

Company registration number: 4190401

Charity registration number: 1091698

# The Poverty & Environment Trust

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 March 2021

DeVines Accountants Limited  
Chartered Accountants and Registered Auditors  
Bellefield House  
104 New London Road  
Chelmsford  
Essex  
CM2 0RG

# **The Poverty & Environment Trust**

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## **The Poverty & Environment Trust**

### **Reference and Administrative Details**

<b>Secretary</b>	RE Bailey
<b>Charity Registration Number</b>	1091698
<b>Company Registration Number</b>	4190401
<b>Registered Office</b>	DeVines Bellefield House 104 New London Road Chelmsford Essex CM2 0RG
<b>Principal Office</b>	5-7 Buck Street London NW1 8NJ
<b>Independent Examiner</b>	DeVines Accountants Limited Chartered Accountants and Registered Auditors Bellefield House 104 New London Road Chelmsford Essex CM2 0RG

# **The Poverty & Environment Trust**

## **Trustees' Report**

The trustees, who are directors for the purposes of company law, present the annual report together with the financial statements of the charitable company for the year ended 31 March 2021.

This report is also the Directors' Report as required by s417 of the Companies Act.

The attached financial statements have been prepared in accordance with the accounting policies set out in notes to the financial statements; comply with the provisions of the charity's governing documents; comply with the Companies Act 2006; and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial reporting Standard applicable in the UK and Republic of Ireland (the "Charities SORP").

### **Objectives and activities**

#### ***Objects and aims***

The objects of the charity are to research the ways in which the problem of poverty and the environment are related.

#### ***Objectives, strategies and activities***

We have carried out research into the benefits and obstacles to local and community-scale energy generation and supply. This work resulted in evidence of environmental and social benefits, such as local skilled jobs and reductions in greenhouse gas emissions, and obstacles such as the inability for smaller renewable energy generators to sell their power directly to local customers. We also conducted a series of in-depth case studies on community energy groups across the UK. Additionally, we have funded work to bring these matters to the attention of policy makers.

We have conducted research into the benefits and implications of bringing the UK's housing stock up to energy performance certificate C by 2035, and fuel poor homes up to EPC band C by 2030. Our research has shown that the wider social benefits of such policies will easily outweigh the cost.

We have been involved in promoting the reduction of greenhouse gas emissions in the UK at a rate consistent with limiting the global mean temperature increase to 1.5 degrees Celsius above pre-industrial levels. We helped draft a Bill, the Climate and Ecological Emergency Bill, which would do this and developed research on the social and climate change impact that the Bill would create.

We carried out research into the way in which Particulate Matter (PM) emissions from waste incineration affect both the environment and the social wellbeing of people living near incinerators.

#### ***Public benefit***

The trustees confirm that they have complied with the requirements of section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

### **Financial review**

During the year the Trust incurred a deficit of £3,696.

The Trust policy is to use its reserves to fund measures as detailed in its charitable objectives, undertaking further study. The Trustees consider that the reserves are at present sufficient for this purpose.

At present all monies are held in the Trust's bank account.

### **Trustees and officers**

The trustees and officers serving during the year and since the year end were as follows:

# **The Poverty & Environment Trust**

## **Trustees' Report**

Trustees: A Warren  
J Holland  
M Williams

Secretary: RE Bailey

### **Structure, governance and management**

#### ***Nature of governing document***

The Trust is governed by its Memorandum & Articles of Association as amended on 05 April 2002.

#### ***Recruitment and appointment of trustees***

Trustees are elected in accordance with the Memorandum & Articles of Association as amended on 5 April 2002.

#### ***Organisational structure***

The Trust is managed by three Trustees who have experience in the fields of activity covered by the Trust, and management of such projects.

The day-to-day activities are carried out by the Company Secretary who reports to the Trustees and, in between meetings, to the Chair of the Trust.

The chair is the Director of the Association for the Conservation of Energy; Ms Holland is a former county councillor and is the Parliamentary Co-ordinator of Energy and Mr Williams is a former employee of Friends of the Earth. None of these organisations have any relationship with the work of the Trust.

The Trustees have identified the external risks to which the Trust may be subject and have planned their actions.

#### **Statement of Trustees' Responsibilities**

The trustees (who are also the directors of The Poverty & Environment Trust for the purposes of company law) are responsible for preparing the trustees' report and the financial statements in accordance with the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations. The report and accounts have been prepared in accordance with the provisions in the Companies Act 2006 relating to small companies.

Company law requires the trustees to prepare financial statements for each financial year. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and 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 have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

## **The Poverty & Environment Trust**

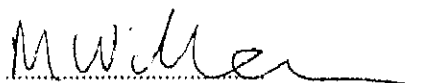
### **Trustees' Report**

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and 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.

#### **Small companies provision statement**

This report has been prepared in accordance with the small companies regime under the Companies Act 2006.

The annual report was approved by the trustees of the charity on 19 January 2022 and signed on its behalf by:

A handwritten signature in dark ink, appearing to read 'M Williams', with a long horizontal flourish extending to the right.

M Williams  
Trustee

## **The Poverty & Environment Trust**

### **Independent Examiner's Report to the trustees of The Poverty & Environment Trust ("the Company")**

I report to the charity trustees who are also Directors for the purpose of company law) on my examination of the accounts of The Poverty and Environment Trust for the year ended 31 March 2021 which comprise the Statement of Financial Activities, the Balance Sheet and related notes.

This report is made solely to the charity's trustees, as a body, in accordance with section 145 of the Charities Act 2011. My work has been undertaken so that I might state to the charity's trustees those matters I am required to state to them in this report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for my work, for this report, or for the opinions I have formed.

#### **Responsibilities and basis of report**

As the charity's 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 Poverty & Environment Trust 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 charity'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.

An independent examination does not involve gathering all the evidence that would be required in an audit and consequently does not cover all the matters that an auditor considers in giving their opinion on the financial statements. The planning and conduct of an audit goes beyond the limited assurance that an independent examination can provide. Consequently I express no opinion as to whether the financial statements present a 'true and fair' view and my report is limited to those specific matters set out in the independent examiner's statement.

#### **Independent examiner's statement**

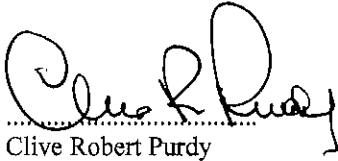
I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of The Poverty & Environment Trust 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.

**The Poverty & Environment Trust**

**Independent Examiner's Report to the trustees of The Poverty & Environment Trust  
("the Company")**



Clive Robert Purdy  
Chartered Accountants and Registered Auditors  
Institute of Chartered Accountants in England and Wales ( ICAEW)

Bellefield House  
104 New London Road  
Chelmsford  
Essex  
CM2 0RG

19 January 2022



# The Poverty & Environment Trust

## Statement of Financial Activities for the Year Ended 31 March 2021 (Including Income and Expenditure Account )

	Note	Restricted funds £	Total 2021 £
<b>Income from:</b>			
Donations and legacies	3	100,842	100,842
Total income		100,842	100,842
<b>Expenditure on:</b>			
Raising funds	4	(8,045)	(8,045)
Charitable activities	5	(96,493)	(96,493)
Total expenditure		(104,538)	(104,538)
Net expenditure		(3,696)	(3,696)
Net movement in funds		(3,696)	(3,696)
<b>Reconciliation of funds</b>			
Total funds brought forward		41,130	41,130
Total funds carried forward	11	37,434	37,434
		<b>Restricted funds £</b>	<b>Total 2020 £</b>
<b>Income and Endowments from:</b>			
Donations and legacies	3	91,049	91,049
Total income		91,049	91,049
<b>Expenditure on:</b>			
Raising funds	4	(6,400)	(6,400)
Charitable activities	5	(62,635)	(62,635)
Total expenditure		(69,035)	(69,035)
Net income		22,014	22,014
Net movement in funds		22,014	22,014
<b>Reconciliation of funds</b>			
Total funds brought forward		19,116	19,116
Total funds carried forward	11	41,130	41,130

The funds breakdown for 2020 is shown in note 11.

The notes on pages 9 to 14 form an integral part of these financial statements.

# The Poverty & Environment Trust

(Registration number: 4190401)  
Balance Sheet as at 31 March 2021

	Note	2021 £	2020 £
<b>Current assets</b>			
Cash at bank and in hand		47,468	44,555
<b>Creditors: Amounts falling due within one year</b>	10	<u>(10,034)</u>	<u>(3,425)</u>
<b>Net assets</b>		<u>37,434</u>	<u>41,130</u>
<b>Funds of the charity:</b>			
<b>Restricted income funds</b>			
Restricted funds		<u>37,434</u>	<u>41,130</u>
<b>Total funds</b>	11	<u>37,434</u>	<u>41,130</u>

For the financial year ending 31 March 2021 the charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

## Directors' responsibilities:

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

These financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

The financial statements on pages 7 to 14 were approved by the trustees, and authorised for issue on 19 January 2022 and signed on their behalf by:



M Williams  
Trustee

The notes on pages 9 to 14 form an integral part of these financial statements.

# **The Poverty & Environment Trust**

## **Notes to the Financial Statements for the Year Ended 31 March 2021**

### **1 Charity status**

The charity is limited by guarantee, incorporated in England, and consequently does not have share capital. Each of the trustees is liable to contribute an amount not exceeding £1 towards the assets of the charity in the event of liquidation.

The address of its registered office is:

DeVines Bellefield House

104 New London Road

Chelmsford

Essex

CM2 0RG

The principal place of business is:

5-7 Buck Street

London

NW1 8NJ

These financial statements were authorised for issue by the trustees on 19 January 2022.

### **2 Accounting policies**

#### **Summary of significant accounting policies and key accounting estimates**

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

#### **Statement of compliance**

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)) (issued in 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.

#### **Basis of preparation**

The Poverty & Environment Trust meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

#### **Going concern**

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern nor any significant areas of uncertainty that affect the carrying value of assets held by the charity.

#### **Exemption from preparing a cash flow statement**

The charity opted to adopt Bulletin 1 and have therefore not included a cash flow statement in these financial statements.

## **The Poverty & Environment Trust**

### **Notes to the Financial Statements for the Year Ended 31 March 2021**

#### **Income and endowments**

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of the income receivable can be measured reliably.

#### ***Grants receivable***

Grants are recognised when the charity has an entitlement to the funds and any conditions linked to the grants have been met. Where performance conditions are attached to the grant and are yet to be met, the income is recognised as a liability and included on the balance sheet as deferred income to be released.

#### **Expenditure**

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources.

#### ***Raising funds***

These are costs incurred in attracting voluntary income, the management of investments and those incurred in trading activities that raise funds.

#### ***Charitable activities***

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

#### ***Grant provisions***

Provisions for grants are made when the intention to make a grant has been communicated to the recipient but there is uncertainty about either the timing of the grant or the amount of grant payable.

#### **Governance costs**

These include the costs attributable to the charity's compliance with constitutional and statutory requirements, including audit, strategic management and trustees's meetings and reimbursed expenses.

#### **Taxation**

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

#### **Trade creditors**

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the charity does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

## **The Poverty & Environment Trust**

### **Notes to the Financial Statements for the Year Ended 31 March 2021**

#### **Fund structure**

Restricted income funds are those donated for use in a particular area or for specific purposes, the use of which is restricted to that area or purpose.

#### **Financial instruments**

##### ***Classification***

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instrument Issues' of FRS102 to all of its financial instruments.

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the charity after deducting all of its liabilities.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

##### ***Recognition and measurement***

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets and liabilities are only offset in the statement of financial position when, and only when there exists a legally enforceable right to set off the recognised amounts and the charity intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Financial assets are derecognised when and only when a) the contractual rights to the cash flows from the financial asset expire or are settled, b) the charity transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or c) the charity, despite having retained some, but not all, significant risks and rewards of ownership, has transferred control of the asset to another party.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

##### ***Impairment***

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial assets, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in the profit or loss.

If there is a decrease in the impairment loss arising from such an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in the profit or loss.

# The Poverty & Environment Trust

## Notes to the Financial Statements for the Year Ended 31 March 2021

### 3 Income from donations and legacies

	Restricted funds £	Total funds £
Grants, including capital grants; Grants from other charities	100,842	100,842
<b>Total for 2021</b>	<b>100,842</b>	<b>100,842</b>
<b>Total for 2020</b>	<b>91,049</b>	<b>91,049</b>

### 4 Expenditure on raising funds

#### a) Costs of generating donations and legacies

	Direct costs £	Total 2021 £
Costs of generating donations and legacies	8,045	8,045
	Direct costs £	Total 2020 £
Costs of generating donations and legacies	6,400	6,400

### 5 Expenditure on charitable activities

	Grant funding of activity £	2021 £
Grants paid	4,900	4,900
Subcontractors	90,252	90,252
Sundry expenses	300	300
	<b>95,452</b>	<b>95,452</b>
	Grant funding of activity £	2020 £
Grants paid	4,900	4,900
Subcontractors	29,918	29,918
Legal and professional fees	15,000	15,000
Office expenses	3,839	3,839
Rent	7,000	7,000
Travelling	815	815
	<b>61,472</b>	<b>61,472</b>

# **The Poverty & Environment Trust**

## **Notes to the Financial Statements for the Year Ended 31 March 2021**

In addition to the expenditure analysed above, there are also governance costs of £1,041 (2020 - £1,163) which relate directly to charitable activities. See note 6 for further details.

### **6 Analysis of governance and support costs**

#### **Governance costs**

	<b>Restricted funds £</b>	<b>Total funds £</b>
Independent examiner fees		
Examination of the financial statements	1,009	1,009
Other governance costs	32	32
<b>Total for 2021</b>	<b>1,041</b>	<b>1,041</b>
<b>Total for 2020</b>	<b>1,163</b>	<b>1,163</b>

### **7 Trustees remuneration and expenses**

No trustees, nor any persons connected with them, have received any remuneration from the charity during the year.

No trustees have received any reimbursed expenses or any other benefits from the charity during the year.

### **8 Staff costs**

The charity has no employees.

### **9 Independent examiner's remuneration**

	<b>2021 £</b>	<b>2020 £</b>
Examination of the financial statements	1,009	1,163

### **10 Creditors: amounts falling due within one year**

	<b>2021 £</b>	<b>2020 £</b>
Trade creditors	8,594	2,921
Accruals	1,440	504
	<b>10,034</b>	<b>3,425</b>

# **The Poverty & Environment Trust**

## **Notes to the Financial Statements for the Year Ended 31 March 2021**

### **11 Funds**

	<b>Balance at 1 April 2020 £</b>	<b>Incoming resources £</b>	<b>Resources expended £</b>	<b>Balance at 31 March 2021 £</b>
<b>Restricted funds</b>	<u>41,130</u>	<u>100,842</u>	<u>(104,538)</u>	<u>37,434</u>
	<b>Balance at 1 April 2019 £</b>	<b>Incoming resources £</b>	<b>Resources expended £</b>	<b>Balance at 31 March 2020 £</b>
<b>Restricted funds</b>	<u>19,116</u>	<u>91,049</u>	<u>(69,035)</u>	<u>41,130</u>

### **12 Analysis of net assets between funds**

	<b>Restricted funds £</b>	<b>Total funds at 31 March 2021 £</b>
Current assets	47,468	47,468
Current liabilities	<u>(10,034)</u>	<u>(10,034)</u>
Total net assets	<u>37,434</u>	<u>37,434</u>
	<b>Restricted funds £</b>	<b>Total funds at 31 March 2020 £</b>
Current assets	44,555	44,555
Current liabilities	<u>(3,425)</u>	<u>(3,425)</u>
Total net assets	<u>41,130</u>	<u>41,130</u>