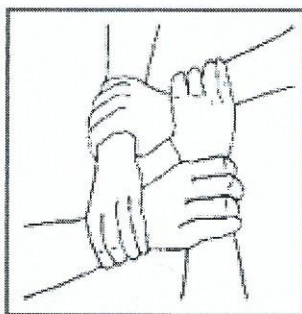


POVERTY CONCERN

A Registered Company Limited by Guarantee

And a Registered Charity



"Fighting Poverty and Social Exclusion"

FINANCIAL STATEMENT

FOR THE YEAR ENDED

30th June 2021

Company Number: 06948850

Charity Number: 1163477

POVERTY CONCERN
Year ending 30th June 2021

Company Number: 06948850
Charity Number : 1163477

Address:

Angel Community Centre
Raynham Road
Edmonton, London
N18 2JF

Directors and Trustees:

Mr Ibrahim M Issaq
Mrs Khadijia Y Mohamud
Mr Osman Addow
Mr Ahmed Mohamed
Miss Sagal Ali (Not a trustee from 8th April 2021)
Mrs Khadijia Yuusuf

Governing document:

The organisation is operated under the rules of its Memorandum of Articles and Association.

Bankers:

Lloyds Bank

Independent Examiner:

TACTS Accountant
Chartered Certified Accountant
81 Rayleigh Road
Palmers Green
London, N13 5QW

POVERTY CONCERN
FINANCIAL ACCOUNTS
FOR THE PERIOD ENDED 30TH JUNE 2021

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POVERTY CONCERN

Report of the Directors and Trustees for the year ended 30th June 2021

The trustees are pleased to present their annual directors' report for the year ending 30th June 2021 which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, 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 (FRS 102) (effective 1 January 2015)

Principal Activity and objects

Poverty Concern works in the most deprived area in the London Borough of Enfield – Upper Edmonton, Edmonton Green and Lower Edmonton Wards. We provide community programmes to support Refugees families, adults, children and young people. We specialise in work with Somalian, Ethiopian and Eritrean communities, but we serve the whole National and local Refugees community. The families we serve confront chronic problems, caused by benefit caps, problems with claiming universal credit, eviction and homelessness, debt, and the impact of drug/knife/gang crime.

Our core services are as follows:

Supplementary school education and youth mentoring
Advice giving in relation to employment, benefits, housing issues and EU settlement
Short term training for adults, focusing on functional skills, employability skills and computer skills
Community consultation and information sharing
Volunteer and peer support for individual families, especially families who are newly arrived in the neighbourhood.

We work over the long term with families and we believe that the impact of poverty reaches into all areas of family life and requires this patient long term support. We have been running for eleven years, and we have extensive local networks and support. We are strongly committed to working with local communities to make our area safe. We are supported by long term volunteers who live locally and provide 1 to 1 mentoring to individual families.

Impact of Covid-19 on our work

The pandemic has emphasised already existing inequalities. Families reported to us a range of problems which included: debts getting worse due to increased utility and telephone bills and due to reduction in income; food insecurity due to children staying at home and eating more; social isolation due to lack of computer skills or lack of access to a computer; low mental health among adults and children due to uncertainty/family tensions/lack of opportunities to socialise.

We closed our offices in March 2020 and migrated all our services online. We conducted telephone consultation and formed a plan with our service users. We have been implementing this plan between June 2020 and June 2021 as follows:

Supplementary school education was continued through online tutoring
Advice and support continued through telephone calls and WhatsApp
Adults received help to get online and to learn basic computer skills, together with laptops and PCs for the most socially isolated families
Community consultation and information sharing took place through telephone calls and WhatsApp groups

We give more detail about each of these separate programmes below:

Supplementary school education

Our supplementary school has been funded by BBC Children in Need for the last three years. We were due to finish the project in November 2020 but the closure of our offices meant that we saved money on rent. This allowed us to continue with the service into March 2021. We are grateful to BBC Children in Need for allowing us to reallocate our budget in this way.

The children and young people we support were dealing with the stress of interrupted education. Their parents were feeling helpless and overwhelmed as they struggled to help each of their children focus on their schoolwork online. Even when the children and young people returned to school there were many occasions when they had to stay at home because of infections within their bubble at school. The disruption, uncertainty and isolation continued throughout the school year and caused children great anxiety. Some children were also fearful about learning over zoom because they viewed the internet as a place of danger.

We provided 1 hour of tuition each week to each individual family. The tutors worked with the children to review their schoolwork for that week and to provide help and explanations where necessary. The tutors also played an important role as mentors. They reassured the children that they were doing well and that their education was vitally important. Children and parents both became more confident and happier. It was very rewarding to see that regular and consistent support had such a big impact. All our children and young people have managed to do well in their education this year and have reached at least average standards for their age group. We were able to provide laptops and PCs to some families so that children in a household would all be able to work at the same time.

Advice and support

We received Covid-19 funding from the London Community Foundation and from the Home Office to continue with our advice service over telephone and WhatsApp. This enabled us to offer regular and consistent contact, which as with our education service, was the most important factor in reassuring the families we work with.

We recognised from early on that there were many risks to long term lockdown and restrictions. Adults were feeling helpless and overwhelmed and children and young people were frustrated with their limited social life. They were also often fighting over the use of telephone or laptops. In addition, there was the danger of utilities being cut off or broadband being disconnected.

We identified the most isolated and at-risk families and made sure that we contacted them regularly and, in some cases, especially with single mothers, we provided support in how to use the internet. We were also able to pay some pressing utility and telephone bills and this relieved some of the worst sources of stress.

As the vaccine rollout began, we provided information about the vaccine safety record, the age groups that were being called for the vaccine, and the locations where it was available.

Refugees Adult Training and Education

The most important area of Refugees adult education this year has been addressing digital exclusion. This has mainly affected Refugee's women. We helped to support a number of single mothers to learn more about the internet. We also provided laptops and PCs where necessary. Mothers suddenly found themselves having to help their children get online and do school work remotely and it was a shock for them to adapt to this new situation. They often had no knowledge of the internet and no computer skills, with their experience restricted to mobile phones. We provided tuition and telephone support which enabled them to gain basic skills. They learned how to help their children and, in some cases, they were able to look up information online and read and reply to emails for themselves.

Community Communication Project

We continued with our community communication project, funded by the National Lottery Community Fund. The project sessions were interrupted by Covid-19 at first, but we decided to focus on stories of the pandemic. We collected some stories and case studies of our work and we will add this to the collection of stories that we are planning to publish when we are able to have a full community launch event later this year. Communication and support for our staff and volunteers was and is very important to us and we were able to take an existing project and apply it to the new situation.

Summary of Achievements

The year ending 30 June 2021 has been a difficult year for Poverty Concern and its members. The impact of the Covid-19 pandemic has severely affected the wellbeing of our members and also affected our ability to deliver projects and raise funding.

However, we are proud that we have been able over the last year to make a substantial contribution to the lives of people who are living in poverty.

We believe that we have contributed to the long-term futures of both children and adults, although we know that our members are facing problems of disadvantage that are increasing in all areas of their lives.

Achievements this year:

37 children were supported by our online tutoring and mentoring programme and showed increased attainment and continued commitment to education. 105 Refugees adults received advice from trained advisers in the following areas: problems with benefits especially with young people applying for Universal Credit for the first time (50%), problems with debt and paying bills (80%), lack of information about government restrictions or safety advice (90%), information about Covid-19 spread and information about the vaccine (100%). 4 staff members and 5 volunteers contributed time, mentoring and experience to delivering our projects and supporting our members. 142 people in total benefited from our support. We helped in big and small ways to help families get through the last year.

The future

We take this opportunity to look ahead to consider the uncertain future and to plan for what issues might lie ahead for our members. The general picture is one of a series of problems caused by the impact of Covid-19 which will exaggerate already existing inequalities. This picture is unchanged from last year and will continue for the foreseeable future.

We plan for the following developments:

The need for training and job seeking for a currently unskilled workforce – we will continue to advise our members in all areas of benefits especially in-work benefits, training opportunities and debt issues. We will develop employment training and support programmes for our members.

The need for improved digital skills to participate in online learning and communication – we are already making sure that our members have skills and technology necessary for on line communication.

Children dealing with pressures at home and problems at school. Young people deciding to leave education early because of family income pressures. We continue to provide online support and mentoring and look forward to opening our supplementary school when we are able to resume work in our office and provide the face-to-face drop-in help that we believe is the best way to support families at risk.

Vaccine rollout. We continue to pass on government messages and to advocate for the vaccine. We will offer our offices as a location for further vaccine rollouts and will work with GP surgeries and NHS staff.

Loss of community cohesion as a result of reduced face to face contact – we want to use our current communication project to hold a community event when it is possible. We will use this event to reconnect our community and provide a place to express fears and hopes and to receive peer support.

Increased levels of crime and lack of community safety due to local and national cuts - we will continue to work as mentor and advisor to help our members know how to stay safe and to ensure their experiences are passed on to relevant authorities.

Final Words

We would like to thank all our Board Members, Staff, volunteers and all our service users who have given their energy and commitment to achieve Poverty Concern objectives this year. We would also like to thank our funders for their support. We look forward to continuing to serve our local community to achieve our objectives next year.

Governance, Structure and Management

Poverty Concern is a private limited company number **06948850**, governed by its Memorandum and Articles of Association. These are wholly based on the Memorandum and Articles of Association of the charity, which is registered with the Charity Commission (number 1163477. New Directors and Trustees are appointed by a resolution of the Directors passed at a special meeting of the Directors. Officers of the charity (Chairperson, Vice-Chairperson, Treasurer and Secretary) are elected by members at the Annual General Meeting and inducted by fellow Directors and Trustees and the Co-ordinator. The overall management of finance is the responsibility of all the Trustees acting on the recommendations of the Chairman, the Treasurer and the Secretary and the advice of the Co-ordinator. The Trustees form the Management Committee, which meets at least quarterly.

Public Benefit

The Trustees confirm that they have complied with their duty under the Charities Act 2011 to have due regard to the Charity Commission's general guidance on public benefit.

Risk management

The trustees have a risk management strategy which comprises:

- an annual review of the principal risks and uncertainties that the charity undertakes.
- the establishment of policies, systems and procedures to mitigate those risks identified in the annual review; and
- the implementation of procedures designed to minimise or manage any potential impact on the charity should those risks materialise.

The Trustees constantly review risks relevant to the charity. Any risks identified are reported to the Trustees and decisions made on how to minimise risk.

Financial Review

Poverty Concern's main funding sources are restricted and non-restricted grants.

Reserve's policy and going concern

The Board has assessed the charity's requirements for reserves in the light of the main risks to the organisation. As a result, the Board has approved a policy whereby the unrestricted funds not committed, should be held in reserve and maintained at a level which ensures that Poverty Concern's core activity could continue during a period of unforeseen difficulty. The target reserve amount represents at least 6 months' (26 weeks) expenditure and will be reviewed annually.

Our volunteers

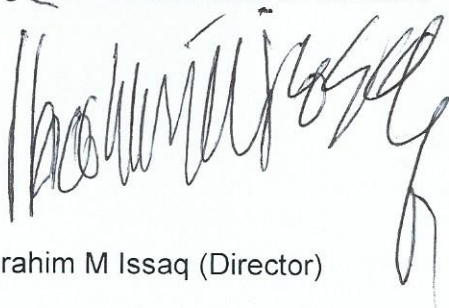
Poverty Concern is very involved in the community and relies on voluntary help. Around 3 volunteers assist with our on-going activities. We want to thank our volunteers for their loyal support and contribution

Statement of Directors' and Trustees' Responsibilities

The Companies Act 2006 requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company. Charity trustees are the people who serve on the governing body of a charity. They may be known as trustees, directors, board members, governors or committee members. The principles and main duties are the same in all cases. Trustees have, and must accept, ultimate responsibility for directing the affairs of a charity, and ensuring that it is solvent, well-run, and meeting the needs for which it has been set up.

We would like to thank all our Board Members, Staff, volunteers and all our service users who have given their energy and commitment to achieve Poverty Concern objectives. We would also like to thank our funders for their support.

Signed on their behalf all directors

A handwritten signature in black ink, appearing to read 'Ibrahim M Issaq', with a long, sweeping flourish extending downwards and to the right.

Ibrahim M Issaq (Director)

30th July 2021

Independent examiner's report to the trustees of Poverty Concern

I report on the accounts of the company for the year ended 30th June 2021, which are set out on pages 10 to 14.

Respective responsibilities of trustees and examiner

The trustees (who are also the directors of the company for the purposes of company law) are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year under section 144 of the Charities Act 2011 (the Charities Act) and that an independent examination is needed. I am qualified to undertake the examination by being a qualified member of the Association of Chartered Certified Accountants.

It is my responsibility to:

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

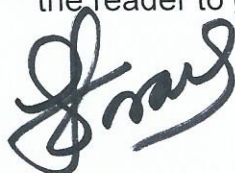
Basis of independent examiner's statement

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

Independent examiner's statement

In connection with my examination, no matter has come to my attention (other than that disclosed below *) to indicate that:

- accounting records have not been kept in accordance with section 386 of the Companies Act 2006;
- the accounts do not accord with such records;
- where accounts are prepared on an accrual's basis, whether they fail to comply with relevant accounting requirements under section 396 of the Companies Act 2006, or are not consistent with the Charities SORP (FRS102)
- any matter which the examiner believes should be drawn to the attention of the reader to gain a proper understanding of the accounts.



Date: 30/07/2021

Chartered Certified Accountant

TACTS Accountant, 81 Rayleigh Road, Palmers Green, London N13 5QW

POVERTY CONCERN
INCOME AND EXPENDITURE FOR THE PERIOD ENDING 30TH JUNE 2021

	Notes	<u>Unrestricted</u> <u>Funds</u>	<u>Restricted</u> <u>Funds</u>	<u>Total</u> <u>Funds</u> <u>2021</u> £	<u>Total</u> <u>Funds</u> <u>2020</u> £
<u>INCOMING RESOURCES</u>					
Voluntary Income		10,992	-	10,992	1,745
Grants to charitable activities					
BBC Children in Need		-	5,000	5,000	10,000
Big Lottery Awards for All		-	-	-	8,522
London Community Fund		-	9,892	9,892	-
TOTAL INCOMING RESOURCES		10,992	14,892	25,884	20,267
<u>RESOURCES EXPENDED</u>					
Charitable Expenditure	(14)	4,983	20,838	25,821	12,576
TOTAL RESOURCES EXPENDED		4,983	20,838	25,821	12,576
Net Incomings (outgoings)		6,009	(5,946)	63	7,691
FUNDS BROUGHT FORWARD		5,398	5,946	11,344	3,653
FUNDS CARRIED FORWARD		11,406	-	11,406	11,344

There were no recognised gains or losses for the above period other than those shown in the statement of financial activities for the above financial year. All incoming resources and resources expended are derived from continuing activities.

(The notes attached form parts of this financial statement)

POVERTY CONCERN

BALANCE SHEET AS AT 30TH JUNE 2021

	Notes	FUNDS <u>2021</u> £	FUNDS <u>2020</u> £
Fixed Assets		-	-
Current Assets:			
Cash at bank and in hand		11,706	11,643
Current Liability:			
Accruals	(12)	300	300
Net Assets		11,406	11,343
As Represented by:			
Restricted Fund	(13)	-	5,946
Unrestricted Fund		11,406	5,397
Total Funds		11,406	11,343

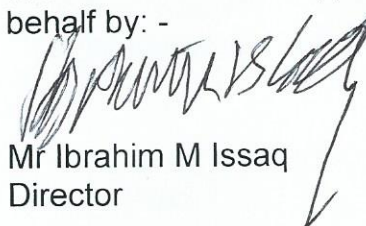
(The notes form part of this account)

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

The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

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

The accounts were approved by the Directors on 30th July 2021 and signed on their behalf by: -


Mr Ibrahim M Issaq
Director

POVERTY CONCERN

For the year ended 30th June 2021

Notes to the account

1. Accounting policies

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

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) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006. Poverty Concern meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

2. Cash Flow Statement

The trustees have taken advantage of the exemption in Financial Reporting Standard No 1 (revised) from including a cash flow statement in the financial statements on the grounds that the company is small.

3. Income

Income is recognised in the period to which it relates, unless specified otherwise by the funder. Project funding is, in general, repayable if not expended within the relevant project. Such income is only recognised to the extent that it ceases to be repayable. The income is accounted for on a receivable basis.

4. Resource Expended

All expenditure is accounted for on an accrual basis and has been included under expenses categories that aggregate all costs for allocation to activities.

5. Tangible fixed assets

Fixed assets are stated at cost less accumulated depreciation.

Depreciation is provided to write off the cost, of all fixed assets over their expected useful life as follows: - Equipment - 33.33% straight line.

*This year, the organisation did not have any fixed asset to be depreciated.

6. Taxation

Poverty Concern is a registered charity and is not liable for corporation tax on its income under section 505 of the Income and Corporation Taxes Act 1988 to the extent that it is applied to its charitable activities.

7. The company charity has no paid staff on payroll and trustees are not remunerated.

8. Support Cost

Allocation of 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, and governance costs which support the Charity activities. These costs have been allocated between cost of raising funds and expenditure on charitable activities. The bases on which support costs have been allocated are set out in note 15.

9. Fund Accounting

Fund accounting unrestricted funds are available to spend on activities that further any of the purposes of charity.

10. Poverty Concern is a company charity limited by guarantee governed by its memorandum and articles of association and does not issue shares.

11. Debtors

The Organisation has no debtors

12. Creditors

	2021	2020
	£	£
Professional Fees	300	300
	<u>300</u>	<u>300</u>

13. Analysis of Restricted Fund

	Balance @ 1st Jul 20	Incomings	Outgoings	Balance @ 30th Jun 21
Big Lottery (Awards for All)	3,446	-	3,446	-
BBC Children in Need	2,500	5,000	7,500	-
London Community Fund	-	9,892	9,892	-
	<u>5,946</u>	<u>14,892</u>	<u>20,838</u>	<u>-</u>

Purpose of grant:

BBC Children in Need and Awards for All grant supported young people with their education.

The London Community Fund was awarded to provide information and advice to communities who suffered during this Covid-19 pandemic and for emergency response to tackle poverty.

14. Charitable Expenditure

	<u>Unrestricted</u> <u>Funds</u>	<u>Restricted</u> <u>Funds</u>	<u>Total</u> <u>Funds</u> <u>2021</u>	<u>Total</u> <u>Funds</u> <u>2020</u>
	£	£	£	£
Outreach and Sessional Workers	1,960	12,516	14,476	5,349
Training and Workshops	250	-	250	280
Printing, Design & Publicity	100	50	150	126
Community response activities	965	2,266	3,231	-
Rent and Hall Hire	-	1,807	1,807	5,640
Administration & Running Costs	854	1,224	2,078	461
Professional & Consultancy fees	300	-	300	300
Equipment and IT expenses	-	1,817	1,817	-
Volunteer Expenses	554	1,158	1,712	420
Total Charitable Expenditure	4,983	20,838	25,821	12,576

15. Support and Governance Cost

	<u>General Support</u>	<u>Governance</u>	<u>Total</u>
	£	£	£
Equipment and IT Expenses	1,817	-	1,817
Professional and Consultancy	-	300	300
Admin & Running Cost	2,078	-	2,078
	3,895	300	4,195