



Church Action  
on Poverty  
Limited

# Staying Connected



2021 annual review and  
financial statements

## Reference and administrative information

### Charitable company details

**Charity registration number:** 1079986

**Company registration number:** 3780243

### Registered office and operational address

28 Sandpiper Court  
Water's Edge Business Park  
Modwen Road  
Salford  
M5 3EZ

### Trustees (Council of Management)

*Trustees, who are also directors under company law, who served during the year and up to the date of this report were as follows:*

John Allison-Walsh  
Stef Benstead (*Vice Chair from September 2021*)  
Margaret Cairney (*Vice Chair until September 2021*)  
Andrew Connell  
John Dale (*Chair from November 2020*)  
Sandra Dutson  
Urzula Glienecke (*from November 2020*)  
Helen Goodman  
Martin Green  
Lydia Groenewald (*Treasurer*)  
Alison Jackson (*Chair until November 2020*)  
Richard Machin  
Phil McGrath (*Vice Chair*)  
David Primrose  
Anthony Woods

### Key management personnel

Niall Cooper (*Director*)  
Kathryn Cheetham (*Programme Manager and Company Secretary*)

### Staff

Gavin Aitchison  
Marcia Brown  
Rachel Brown  
Felicity Guite  
Joyce Kay  
Gloria Martin  
Gillian Oliver  
Ben Pearson  
Liam Purcell  
Sarah Purcell  
Jessica Waylen

### Freelancers and consultants

Lizzie Bassford  
Jayne Gosnall  
Ellis Howard  
Naomi Maynard  
Sinead O'Connor  
Sandra Penaloza Torrez Rice  
Madeleine Penfold  
Brodin Salmon  
Judy Scott  
Matt Sowerby  
Laura Walton  
Nicci Ward

### Volunteers

Tom Hibbert

### Independent examiner

Jennifer Daniel FCCA DChA  
Slade & Cooper Limited  
Beehive Mill  
Jersey Street  
Ancoats  
Manchester  
M4 6JG

### Bankers

CAF Bank  
25 Kings Hill Avenue, West Malling,  
Kent ME19 4JQ  
National Westminster Bank plc  
11 Spring Gardens, Manchester M2 1FB  
Triodos Bank  
Deanery Road, Bristol BS1 5AS

## Introduction

Despite the profound impact of Covid on all our lives and the work of Church Action on Poverty it has been a good year for us. Staff and trustees have all adapted to new ways of working. Whilst we all look forward to a time without all the restrictions, we will not lose the lessons of what can best be done from home or via Zoom, and what really needs face-to-face work – a new normal beckons. I write just after the first face-to-face meeting of Council since January 2020, when we decided to have a mixture of online meetings and face-to-face meetings with small groups of trustees paying particular attention to the different areas of work.

Covid has brought many changes in how both staff and trustees work. Thankfully we have all become Zoom efficient – indeed, without this technology our work would have suffered greatly. The ability to easily conduct work on computer, both individually and in groups, has been essential.

Nonetheless, for staff, working from home has not always been easy, and we owe a great debt of thanks to each and every one of them for keeping our various areas of work running so efficiently. Especially we give thanks for the leadership of Niall Cooper and Kathryn Cheetham, who joined the team in October 2019 as Programme Manager.

Great thanks are also due to all the supporters who have increased their giving for our work – individuals, churches, other groups, and several charitable trusts who, knowing the work of Church Action on Poverty and realising the emotional cost of home working, gave us unconditional additional financial support.

One of the impacts of Covid has been considerable growth in Your Local Pantry stores – from 12 in March 2020 to 54 in September 2021, and a prediction of a further 25–30 opening before the end of March 2022.

It is good to know that we are enabling over 11,000 Pantry members to access good food each week, in return for a modest membership fee. At the same time, each Pantry is building a strong common bond of companionship, new local friends and greater confidence to speak out about everyday living problems of living on very low incomes.

Our work with Self Reliant Groups has not been easy, given the difficulties members of many groups have had in communicating with each other and the impossibility of face-to-face meetings. In spite of this, the work goes on and with new funding, we look to work with our partners, to expand the network of Self-Reliant Groups to new areas of the country in due course.

Another area of important work has been that of the Poverty Media Unit, which has continued to train and empower people who have personal experience of poverty and hardship to tell out their stories both in the papers and audio-visual media.

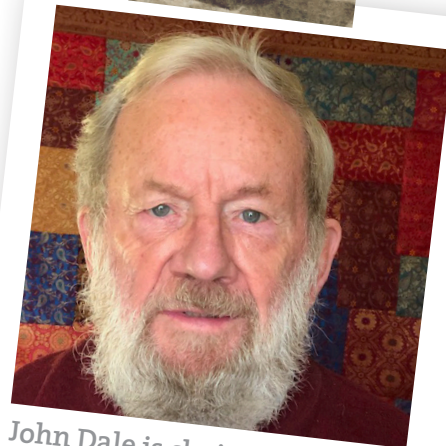
Staff and Council are working on a movement-building strategy (about which see page 14).

Finally, as your Chair since November 2020 I would like to thank Niall and all the staff for their patience in bringing me up to speed in all that goes on in Church Action on Poverty. I have learned a great deal, and doubtless have much still to learn.

*J Dale*

J Dale (Nov 19, 2021 14:45 GMT)

**John Dale, Chair of Council of Management  
November 2021**



*John Dale is chair of Church  
Action on Poverty's Council of  
Management*

## Our beliefs

- In a country rich in resources, **poverty is an injustice** that can and must be overcome.
- All people have the right to share **'life in all its fullness'** (John 10:10). Poverty actively prevents this.
- We believe in the **unique value of each person made in the image and likeness of God** regardless of gender, race, ethnicity, sexuality, ability or wealth.
- Poverty is a reflection of **a society that places greater value on some than on others**.
- People living in poverty are **the real poverty experts**, and have a right to influence the decisions that affect their lives.

## Our strategic aims

All of Church Action on Poverty's work is designed to achieve these outcomes:

- **National and local Government change policies and practices to reduce poverty and inequality**
  - **People in poverty have increased agency and are recognised as experts**
- **Churches are more committed to becoming true 'churches of the poor'**
- **A broad movement of people and organisations working for change is developed**
  - **Sustainable long-term pro-poor changes are delivered and embedded**

## Objectives and activities

### Mission

To work with people living in poverty, the churches and others to overcome poverty in the UK.

### Objects

- To promote and advance the education of the public in matters relating to poverty and to raise the level of awareness and understanding of poverty in the United Kingdom.
- To advance the education of the public by promoting research and study into poverty and to provide and encourage investigation into the problems faced by the poor in the United Kingdom and to publish the results.
- To advance the education of the public in the part that the churches can play in meeting the needs of those members of society whose development and participation in society is impaired by poverty.

*These objects have been extracted from our Memorandum of Association.*

The trustees review the aims, objectives and activities of the charity each year.

This report looks at what the charity has achieved and the outcomes of its work in the reporting period. The trustees report the success of each key activity and the benefits the charity has brought to those groups of people that it is set up to help. The review also helps the trustees ensure the charity's aims, objectives and activities remained focused on its stated purposes.

The trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning its future activities. In particular, the trustees consider how planned activities will contribute to the aims and objectives that have been set.

The trustees present their report and the unaudited financial statements for the year ended 31 March 2021.

Reference and administrative information set out on page 1 forms part of this report. The financial statements comply with current statutory requirements, the memorandum and articles of association and the Statement of Recommended Practice - Accounting and Reporting by Charities: SORP applicable to charities preparing their accounts in accordance with FRS 102.

## Achievements, performance and beneficiaries

The charity's main activities and who we try to help are described below. All our charitable activities focus on the United Kingdom, and are undertaken to further Church Action on Poverty Ltd's charitable purposes for the public benefit.

### We continued to tackle UK poverty through the pandemic



This Zoom choir was just one of the creative ways our partners and supporters continued their work through the pandemic

#### Our impact at a glance

We stayed connected – and found new ways to make a difference!

This has been a hugely challenging year in many ways. Externally, the pandemic has both shed a light on and dramatically worsened existing inequalities in society. Internally, the pandemic has required us to totally reorganise the way we work as an organisation. With the exception of the Office Administrator, all staff worked from home for the entirety of the 12 months, with no opportunity to meet face-to-face as a team, and virtually no opportunity to do so with our partners or people we work with. All programmes and activities had to shift onto Zoom, WhatsApp, and other means of virtual and online communication.

We made it a priority to stay connected with our partners, donors and supporters – and to help people stay connected during a time when many people in our movement faced isolation and real hardship. We organised regular online gatherings and discussions for all our supporters, and especially for people involved in our Self-Reliant Groups and Church on the Margins programmes.

We were able not just to help people stay connected, but to build a stronger sense of community and find new ways to work with partners. Events like our annual conference actually became open to a much wider audience when held online, helping people to create connections across geographical and social divides. Even when face-to-face meetings become possible again, we will continue to use new tools to enable people to take part remotely, widening participation in our programmes.

### We challenged the unjust structures that sweep people into poverty



#### Our impact at a glance

- Free meals for children from low-income families in the school holidays
- Winter grants and holiday activities for vulnerable families
- Food insecurity data published for the first time
- Growing support for a Covid debt jubilee

In spite of the hugely challenging context of the Covid-19 pandemic, our campaigns had some notable campaign successes in 2020–21:

- Our Children's Right to Food Ambassadors worked closely with the Food Foundation, Dame Emma Thompson and Marcus Rashford and others as part of the End Child Food Poverty campaign. This resulted in the Government being forced to overturn their own decision and extend free meals and other support to children from low-income families during school holidays in England.
- As a result of the End Hunger UK campaign for the Government to measure the scale of food poverty in the UK, in conjunction with Emma Lewell Buck MP, and over 120 backbench MPs, the Government released the first ever UK-wide data on household food insecurity in March 2021.
- In October, we launched Reset the Debt, a campaign to cancel debts incurred by low-income families because of the pandemic, jointly with the Joint Public Issues Team of the Methodists, Baptists, Church of Scotland and United Reformed Church. The campaign gathered momentum. More than 500 church leaders signed a joint letter in support of the campaign in the autumn, there have been eight Parliamentary mentions to date, and a backbench debate planned.

**People on the  
margins are best  
placed to help  
develop solutions  
to poverty**

# People in poverty helped design solutions to poverty

## POVERTY TRUTH MANCHESTER

### Our impact at a glance

- The Manchester Poverty Truth Commission's recommendations for wider action on child poverty, exploitation and benefits were taken up by Manchester City Council and the Manchester Health and Care Commissioning Group.
- Plans are being developed for new Poverty Truth Commissions across Greater Manchester.

Church Action on Poverty is proud to be a partner of the Poverty Truth Network, supporting individual Poverty Truth Commissions in various cities.

'Nothing about us, without us, is for us,' is the starting point for Poverty Truth Commissions. It identifies that lasting social change only happens when those who experience the struggle participate in generating that change – an insight which reflects our own values very closely.

The Poverty Truth Network says: "If we want to go far we have to go together. People experiencing poverty should take this journey with decision-makers and organisational leaders. By listening to each other, sharing wisdom and building empathy, trusting relationships are formed to have difficult conversations and find the way forward. Poverty Truth Commissions are places where those transformational relationships are formed and nurtured."

- The Manchester Poverty Truth Commission, which we have been hosting, continued its work during lockdown, with three task groups focusing on child poverty, exploitation and the benefits system.
- Working with the Poverty Truth Network, we have also been supporting a range of partners to develop plans for new Commissions across Greater Manchester – including in Oldham, Tameside, Trafford and a second Commission in Salford.

**"Because of my experiences and where I come from, I never felt valid. Now I feel like I have a right to be here and take my seat at the table."**

Nadine Travers, grassroots commissioner



## People in poverty told their own stories and spoke out for change

**Our Poverty Media Unit works with journalists and people in poverty, to generate powerful coverage that works to improve the direct media representation of people with experience of poverty.**

- In early 2020, we worked with the Joseph Rowntree Foundation and a BBC News reporter to help tell stories of how poverty affects carers. We supported Mary (pictured below) and Sydnie from York to tell their stories for the BBC News at Six and Radio 4, as well as for the BBC website, reaching an audience of several million.
- In March 2020, the National Union of Journalists hosted a round-table discussion at its headquarters in London, for journalists, people in poverty and charities including Church Action on Poverty and Joseph Rowntree Foundation. Martin Green, one of our trustees, was among six people with experience of poverty in Halifax, York and London. They were joined by around 15 journalists, consisting of reporters, photographers and members of the union's ethics committee. This led to the updated version of *Reporting poverty: a guide for media professionals* being published with partners from ATD Fourth World, Joseph Rowntree Foundation, the National Union of Journalists and On Road Media in October 2020.
- Throughout the pandemic we have worked with partners to promote the work that they are doing through Your Local Pantry, local groups and wider partnerships through videos, media pieces and our 2021 calendar.
- We are working in partnership with *The Guardian* on the 'Made in Britain' video journalism project examining poverty, inequality and the challenges our communities face in the wake of the coronavirus pandemic. The project aims to involve the communities and individuals who are typically under-represented in the media to participate in the production process. Our film is being co-produced with our Children's Right to Food Ambassadors in Blackburn with Darwen focussing on young people's responses and experiences to living in poverty during lockdown.



## Voices from the MARGINS

### Our impact at a glance

- Several million BBC viewers and listeners heard how poverty affects carers.
- Our partners across the UK shared stories from their work with our supporters and wider networks.
- The National Union of Journalists is promoting a new guide for media professionals reporting on poverty.

People have ideas

about single parents

or people on disability

benefits or whatever,

and we wanted to

challenge the stigma

and stereotypes

## People-powered change tackled food poverty

### FOOD Power

#### Our impact at a glance

- We worked with 81 local food poverty alliances, and supported them to create local food action plans to continue the work now our programme has finished.
- 133 people with experience of food poverty played active roles in projects and campaigns through Food Power, making use of their expertise.
- £711,000 was distributed by Food Power over four years to support 86 local projects addressing issues that emerged from local alliances and experts by experience.
- During the pandemic, Food Power secured an extra £735,000 from Unicef UK, supporting 30 projects to ensure families had access to nutritious food.

Our Food Power programme has strengthened the ability of local communities to reduce food poverty, through solutions developed in partnership and with the support of peers from across the UK. The goal was to transform the way that people experiencing food poverty access support so they can create long-term, sustainable lives that are free from hunger.

2021 sees the end of this four-year programme, which has been delivered in partnership with Sustain and funded by The National Lottery.

It has had a significant impact for the people who took part, and done a great deal to strengthen a UK-wide movement for food justice.



Penny Walters draws on her experience of food poverty to campaign for food justice

They nurture, they help,  
they see the possibilities in you  
and they say, you've got this story  
to tell. So I tell my story,  
I reduce the stigma of  
food poverty, more people think,  
she told her story, I could tell my  
story or I don't feel so bad now  
about going asking for help.

## People accessed good food with dignity, choice and hope

Your Local Pantry is a network of community food stores, creating a sustainable and long-term solution to food poverty and helping the UK save money on their food bills. Pantry members join and pay a fee to shop each week (between £3.50 and £5.00) for 10 items. We develop new Pantries through a social franchise model which is rooted in being member-run, open to all, offering choice and quality, and has no restrictions or time limits on membership.

In response to the pandemic, we were able to secure additional funding to more rapidly expand the Your Local Pantry network. In the past 12 months we have supported local partners to open 35 new Pantries, meaning there are now 50 Local Pantries. We launched a 'Friends of Your Local Pantry' scheme and ran a Big Give Christmas Challenge, raising extra donations to help Pantries top up their supplies and support the growing network.

Members tell us the benefits of Your Local Pantry are:

- **Saving money on grocery bills:** Over £15 a week or if a member visits weekly, £780 a year.
- **Reducing food waste:** 97% of members valued the contribution they make to reducing food waste.
- **Enhancing nutrition and food variety:** Through a commitment to offering fresh and frozen, chilled and seasonal produce.
- **Knitting neighbourhoods together:** Through the weekly shop, with familiar faces, fighting isolation and signposting to other services.
- **Developing employability:** Through a range of volunteering opportunities, developing skills through systems governing stock and software, payments, communication and environmental health.

We have strengthened and worked closely with partners across the UK to help us achieve this, including Stockport Homes Group, Thrive Together Birmingham, St Andrews Community Network (Liverpool), Faith in Community Scotland, Pecan (London), and Food Sense Wales.



### Our impact at a glance

- 9,100 households comprising over 25,000 adults and children had regular access to good, affordable food with choice and dignity.
- Pantries remained open and ensured people had access to food through the pandemic – adapting by offering deliveries or opening in different ways.
- Donors gave almost £20,000 to ensure Pantries remained stocked during the pandemic.



**“As a struggling working family it has helped me feel less of a failure for not being able to provide the basics that we need. I hope it gets bigger and helps more people.”**

*A member of Dusty Forge Pantry, Cardiff*

## Groups are sharing skills and building businesses to loosen the grip of poverty

### Self-Reliant Groups

#### Our impact at a glance

- SRG members met weekly for an online 'Self Reliant Brew', reducing isolation and allowing them to talk about their business ideas.
- SRG members from across the UK met at regular Peer Gatherings, sharing skills and ideas.
- We ran online business training sessions, resulting in a number of SRGs coming together to compile and publish their own cookbook.
- Over 30 of our SRG members took part in a Facebook 'Village Fair' organised by one of our partners, joining in growing and making competitions that raised awareness of SRGs nationally.
- SRG members used an online Christmas Fair to sell handmade goods which they would normally have sold at local markets.

A Self-Reliant Group (SRG) is a group with shared economic and/or social backgrounds, where members support each other and develop friendships. They meet regularly and agree to start saving, rotating leadership and responsibility, learning together and sharing skills. Many of them start a small business which, in time, will help them earn an income to support themselves and their families. Church Action on Poverty has established a network of SRGs across the North West of England, launching 31 groups with 230 members since 2014. We are now working to scale up the programme and support SRGs nationwide.

However, the pandemic has been an extremely difficult time for members of SRGs. (Most of our members are women living in poverty, and 41% of those women identify as EU migrants, refugees or people seeking sanctuary.) Working with partners, we have innovated to continue working closely together and allow groups to meet virtually.

We also created a new process for supporting SRG members on benefits to communicate their involvement to the DWP, and avoid reductions to their benefits. This will support new partners nationally to grow the movement.



## Churches are putting marginalised communities first

### Church on the margins

We support churches and projects across Greater Manchester and nationally, to explore and reflect on what it means to be a 'church on the margins'. We want church institutions, both in the region and nationally, to have a deeper understanding of what it means to be a 'church of the poor' in practice. By sharing stories and visions, we hope we can persuade church institutions prioritise the poorest and most marginalised communities when they decide how to use their finance, ministry and lay training.

We were about to launch with face-to-face peer learning workshops for churches in Greater Manchester, just as lockdown happened in March 2020. The work had to rapidly shift to a programme of weekly online reflection sessions, eventually building an online community of over 60 people from across the UK.

We are now working with a cluster of churches in Stockport to explore what it means to be a Church on the Margins. We have also been mapping trends in the distribution of churches across Greater Manchester over the past 10 years – to see whether church resources have been diverted away from the poorest communities – but this work has slowed considerably as a result of lockdown.

In July, the Methodist Church agreed a five year strategy to invest £8m into new 'Church at the Margin' initiatives, with Church Action on Poverty as a key programme partner. The programme formally started in January, and we are still in the process of exploring what our contribution will be.

We have had to put on hold a programme of participatory workshops to facilitate theological reflection on issues relating to food poverty, but will be recommencing this work in 2021–22.

#### Our impact at a glance

- 60 people across the UK shared in theological reflection throughout lockdown
- Churches in Greater Manchester are sharing stories and ideas about what it means to be led by people on the margins

## People in poverty are speaking truth to power

Due to Covid-19, we had to modify our plans for the 'Speaking Truth to Power' programme, as it was impossible to hold face-to-face training or the residential which we had originally built into the programme. However, working in partnership with the University of Sheffield, we have been able to recruit a group of 15 people with a range of personal experiences of food poverty since the start of the pandemic, drawn very widely from across the

UK, to a 'Food Experiences Panel.' Working on Zoom has actually made it possible for us to host monthly meetings of the group, who are widely dispersed (from Northern Ireland, Scotland, Wales and Cornwall as well as points in between), since September 2020. The Panel has used a range of participatory and creative methods to enable people to share their experiences of receiving various kinds of support to access food during the Covid-19 crisis, reflect together on the learning from this, and create recommendations for how household food insecurity is better tackled in future.

### SPEAKING TRUTH TO POWER

#### Our impact at a glance

- 15 people came together to share their experiences of food poverty
- Recommendations for how to better tackle food insecurity will be shared with policy-makers in 2021–22

## plans for 2021–22: Building dignity, agency and power together

How can we work with people struggling against poverty in ways which build their dignity, agency and power? In many ways this has been an enduring theme of Church Action on Poverty's work over many years, but we will be making this a much sharper and more prominent feature of what we do over the coming years – including as we plan for our 40th anniversary year in 2022.

For far too long, our society has chosen to value its wealthiest members more highly than those who have been swept into poverty in increasing numbers. As recent Government research revealed, working-age benefits (and Universal Credit in particular) are failing to protect large numbers of households from experiencing food poverty on a regular basis. Sadly, as the pandemic has highlighted, we are not all in this together.

Our Christian faith points us in a different direction – one in which all people are held to be of equal value and deserve to have their human dignity respected, their God-given wisdom and insights valued, and their right to speak truth to power upheld.

The task of building a movement to tackle poverty which affirms dignity, agency and power is one in which many different people and partners will have a part to play. Our role will continue to be a catalyst, to enable groups of people to come together to challenge poverty and to build their own dignity, agency and power in different ways and in different communities across the UK.

We will continue to expand the network of Local Pantries within our growing Your Local Pantry network, offering dignity, choice and hope to literally thousands of members across the country. We will explore ways to expand the network of Self-Reliant Groups beyond Greater Manchester, by introducing new partners to the approach, including piloting the possibility of establishing Self-Reliant Groups alongside Local Pantries. We will continue to support the Manchester Poverty Truth Commission and seed the possibility of new Commissions in other parts of the country in conjunction with the Poverty Truth Network. We will be exploring with our partners – Urban Life, Nazarene Theology College, the Centre for Faith and Justice and the Methodist Church's national Church At the Margins programme – what building dignity, agency and power means for local churches and congregations, and for people who are themselves at the margins, economically, socially or indeed, in relation to the life of the church.

Alongside these, we will be coordinating Challenge Poverty Week in England and Wales for the second year as a key 'movement building' moment in the year – and seeking to pilot our new 'Speaking Truth to Power' programme to equip a new generation of people with lived experience of poverty to be activists, leaders and campaigners in their own right.

## financial review

The pandemic has had an impact on all aspects of Church Action on Poverty's operations. However, the charity was in a strong position to weather short-term financial uncertainty due to its careful management of unrestricted funds and regular reviews of its reserves. During the year, not only has budgeted grant funding continued, we have also been the grateful recipients of unexpected restricted and unrestricted grants from funders who recognise and value the long-term positive impact of our work and its increased importance at this time. Donations from committed individuals and churches have also remained steady, and we offer sincere thanks to all those who continue to support us, when those with lived experience of poverty need our support more than ever. Staff have been under extra pressure at this time and the Council of Management are doing all they can to care for them as they all continue to work above and beyond expectations in this challenging context.

Despite the pandemic this was another positive year for Church Action on Poverty, with established projects continuing and newer initiatives developing. We experienced an encouraging unrestricted surplus of £46,059 in 2021 (2020: deficit of £41,839). Unrestricted income from donations from committed individuals, local churches and legacies increased to £209,174 (including Gift Aid) in 2021 (2020: £190,988). Total unrestricted funds carried forward (including designated funds) were £155,264 (2020: £109,205). Unrestricted funds are vital to finance the core costs of the charity, which continue to be carefully managed. They also fund campaigns and events which underpin so much of the charity's impact.

A designated fund was established in 2017 to ring-fence a proportion of unrestricted funding for special projects. At the end of the financial year the fund balance is £14,726 (2020: £6,147). £30,000 has been added to the fund, thanks to unexpected unrestricted grant funding received in 2021. £21,421 has been spent in 2021 – paying the salary of an intern (who has subsequently become a permanent member of staff); undertaking some polling relating to the pandemic; purchasing office equipment to support staff working from home; and launching the new Challenge Poverty Week in England and Wales. The remaining balance will be spent on activities such as celebrating Church Action on Poverty's 40th anniversary and for funding small grants for grassroots projects tackling poverty. It is anticipated that the designated funds will be fully spent within one year.

During 2021, despite the pandemic, it has been encouraging to see many of our programmes continue to develop and expand. We have strong relationships with our funders, who increasingly provide us with committed funding for programmes that will continue for multiple years.

- Further funding from Esmée Fairbairn has allowed the important work of campaigning to End Hunger in the UK to continue, although this campaign is coming to a close.
- While we previously invested unrestricted funds in the Your Local Pantry project to establish it, in 2021 significant funding has been received from many grant-makers, enabling the Pantry network to expand substantially, as the need for food security grows. Franchise fees are received to facilitate the core support for all Pantries.
- Funding from the Tudor Trust and Nesta has enabled the establishment and development of more Self-Reliant Groups.
- Our partnership with Sustain, through funding from the Big Lottery, strengthened the Food Power alliance, although 2021 sees the end of this four-year programme.
- We have continued to support the Manchester Poverty Truth Commission thanks to further funding received in 2021, and there are plans for new Commissions across Greater Manchester.
- The Church on the Margins project has benefited from a number of grants in 2021 which are allowing it to flourish.
- The value of the Poverty Media Unit has been recognised by the Joseph Rowntree Foundation and an anonymous trust. It continues to support other programmes run by Church Action on Poverty.
- In 2021 funding has been received for new programmes such as Speaking Truth to Power and research into food insecurity.

We are very grateful to all our funders, and further details about who has funded which programmes can be found in Note 3.

The £72,346 surplus in restricted funds at the year end (2020: deficit of £41,211) is due to receiving multi-year large grants. The carried forward balance of restricted funds of £264,444 (2020: £192,098) relates to programme funding for long-term projects continuing in 2021 and beyond.

### Financial risks and mitigations

The Council of Management reviews Church Action on Poverty's risk register each year. The potential likelihood and impact of each risk is considered and traffic-light colours are used. Probably unsurprisingly, the risk of a pandemic had not previously been explicitly considered, but the strength of Church Action on Poverty's relationships with supporters, and the thoroughness with which other identified risks have been mitigated, ensured that the pandemic was not financially detrimental to the charity.

In 2021, as in recent years, no financial risks have been identified as 'red'. Ongoing risks that were identified include:

- Lack of funds leading to a significant financial loss in the year – this is mitigated by having a clear funding strategy and plans to diversify the funding sources further. Future funding forecasts are provided to the Council at each meeting so that the known end of funding agreements can be planned for. Budgets are managed carefully and cash flow considered regularly to ensure that a risk of lack of funds is minimised.
- Ageing supporter base – this is mitigated by a creative supporter relations strategy for actively attracting new members, donors and legacies. Investment in a new website and database support this strategy.
- Lack of unrestricted reserves – while this was seen as a 'red' risk a few years ago it is no longer considered to be so. To mitigate this risk re-aring our reserves policy is clearly linked to our business plan (see details of our reserves policy below).

Other risks identified as less significant include the risk of fraud and error occurring; inadequate reporting to funders; or inadequate insurance. All of these risks are considered regularly and action is taken to mitigate them when necessary. The Council also continues to take steps to reduce risk by holding cash reserves in a number of separate banking institutions.

### **Overall financial and fundraising aims for 2021–22**

- To ensure Church Action on Poverty is able to continue and extend its vital work, especially in the context of the pandemic.
- To work towards a position where unrestricted income, i.e. that from our committed givers, is sufficient to cover the core costs of running the organisation.
- To strengthen our relationships with existing funders and donors, increasing their level of commitment and support.
- To explore other ways of diversifying our income streams and reducing our dependence on restricted grant funding, for example by developing the franchise model for Your Local Pantry and continuing to expand the 'Friends of Your Local Pantry' who donate regularly to support the Pantry in their local area.

### **Reserves policy**

Reserves are held to build resilience and capacity, and to allow Church Action on Poverty to continue its activities in the event of a short-term reduction in income.

In 2021 the Council of Management reviewed how it calculates the level of free reserves deemed necessary. Factors such as the cost of operating for 12 months without any programme recharges (restricted grants cover some unrestricted costs) and the cost of winding up the organisation in an orderly way were considered. This led the Council to conclude that a range of £74,000 to £121,000 of free reserves is appropriate at this time. At the end of 2020–21 the level of free reserves (i.e. unrestricted general funds) was £140,538 (2020: £103,058), which exceeds the policy's range. However, given the ongoing uncertainties of the pandemic, this is considered acceptable, and reassuring as we continue our ever more vital work.

The organisation's current position compared to the policy's range is considered at every Council of Management meeting, and the appropriate range of free reserves is considered every 3 years or when there is a significant change in circumstances.

Despite a very challenging year, we are in a strong financial position and with your continued support we will work hard to ensure that those experiencing poverty are supported and empowered, and that the structures that keep them in poverty are challenged.

## **structure, governance and management**

The organisation is a charitable company limited by guarantee, incorporated on 01 June 1999 and registered as a charity on 24 March 2000.

The company was established under a memorandum of association which established the objects and powers of the charitable company and is governed under its articles of association.

Members of the charity guarantee to contribute an amount not exceeding £1 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.

### **Trustee / director election**

Trustees/directors make up Church Action on Poverty's Council of Management, the organisation's governing body. Each year, one third of members of the Council of Management retire from office at the Annual General Meeting, all of whom are eligible for re-election. All members of Church Action on Poverty are invited to make nominations, and the ballot for new Council of Management members takes place at the Annual General Meeting. Where there are specific gaps in skills or experience within the Council membership, the Council is empowered to co-opt one or more additional members until the following Annual General Meeting.

### Trustee / director induction

The new trustees / directors undergo an induction process which explains the staffing, structure, etc. of the organisation and a half-day session at the Church Action on Poverty offices with the Chair, Director, Programme Manager and other Church Action on Poverty staff.

### Organisational structure

The full Council of Management meets a minimum of four times a year. The Council operates an annual planning cycle, including establishing and reviewing strategic priorities, agreeing and monitoring an organisational Year Plan, and other organisational and operational policies and priorities.

An Officers' Group meets bi-monthly to discuss the more detailed operations of the charity. The Treasurer is in contact with the Finance Manager on a regular basis to specifically discuss finances. The two senior staff meet regularly as a small management team, and the full staff team meets twice a year as part of the planning cycle.

### Risk management

The major risks facing the charity, as identified by the trustees, have continued to be reviewed and systems established to mitigate those risks.

### Volunteers

Church Action on Poverty was fortunate to have a number of regular volunteers during this financial year. Church Action on Poverty would like to thank our volunteers for the vital contribution they make to the work of the charity.

### Public benefit

In planning the charity's activities and achievements, the Council of Management has had due regard to the guidance on public benefit issued by the Charity Commission.

### Funds held as custodian trustee on behalf of others

Church Action on Poverty does not currently hold any funds on behalf of any other charities.

### Statement of responsibilities of the trustees

The trustees (who are also directors of Church Action on Poverty Ltd for the purposes of company law) are responsible for preparing the trustees' annual report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (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 charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these 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 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.
- 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 that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

This report has been prepared in accordance with the provisions applicable to companies subject to the small companies' regime of the Companies Act 2006.

The trustees' annual report has been approved by the trustees on 6 November 2021 and signed on their behalf by



J Dale (Nov 19, 2021 14:45 GMT)

John Dale, Chair

# Independent examiner's report to the trustees of Church Action on Poverty Ltd

**I report to the charity trustees on my examination of the accounts of the company for the year ended 31 March 2021 which are set out on pages 19 to 27.**

## **Responsibilities and basis of report**

As the charity trustees of the 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 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 your 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 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 Association of Chartered Certified Accountants, which is one of the listed bodies.

I have completed my examination. I confirm that no 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 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.



**Jennifer Daniel FCCA DChA**  
**Slade & Cooper Ltd**  
**Beehive Mill**  
**Jersey St**  
**Manchester**  
**M4 6JG**  
**Friday 19 November 2021**

# financial statements

## Statement of financial activities (including income and expenditure account) for the year ending 31 March 2021

	Unrestricted funds	Restricted funds	Total funds 2021	Total funds 2020
<b>Income</b>				
Grants, donations and legacies <sup>3</sup>	£299,552	£492,385	£791,937	£637,284
Charitable activities: fees and other income <sup>4</sup>	£1,100	£22,648	£23,748	£23,955
Investments <sup>5</sup>	£184	£0	£184	£538
<b>Total income</b>	<b>£300,836</b>	<b>£515,033</b>	<b>£815,869</b>	<b>£661,777</b>
<b>Expenditure</b>				
Raising funds <sup>6</sup>	£47,344	£0	£47,344	£45,008
Charitable activities <sup>7</sup>	£167,433	£482,687	£650,120	£699,819
<b>Total expenditure</b>	<b>£214,777</b>	<b>£482,687</b>	<b>£697,464</b>	<b>£744,827</b>
<b>Net income/(expenditure) before net gains/(losses) on investments</b>	<b>£86,059</b>	<b>£32,346</b>	<b>£118,405</b>	<b>(£83,050)</b>
Realised gains/(losses) on investments	-	-	-	-
Unrealised gains/(losses) on investments	-	-	-	-
<b>Net income/(expenditure) for the year<sup>9</sup></b>	<b>£86,059</b>	<b>£32,346</b>	<b>£118,405</b>	<b>(£83,050)</b>
Transfer between funds	(£40,000)	£40,000	£0	£0
<b>Net movement in funds for the year</b>	<b>£46,059</b>	<b>£72,346</b>	<b>£118,405</b>	<b>(£83,050)</b>
<b>Reconciliation of funds</b>				
Total funds brought forward	£109,205	£192,098	£301,303	£384,353
<b>Total funds carried forward</b>	<b>£155,264</b>	<b>£264,444</b>	<b>£419,708</b>	<b>£301,303</b>

The statement of financial activities includes all gains and losses recognised in the year.  
All income and expenditure derive from continuing activities.

**Balance sheet as at 31 March 2021**

	2021		2020	
<b>Current assets</b>				
Debtors <sup>13</sup>	£236,152		£166,073	
Cash at bank and in hand <sup>14</sup>	£275,358		£248,479	
<b>Total current assets</b>	<b>£511,510</b>		<b>£414,552</b>	
<b>Liabilities</b>				
Creditors: amounts falling due in less than one year <sup>15</sup>	(£91,802)		(£113,249)	
<b>Net current assets</b>		<b>£419,708</b>		<b>£301,303</b>
<b>Total assets less current liabilities</b>		<b>£419,708</b>		<b>£301,303</b>
<b>Net assets</b>		<b>£419,708</b>		<b>£301,303</b>
<b>The funds of the charity</b>				
Restricted income funds <sup>16</sup>		£264,444		£192,098
Unrestricted income funds <sup>17</sup>		£155,264		£109,205
<b>Total charity funds</b>		<b>£419,708</b>		<b>£301,303</b>

For the year in question, the company was entitled to exemption from an audit under section 477 of the Companies Act 2006 relating to small companies.

**Directors' responsibilities**

- The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476.
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These accounts are prepared in accordance with the special provisions of part 15 of the Companies Act 2006 relating to small companies and constitute the annual accounts required by the Companies Act 2006 and are for circulation to members of the company.

The notes from page 21 to page 31 form part of these accounts.

**Approved by the trustees on 6 November 2021 and signed on their behalf by:**



J Dale (Nov 19, 2021 14:45 GMT)

John Dale, Chair



Lydia Groenewald (Nov 19, 2021 14:00 GMT)

Lydia Groenewald, Treasurer

**Statement of cash flows for the year ending 31 March 2021**

	2021	2020
<b>Cash provided by/(used in) operating activities<sup>20</sup></b>	<b>£26,695</b>	<b>£43,269</b>
Cash flows from investing activities		
Dividends, interest, and rents from investments	£184	£538
<b>Cash provided by/(used in) investing activities</b>	<b>£184</b>	<b>£538</b>
Increase/(decrease) in cash and cash equivalents in the year	£26,879	£43,807
Cash and cash equivalents at the beginning of the year	£248,479	£204,672
<b>Cash and cash equivalents at the end of the year</b>	<b>£275,358</b>	<b>£248,479</b>

## Notes to the accounts for the year ending 31 March 2021

### 1 Accounting policies

The principal accounting policies adopted, judgments and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

#### a Basis of preparation

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

Church Action on Poverty Ltd meets the definition of a public benefit entity under FRS102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note.

#### b Preparation of the accounts on a going concern basis

The trustees consider that there are no material uncertainties about the charitable company's ability to continue as a going concern.

The trustees have made no key judgments which have a significant effect on the accounts.

The trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next reporting period.

#### c Income

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

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

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

Income received in advance of a provision of a specified service is deferred until the criteria for income recognition are met.

#### d Donated services and facilities

Donated professional services and donated facilities are recognised as income when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), general volunteer time is not recognised; refer to the trustees' annual report for more information about their contribution.

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.

#### f Fund accounting

Unrestricted funds are available to spend on activities that further any of the purposes of 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. Expenditure is classified under the following activity headings:

- Costs of raising funds comprise the costs of fundraising and their associated support costs.
- Expenditure on charitable activities includes the costs of activities undertaken to further the purposes of the charity and their associated support costs.
- Other expenditure represents those items not falling into any other heading.

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

#### **h Allocation of support costs**

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include back office costs, finance, personnel, payroll and governance costs which support the charity's programmes and activities.

#### **i Operating leases**

Operating leases are leases in which the title to the assets, and the risks and rewards of ownership, remain with the lessor. Rental charges are charged on a straight line basis over the term of the lease.

#### **j Tangible fixed assets**

Individual fixed assets costing £1,000 or more are capitalised at cost and are depreciated over their estimated useful economic lives on a straight line basis as follows:

Office equipment	20%
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#### **k 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.

#### **l 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.

#### **m Creditors and provisions**

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.

#### **n Financial instruments**

The charity 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 measured at amortised cost using the effective interest method.

#### **o Pensions**

The charitable company contributes to defined contribution pension schemes on behalf of its employees. The assets of these schemes are entirely separate to those of the charity. The pension cost shown represents contributions payable by the charity on behalf of the employees.

There were contributions outstanding at the balance sheet date of £Nil (2020: £Nil).

## **2 Legal status of the charity**

The charity is a company limited by guarantee registered in England and Wales and has no share capital. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity. The registered office address is disclosed on page 2.

### 3 Income from grants, donations and legacies

#### Current reporting period

	Unrestricted	Restricted	Total in 2021
<b>Grants</b>			
<i>Core campaigns and events</i>			
The Methodist Church	£6,000	£0	£6,000
CMW Charitable Trust	£5,000	£0	£5,000
Marsh Christian Trust	£800	£0	£800
Tudor Trust (Wellbeing)	£2,000	£0	£2,000
HMRC JRS	£6,578	£0	£6,578
Esmee Fairbairn Foundation	£20,000	£0	£20,000
Paracletos	£10,000	£0	£10,000
<i>Poverty Media Unit</i>			
Anonymous trust	£0	£10,000	£10,000
Joseph Rowntree Foundation	£0	£2,100	£2,100
<i>Your Local Pantry</i>			
Tudor Trust	£0	£30,000	£30,000
John Laing Trust	£0	£21,100	£21,100
Evan Cornish Foundation	£0	£2,500	£2,500
Esmee Fairbairn Foundation Emergency	£30,000	£0	£30,000
Robertson Trust	£0	£15,000	£15,000
Big Lottery COVID Response	£0	£70,578	£70,578
CAF Resilience Fund	£0	£29,094	£29,094
The Jerusalem Trust	£0	£20,000	£20,000
<i>End Hunger UK</i>			
Esmee Fairbairn Foundation	£10,000	£82,809	£92,809
<i>Food Power</i>			
Big Lottery	£0	£66,178	£66,178
Why Hunger Inc.	£0	£2,230	£2,230
<i>Church on the Margins</i>			
Coventry University	£0	£5,000	£5,000
Sir Halley Stewart Trust	£0	£20,976	£20,976
Methodist Action for Poverty & Justice	£0	£30,000	£30,000
<i>Manchester Poverty Truth Commission</i>			
Poverty Truth Network Regional Support	£0	£1,400	£1,400
Our Manchester Investment Fund	£0	£14,155	£14,155
<i>Speaking Truth to Power</i>			
Society of the Holy Child Jesus	£0	£20,000	£20,000
<i>Food insecurity research</i>			
University of Sheffield	£0	£29,940	£29,940
<b>Total income from grants</b>	<b>£90,378</b>	<b>£473,060</b>	<b>£563,438</b>
Donations (including Gift Aid)	£206,511	£19,325	£225,836
Donated services	£2,663	£0	£2,663
<b>Total by fund 31 March 2021</b>	<b>£299,552</b>	<b>£492,385</b>	<b>£791,937</b>

## Previous reporting period

	Unrestricted	Restricted	Total in 2020
<b>Grants</b>			
<i>Core campaigns and events</i>			
The Methodist Church	£6,000	£0	£6,000
The Paristamen Co	£500	£0	£500
Marsh Christian Trust	£700	£0	£700
<i>Poverty Media Unit</i>			
Anonymous trust	£0	£10,000	£10,000
Joseph Rowntree Foundation	£0	£7,000	£7,000
<i>Self-Reliant Groups</i>			
Nesta	£0	£98,000	£98,000
Tudor Trust	£0	£40,000	£40,000
<i>Your Local Pantry</i>			
Barrow Cadbury Trust	£0	£28,800	£28,800
<i>End Hunger UK</i>			
Esmee Fairbairn Foundation	£0	£122,971	£122,971
<i>Food Power</i>			
Big Lottery	£0	£61,622	£61,622
<i>Church on the Margins</i>			
MB Reckitt Trust	£0	£5,000	£5,000
Coventry University	£0	£5,000	£5,000
Passionist Centre for Thought and Practice	£0	£12,000	£12,000
Sir Halley Stewart Trust	£0	£10,488	£10,488
<i>Manchester Poverty Truth Commission</i>			
Joseph Rowntree Foundation	£0	£10,000	£10,000
Manchester Alliance & Community Care	£0	£6,000	£6,000
Our Manchester Investment Fund	£0	£14,155	£14,155
<i>Why Hunger Conference USA</i>			
End Hunger UK	£0	£5,926	£5,926
Trussell Trust	£0	£2,134	£2,134
<b>Total income from grants</b>	<b>£7,200</b>	<b>£439,096</b>	<b>£446,296</b>
Donations (including Gift Aid)	£182,169	£0	£182,169
Donated services	£8,819	£0	£8,819
<b>Total by fund 31 March 2020</b>	<b>£198,188</b>	<b>£439,096</b>	<b>£637,284</b>

#### 4 Income from charitable activities

Current reporting period	Unrestricted	Restricted	Total in 2021
Fees and other income	£1,100	£22,648	£23,748
<b>Total</b>	<b>£1,100</b>	<b>£22,648</b>	<b>£23,748</b>

Previous reporting period	Unrestricted	Restricted	Total in 2020
Fees and other income	£6,643	£17,312	£23,955
<b>Total</b>	<b>£6,643</b>	<b>£17,312</b>	<b>£23,955</b>

#### 5 Investment income

Current reporting period	Unrestricted	Restricted	Total in 2021
Income from bank deposits	£184	-	£184
<b>Total</b>	<b>£184</b>	<b>-</b>	<b>£184</b>

Previous reporting period	Unrestricted	Restricted	Total in 2020
Income from bank deposits	£538	-	£538
<b>Total</b>	<b>£538</b>	<b>-</b>	<b>£538</b>

#### 6 Cost of raising funds

	2021	2020
Staff costs	£39,400	£38,426
Printing and postage	£7,944	£6,582
<b>Total</b>	<b>£47,344</b>	<b>£45,008</b>

All expenditure on cost of raising funds is unrestricted.

## 7 Analysis of expenditure on charitable activities

Current reporting period	Staff costs	Operating costs	Support costs	Total 2021
Core campaigns and events	£156,557	£84,853	(£69,743)	£171,667
End Hunger UK	£17,922	£60,961	£6,924	£85,807
Food Power	£38,909	£9,579	£9,727	£58,215
Poverty Media Unit	£7,737	£838	£1,715	£10,290
Self-Reliant Groups	£22,626	£22,893	£9,104	£54,623
Your Local Pantry	£35,026	£108,053	£26,377	£169,456
Church on the Margins	£27,008	£9,272	£7,256	£43,536
Manchester Poverty Truth Commission	£2,596	£17,067	£1,966	£21,629
Speaking Truth to Power	£5,939	£500	£2,500	£8,939
Food insecurity research	£17,021	£2,606	£4,174	£23,801
Governance costs <sup>8</sup>	£0	£2,157	£0	£2,157
<b>Total</b>	<b>£331,341</b>	<b>£318,779</b>	<b>£0</b>	<b>£650,120</b>

Previous reporting period	Staff costs	Operating costs	Support costs	Total 2020
Core campaigns and events	£122,037	£98,766	(£60,555)	£160,248
End Hunger UK	£55,090	£127,396	£19,457	£201,943
Food Power	£42,372	£6,914	£10,623	£59,909
Poverty Media Unit	£18,709	£2,367	£4,215	£25,291
Self-Reliant Groups	£21,470	£70,375	£18,369	£110,214
Your Local Pantry	£21,221	£51,403	£0	£72,624
Church on the Margins	£18,120	£6,085	£4,841	£29,046
Manchester Poverty Truth Commission	£2,481	£28,019	£3,050	£33,550
Governance costs <sup>8</sup>	£0	£6,994	£0	£6,994
<b>Total</b>	<b>£301,500</b>	<b>£398,319</b>	<b>£0</b>	<b>£699,819</b>

Allocated as follows:	2021	2020
Unrestricted expenditure	£482,687	£540,127
Restricted expenditure	£167,433	£159,692
<b>Total</b>	<b>£650,120</b>	<b>£699,819</b>

## 8 Analysis of governance and support costs

Current reporting period	Basis of apportionment	Governance	Total 2021
Accountancy services	Governance	£2,125	£2,125
AGM and conference	Governance	-	-
Trustees' expenses	Governance	£32	£32
<b>Total</b>		<b>£2,157</b>	<b>£2,157</b>

Previous reporting period	Basis of apportionment	Governance	Total 2020
Accountancy services	Governance	£1,933	£1,933
AGM and conference	Governance	£686	£686
Trustees' expenses	Governance	£4,375	£4,375
<b>Total</b>		<b>£6,994</b>	<b>£6,994</b>

## 9 Net income/(expenditure) for the year

This is stated after charging/(crediting):

	2021	2020
<b>Independent examiner's remuneration (net of VAT)</b>		
Independent examination fees	£300	£300
Accountancy	£1,400	£1,400

## 10 Staff costs

Staff costs during the year were as follows:

	2021	2020
Wages and salaries	£316,348	£289,359
Social security costs	£24,369	£21,969
Pension costs	£30,024	£28,598
<b>Total</b>	<b>£370,741</b>	<b>£339,926</b>

Allocated as follows:

	2021	2020
Cost of raising funds	£39,400	£38,426
Charitable activities	£331,341	£301,500
<b>Total</b>	<b>£370,741</b>	<b>£339,926</b>

No employee has employee benefits in excess of £60,000 (2020: nil).

The average number of staff employed during the period was 12 (2020: 11).

The average full-time equivalent number of staff employed during the period was 10 (2020: 9).

The ratio between the salaries of the highest-paid and lowest-paid staff members was 1.5:1 (2020: 1.6:1).

The key management personnel of the charity comprise the trustees and the Director and Programme Manager.

The total employee benefits of the key management personnel of the charity were £81,259 (2020: £72,254).

## 11 Trustee remuneration and expenses, and related party transactions

Neither the management committee nor any persons connected with them received any remuneration or reimbursed expenses during the year (2020: nil).

1 trustees (2020: 14) received travel and subsistence expenses during the year of £32 (2020: £4,376).

Aggregate donations from related parties were £10,504 (2020: £15,181).

There are no donations from related parties which are outside the normal course of business and no restricted donations from related parties.

No trustee or other person related to the charity had any personal interest in any contract or transaction entered into by the charity, including guarantees, during the year (2020: nil).

## 12 Government grants

The government grants recognised in the accounts were as follows:

	2021	2020
HMRC JRS	£6,578	-
<b>Total</b>	<b>£6,578</b>	<b>-</b>

There were no unfulfilled conditions and contingencies attaching to the grants.

## 13 Corporation tax

The charity is exempt from tax on income and gains falling within Chapter 3 of Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects. No tax charges have arisen in the charity.

## 14 Debtors

	2021	2020
Prepayments and accrued income	£236,152	£166,073
<b>Total</b>	<b>£236,152</b>	<b>£166,073</b>

## 15 Cash at bank and in hand

	2021	2020
Cash at bank and in hand	£275,358	£248,479
<b>Total</b>	<b>£275,358</b>	<b>£248,479</b>

## 16 Creditors: amounts falling due within one year

	2021	2020
Short-term compensated absences (holiday pay)	£10,356	£6,340
Other creditors and accruals	£81,446	£106,909
<b>Total</b>	<b>£91,802</b>	<b>£113,249</b>

## 17 Analysis of movements in restricted funds

	Balance at 1 April 2020	Income	Expenditure	Transfers	Balance at 31 March 2021
Poverty Media Unit	£10,205	£12,100	(£10,290)	£0	£12,015
Self-Reliant Groups	£77,010	£0	(£54,623)	£0	£22,387
Your Local Pantry	£0	£229,097	(£169,456)	£30,000	£89,641
End Hunger UK	£35,568	£82,809	(£85,807)	£10,000	£42,570
Food Power	£15,643	£68,408	(£58,606)	£0	£25,445
Manchester Poverty Truth Commission	£22,847	£16,703	(£27,629)	£0	£11,921
Church on the Margins	£30,825	£55,976	(£43,536)	£0	£43,265
Speaking Truth to Power	£0	£20,000	(£8,939)	£0	£11,061
Food insecurity research	£0	£29,940	(£23,801)	£0	£6,139
<b>Total</b>	<b>£192,098</b>	<b>£515,033</b>	<b>(£482,687)</b>	<b>£40,000</b>	<b>£264,444</b>

<i>Previous reporting period</i>	<i>Balance at 1 April 2019</i>	<i>Income</i>	<i>Expenditure</i>	<i>Transfers</i>	<i>Balance at 31 March 2020</i>
Poverty Media Unit	£18,244	£17,250	(£25,289)	£0	£10,205
Self-Reliant Groups	£49,224	£138,000	(£110,214)	£0	£77,010
Your Local Pantry	£18,634	£42,910	(£72,624)	£11,080	£0
End Hunger UK	£80,608	£125,475	(£201,943)	£31,428	£35,568
Food Power	£13,930	£61,622	(£59,909)	£0	£15,643
Manchester Poverty Truth Commission	£26,242	£30,155	(£33,550)	£0	£22,847
Church on the Margins	£26,427	£32,936	(£28,538)	£0	£30,825
Why Hunger Conference USA	£0	£8,060	(£8,060)	£0	£0
<b>Total</b>	<b>£233,309</b>	<b>£456,408</b>	<b>(£540,127)</b>	<b>£42,508</b>	<b>£192,098</b>

Name of restricted fund	Description, nature and purposes of the fund
Poverty Media Unit	To provide poverty media coverage of programmes
Self-Reliant Groups	To work with groups to make them self-reliant
Your Local Pantry	To feed people sustainably
End Hunger UK	To confront the root causes of food insecurity in the UK
Food Power	To tackle food poverty through people-powered change
Manchester Poverty Truth Commission	To find ways of unlocking poverty in Manchester
Church on the Margins	To work with church communities on poverty and injustice issues
Speaking Truth to Power	To train participants in making recommendations to policy-holders on how to deal with household food insecurity in the future
Food insecurity research	To research and document people's experiences accessing food during the Covid-19 crisis
Why Hunger Conference USA	To support Food Power's staff and participants' attendance at USA conference on food poverty

**18 Analysis of movement in unrestricted funds**

<b>Current reporting period</b>	<b>Balance at 1 April 2020</b>	<b>Income</b>	<b>Expenditure</b>	<b>Transfers</b>	<b>Balance at 31 March 2021</b>
General funds	£103,058	£270,836	(£193,356)	(£40,000)	£140,538
Designated funds	£6,147	£30,000	(£21,421)	£0	£14,726
<b>Total</b>	<b>£109,205</b>	<b>£300,836</b>	<b>(£214,777)</b>	<b>(£40,000)</b>	<b>£155,264</b>
<b>Previous reporting period</b>	<b>Balance at 1 April 2019</b>	<b>Income</b>	<b>Expenditure</b>	<b>Transfers</b>	<b>Balance at 31 March 2020</b>
General funds	£121,044	£205,369	(£180,847)	(£42,508)	£103,058
Designated funds	£30,000	£0	(£23,853)	£0	£6,147
<b>Total</b>	<b>£151,044</b>	<b>£205,369</b>	<b>(£204,700)</b>	<b>(£42,508)</b>	<b>£109,205</b>

General funds – the free reserves of the charity available for general charitable use.

Designated funds – unrestricted funds designated by the trustees for special projects.

**19 Analysis of net assets between funds**

<b>Current reporting period</b>	<b>Unrestricted general funds</b>	<b>Unrestricted designated funds</b>	<b>Restricted funds</b>	<b>Total</b>
Net current assets/(liabilities)	£140,538	£14,726	£264,444	<b>£419,708</b>
<b>Total</b>	<b>£140,538</b>	<b>£14,726</b>	<b>£264,444</b>	<b>£419,708</b>
<b>Previous reporting period</b>	<b>Unrestricted general funds</b>	<b>Unrestricted designated funds</b>	<b>Restricted funds</b>	<b>Total</b>
Net current assets/(liabilities)	£103,058	£6,147	£192,098	<b>£301,303</b>
<b>Total</b>	<b>£103,058</b>	<b>£6,147</b>	<b>£192,098</b>	<b>£301,303</b>

## 20 Operating lease commitments

The charity's total future minimum lease payments under non-cancellable operating leases is as follows for each of the following periods:

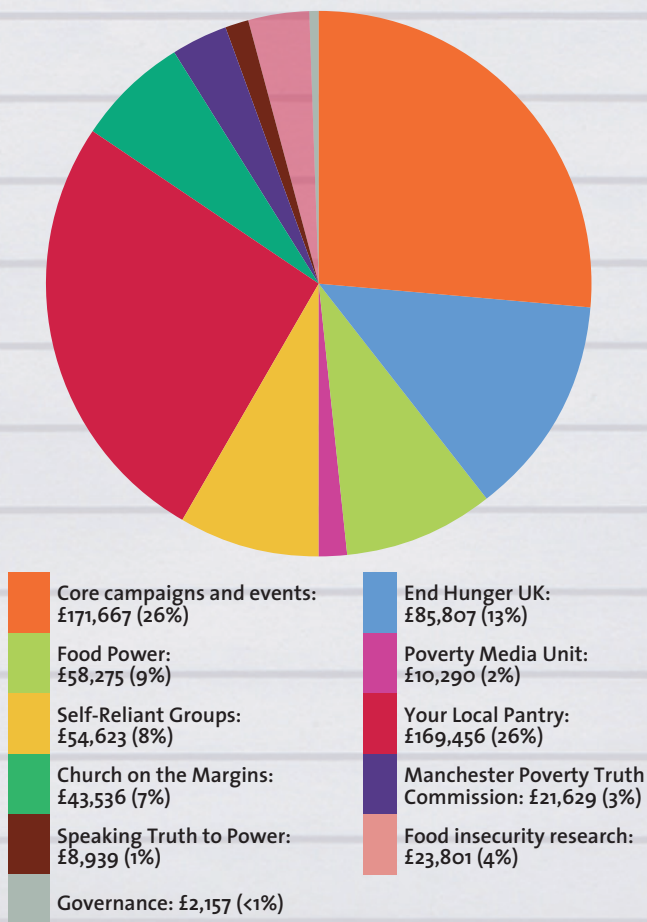
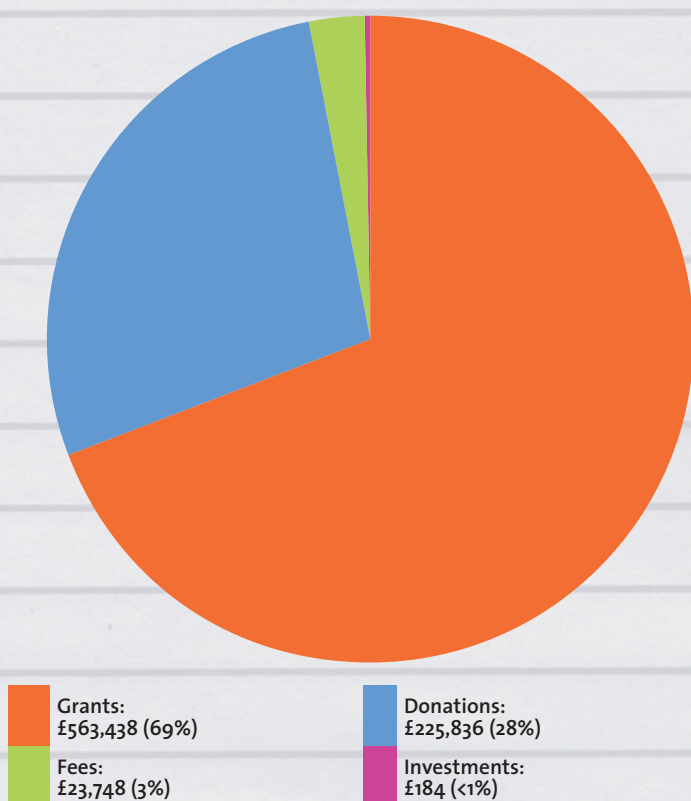
	Property		Equipment	
	2021	2020	2021	2020
Less than one year	£9,720	£10,800	£1,258	£1,258
One to five years	£810	£11,700	£1,362	£2,620
Over five years	-	-	-	-
<b>Total</b>	<b>£10,530</b>	<b>£22,500</b>	<b>£2,620</b>	<b>£3,878</b>

## 21 Reconciliation of net movement in funds to net cash flow from operating activities

	2021	2020
<b>Net income/(expenditure) for the year</b>	£118,405	(£83,050)
<b>Adjustments for:</b>		
Dividends, interest and rents from investments	(£184)	(£538)
Decrease/(increase) in stock	£0	£0
Decrease/(increase) in debtors	(£70,079)	£46,367
Increase/(decrease) in creditors	(£21,447)	£80,490
<b>Net cash provided by/(used in) operating activities</b>	<b>£26,695</b>	<b>£43,269</b>

## Where our money came from

## How we spent it



**Find out more and get involved  
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Registered charity number 1079986.