWMAS)	TWMAS made contributions of £8,500 during 2022 (£8,500 in 2021)
	Attends St Stephen's church, Twickenham	St Stephen's provided free premises from which the charity operated
Jean Moorhouse (Trustee from 28.11.22)	Trustee of TW Money Advice Service (TWMAS)	TWMAS made contributions of £8,500 during 2022 (£8,500 in 2021)
	Attends St Stephen's church, Twickenham	St Stephen's provided free premises from which the charity operated
Francis Ellison (Trustee)	Trustee of St Paul's Money Advice Service (SPMAC)	SPMAC made contributions of £15,000 during 2022 (£12,157 in 2021)
	Attends St Paul's church, Hammersmith	St Paul's provided free premises from which the charity operated
Mark Farrar (Trustee)	Member of Tonbridge Baptist Church (TBC)	TBC provided free premises from which the charity operated
Nick Lines (Trustee)	Trustee of Chiswick Money Advice Centre (CMAC)	CMAC made contributions of £9,625 in 2022 (£4,875 in 2021)
	Trustee of St Nicholas church, Chiswick	St Nicholas provided free premises from which the charity operated
Paul Crouch (Trustee)	Trustee of West Kent Debt Advice (WKDA)	WKDA made contributions of £21,500 during 2022 (£23,500 in 2021)
	Attends Tonbridge Baptist Church (TBC)	TBC provided free premises from which the charity operated
Patricia Dhar (Trustee from 17.3.22)	Member of staff at Holy Trinity Brompton church (HTB)	HTB made contributions of £39,084 during 2022 (£43,900 in 2021) and provided free premises from which the charity operated
Seonaid Mackenzie (Trustee)	Attends Holy Trinity Brompton church (HTB)	

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

During 2022, Crosslight received a £500 donation from one Trustee and a £7,711 donation from a trust controlled by another Trustee. Both donations were unrestricted. (2021 £0).



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

