



Poverty Truth Network
(Charity registration number: 1184879)

Trustees' Annual Report and Accounts
for the period from 01/04/20 to 31/03/21

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1. Objectives and Activities

The purpose of the Poverty Truth Network (PTN), the Charity, are, for the public benefit, the prevention and relief of poverty and financial hardship, by but not limited to, understanding the factors that contribute to poverty and the most appropriate ways to mitigate these, educating the public regarding these factors and developing and promoting programmes that enable others, especially those with a Lived Experience of Poverty, to take action to mitigate these factors.

The PTN is a national umbrella body for localised Poverty Truth Commissions ("PTCs"). There are numerous PTCs spread across the UK, each independent and developed locally, while sharing a common approach and supporting each other. Each PTC contributes to the prevention and relief of poverty by helping local decision makers to understand the factors that contribute to poverty and discover the most appropriate ways to mitigate against these. PTCs comprise people with direct experience of poverty in its many forms (community or grassroots commissioners) and civic and business leaders (public life commissioners) who work together in a factual, empathetic, and generative way to discover the future possibilities of bringing about an end to poverty in their locality. The role of the PTN is to enable and facilitate work and not to manage local Poverty Truth Commissions. As such, the main areas of activity of the Poverty Truth Network. These are:

1. Developing new Poverty Truth Commissions;
2. Supporting active Poverty Truth Commissions;
3. Amplifying Poverty Truth Commissions voices nationally on key issues; and
4. Engaging with other national partners committed to tackling poverty and social injustice.

Public Benefit

The Trustees confirm that they have complied with the duty in Section 17(5) of the Charities Act 2011 to have due regard to the Charity Commission's general guidance on public benefit in exercising their powers or duties. They have referred to this guidance when reviewing the Charity's aims and objectives and in planning its future activities.

2. Achievements and Performance

During the year, the Poverty Truth's Network have been active in strengthening this movement in the following ways:

2.1 Establishing New PTCs:

- i. The PTN has supported the development of new local Poverty Truth Commissions across the UK. This is usually achieved by the co-directors and regional workers holding monthly meetings with the hosting organisation of a local PTC, and by visiting the local areas to meet with decision makers to ensure engagement within the PTC and attendance at the launch event of the PTC. During this period of pandemic, we have not been able to visit areas in person, but have continued to engage with local areas via Zoom and telephone as they establish their commissions.
- ii. In the period April 2020 - March 2021 there have been no new commissions launched, in large part due to the limitations arising from the COVID19 pandemic. The network team have continued to accompany 5 places in their journey to establish their first PTCs (Oldham; Tameside; Swansea; Blackpool; and Bournemouth, Christchurch & Poole). In two other areas the Network has been working with local areas to establish their second PTCs (Salford; and Birmingham). The Network has also begun exploratory conversations in 9 other areas (Trafford; Derby; Barrow; South Lakes; Northampton; Hull; Kirklees; North of Tyne; and York). We are also supporting work in the Netherlands to establish a number of PTCs there with the model gaining international as well as UK-wide interest.

2.2 Supporting existing PTCs:

- i. The PTN provided support for the 6 PTCs who were active in the accounting period (Morecambe Bay, Leeds, Manchester, West Cheshire, East Surrey, and Gateshead). During this period, the Leeds and East Surrey areas concluded their PTCs and held celebration events. Our support includes regular meetings with PTC facilitation teams, and peer to peer online coaching across facilitation teams.

- ii. We have also started a series of bi-monthly showcase evening events at which PTCs can celebrate their achievements more widely across the Network and its contracts, and draw attention to particular issues they have been working on.
- iii. We piloted a regional support approach to provide support and a dedicated initial point of contact for new areas within two broader geographical regions (Greater Manchester; & North West Lancashire) wanting to find out more about the Poverty Truth approach. These proved to be a successful model, and Trustees have agreed to embed this approach in future work.
- iv. In January 2020 we launched our redesigned Network website. This contains more information about our work, and has already generated new contacts from people wanted to learn more about how to set up a PTC in their area. It also has dedicated “private sections” for Trustees and for Facilitators where useful documents and information are now stored and shared.
- v. We adapted to the restrictions arising out of COVID19 and held our Gathering for Facilitators online in January 2021. It was attended by 25 people coming from 13 different areas of the country.
- vi. In September 2020 we held an online Commissioners’ Gathering as, again, we were unable to meet in person. Despite the restrictions we brought together over 100 people from current and potential PTC areas. Also participating in the event were Trustees and guests from our external partner organisations including Engage Britain, the Joseph Rowntree Foundation, and Church Action on Poverty. (Due to the continuing uncertainty about in person meetings, Trustees have reluctantly agreed to also hold the September 2021 Gathering online.)

2.3 Amplifying the Local Voice Nationally:

- i. The focus of the National Gathering in September 2020 was to enable local commissions to begin to identify the Network’s priority themes. Participants agreed four key areas for work: Children and Young People; Housing; Lived Experience of Poverty; and Universal Credit. We have continued to work with groups of commissioners (and other interested partners) around these four themes. The Lived Experience Group decided to focus its attention on Poverty and Mental Health, as an area where lived experience is particularly vital.
- ii. Each group has been tasked with producing a proposal about how this work should now be taken forward, and these are being developed as short, two-page documents for consideration by the membership of the Network (and Commissioners) over the summer of 2021. Once agreed, these priorities will shape the work of the Network on amplifying the local voice at a national level over the next period.

2.4 Linking with the wider movement:

- i. An important activity of the network is to build relationships with other organisations and institutions who are seeking to alleviate poverty in the UK. Through doing this we enable commissioners to engage with others on issues that are important to them, amplify the local voice of PTCs and seek to educate the public about the factors that lead to poverty and how to mitigate against these.
- ii. During the accounting period we have continued to strengthen our relationship with the Joseph Rowntree Foundation by regular meetings with key members of staff. We have also explored new partnerships with national organisations who are involved in public policy development. In particular we commenced a short research project with Engage Britain looking at how they might be able to learn from our experiences of including people with a lived experience of poverty within policy formation. They were particularly involved in the Lived Experience Theme Group work – see below.
- iii. We have also begun work with an anti-poverty charity, who are keen to establish a Poverty Truth-like model within their organisation as part of their strategy to ensure that people with experience of using their services are at the heart of shaping their future. If successful, there may be opportunities to undertake similar work with other organisations and institutions.

3. Impact of COVID19

In line with every other organisation and charity COVID19 has had a substantial impact on our work, particularly developing new commissions and supporting existing ones. The PTN has sought to operate proactively in these areas, including increasing online capacity locally, and will continue to do so.

The PTN operates as a dispersed team of remote workers and network contacts which was already using online technology extensively for meetings and events. This has meant that we were well-placed to respond to the need to move online by default. We have sought to intentionally increase online capacity for local commissions and to improve networking opportunities between commissions and amongst facilitators.

Nonetheless, as a relationally-based organisation there have been important elements that we have missed, including the requirement to move our planned 2020 National Network Gathering online. Although more successful than we could have realistically hoped for – including enabling a wider range of people to attend – we look forward to the potential of in person gatherings restarting in late 2021. Our trustees, recognising the vulnerability of many

that we work alongside, have chosen to be deliberately cautious in our approach to hosting larger scale events requiring overnight accommodation and extensive travel.

The COVID19 pandemic has awakened amongst many the realisation that we need to 'build back differently'. This has resulted in an increased interest in the work of the Network (and of locally-based PTCs) as offering an important opportunity not only to 'build back better' but critically to 'build back WITH'.

The moving of significant events online and the significant reduction in travel costs for staff has resulted in savings. The Network has sought to re-invest a significant proportion of these savings in increasing our digital presence (for example through our refreshed website) and through increasing the capacity of PTCs to host online meetings.

The Charity is deeply appreciative of our funders and, in particular, the Joseph Rowntree Foundation, for their flexibility over this period as well as their decision to grant a six month extension to their award. The financial impact has been neutral, with small additional costs associated with enabling online activities being offset by reduced expenditure on travel and physical meetings and events.

4. Funding

The Joseph Rowntree Foundation (JRF) have financially supported the work of the Network since 2015. In addition to the second 50% tranche of the agreed funding from JRF of £43,500 in September 2020, they also funded an extension of our current funding to June 2021 (an additional award of £35,000) in the light of COVID19, in order to expand the timescale to secure longer term funding. JRF remain keen to support the ongoing development of the PTN and the Charity has submitted a funding request for the next five years which is under active consideration.

We have been successful in obtaining funding from Lankelly Chase of £60,000 per annum for the next 3 years in the development of our work. Funding will commence in July 2021 and run to June 2024.

Funding from JRF and from Lankelly Chase will enable the Network to expand slightly on its current operations over the next three years. We have also submitted additional funding applications which, if successful, would enable a significant expansion of our activities and offer longer-term security.

5. Future Plans

The growing interest in and impact of PTCs across the UK alongside the urgent need for change has encouraged the trustees to embark on a period of expanding our work, whilst seeking to remain modest in size and realistic in ambition.

Future plans include:

- Supporting the development of an average of four new PTCs per year over at least the next three years;

- Supporting an online year-long training package for facilitators involved in local PTCs, covering key elements of enabling and running an impactful commission;
- Expanding the Network's capacity to amplify the experience and insights of local commissions to influence change nationally within an initial focus on Welfare Reform, Mental Health, and Housing;
- Moving the National Development Workers from their current roles as freelance workers to employed posts as Co-Directors;
- Growing the staff team to support the planned expansion of activity including working regionally, on cross-cutting themes, communications, and evaluation;
- Securing additional funding to ensure the sustainability of the Charity's activities over the next 5 – 7 years;
- Increasing the size of the Charity's trustee body to a maximum of eleven and introducing a rotation system for trustees;
- Reviewing the Charity's constitution to ensure that it best fits the values and future plans of the Network.

6. Financial Review

This is the first full year of the charity, with payments of £68,888 being less than receipts of £81,277. Payments were lower than anticipated because Covid prevented a physical Gathering of commissions and generally reduced travel costs; however, the post-Covid budget for 2021/22 anticipates costs of £115,900. Receipts have been largely driven by grants from the Joseph Rowntree Foundation (JRF) that were intended to support the establishment and initial year of the charity. Commitments to longer term funding for the next four years has been made by Lankelly Chase and together with anticipated ongoing funding from JRF these would broadly cover operating costs and we are extremely grateful to these organisations for their support – this gives us stability and resources to focus upon our core mission. The Trustees consider there to be no material uncertainties affecting the ability of the charity to continue as a going concern and this assertion is made having considered the environment of Covid-19 and its impact.

The principal costs have been the salaried Coordinator and the Co-directors who acted as consultants. In April 2021 Martin Johnstone converted to being an employee but this will have limited impact on overall costs.

Reserves

The Charity's reserves policy is to hold unrestricted reserves equivalent to at least 3 months and no greater than 6 months of budgeted expenditure in order to provide a buffer against income fluctuations. The minimum reserve target is therefore £30,000 compared to the free unrestricted reserves at 31st March 2021 of £26,207. However, currently, almost all operating costs are charged to the (restricted) JRF fund, which had a balance of £46,772, which means that the effective balance of funds available to sustain budgeted operating expenditure stood at £70,502; Therefore, the trustees consider that no immediate action is required to boost unrestricted reserves at this time.

The trustees remain mindful of the importance of liquidity and of diversifying funding sources and are confident that the current fundraising strategy will strengthen reserves for the next 3 to 4 years.

Risk Management

The Charity operates a risk management process whereby trustees assess and review all risks and establish mitigation measures at least once a year. The principal risk is to ensure funding for the charity beyond July 2021 and this is mitigated by the funding commitments of JRF and Lankelly Chase.

7. Structure, Governance and Management

The Charity is governed by the Constitution that was adopted on 10 June 2019 and operates as a Charitable Incorporated Organisation that was registered on 13th August 2019.

The charity is comprised of individual Members who have been identified by local PTCs and appointed by trustees. Each PTC can nominate two individuals, one of whom must have lived experience of poverty.

Only the Charity Trustees are entitled to nominate people from amongst the Members for appointment as Charity Trustees. The Charity Trustees are appointed by the Members at the AGM or a general meeting, and serve a term of 3 years, and may be reappointed for a further term. Four new members from the PTCs in Manchester and Gateshead were appointed at the AGM in November 2020.

Within both the membership of the PTN and the trustees there was a commitment to maintain a balance between civic and business leaders and those with lived experience of poverty in line with the balance within local PTCs.

The charity has an induction pack for all new trustees which is updated annually, and appropriate training for its trustees is provided. During the period, Trustees also agreed to a process of review of Trustee roles and the rotation of Trustees to ensure that the governance of the organisation remains sustainable over the longer term. This review will take place over summer 2021.

The Charity employs one part-time Coordinator, and in March 2021 Trustees made the decision to employ its two self-employed National Programme Workers as employees in the role of Co-Directors. Each Co-Director will provide leadership in a distinct area, but with both still involved in overall work of the Charity.

The Charity has developed a wide range of policies approved by trustees in line with best practice governance and operations. It has also introduced an agreed timetable for these policies to be reviewed and updated on an annual, bi-annual or tri-annual basis.

As an anti-poverty charity, the trustees are committed to ensuring that the ability to serve as trustees is accessible to all, including the support of travel, accommodation and IT. Three trustees were reimbursed a total of £197 of expenses that they had incurred.

Related and Connected Parties

The trustees consider that the Joseph Rowntree Foundation (JRF), which has provided all of the funding required for the first two years of operation, is a connected party rather than a related party on the basis that the foundation does not attend, direct or influence the board of trustees' meetings.

8. Reference and Administrative details

Charity name	Poverty Truth Network
Registered charity number	1184879
Charity's principal address	Poverty Truth Network 10 Carter Terrace Leeds LS15 7AH (We had to move our official office during this accounting period, as the previous premises are being redeveloped and are no longer available for our use.)
Charity's contact details	https://povertytruthnetwork.org/ info@povertytruthnetwork.org
Independent Examiner	Paul Holland, FCMA, Hampton Holland Associates Ltd Bumble Cottage Lancaster LA1 4XP

Names of the charity trustees who manage the charity

	Trustee name	Office (if any)	Dates acted if not for whole year	Name of body entitled to appoint trustee
1	Shirley Rigby	Chair		Founding Trustee
2	Lee Hemsworth	Secretary		Appointed at AGM
3	Henry Terefenko	Treasurer		Founding Trustee
4	Imogen Tyler			Appointed at AGM
5	Alex Campbell			Founding Trustee
6	Hugh Douglas			Founding Trustee
7	Ann Marie Deans			Appointed at AGM

No trustees hold title to property belonging to the charity.

There are no funds held as custodian trustees on behalf of others

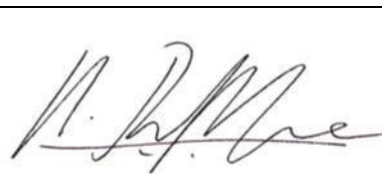
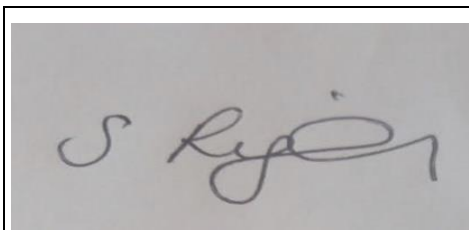
Senior staff members - Martin Johnstone and Andrew Grinnell

Declarations

The trustees declare that they have approved the trustees' report above.

Signed on behalf of the charity's trustees:

Signature(s)



Full name(s)

Shirley Rigby

Henry Adam Terefenko

Position

Chair

Treasurer

Date

6th August 2021

9. Independent examiner's report to the trustees of Poverty Truth Network

I report to the trustees on my examination of the accounts of the Poverty Truth Network (the Charity) for the year ended 31 March 2021.

Responsibilities and basis of report

As the charity trustees of the Charity you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act'). I report in respect of my examination of the Charity's accounts carried out under section 145 of the 2011 Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

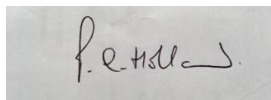
Independent examiner's statement

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

1. accounting records were not kept in respect of the Charity as required by section 130 of the Act; or
2. the accounts do not accord with those records.

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.

Signed:



Name: Paul Holland

Relevant professional qualification or membership of professional bodies (if any): FCMA

Address: Bumble Cottage
Bailrigg Lane
Lancaster
LA1 5UQ

Date: 7th August 2021

10. Annual Accounts

The Poverty Truth Network; Charity Reg. No.1184879

Receipts and Payments Accounts

For the period from 1st April 2020 to 31st March 2021

Receipts and Payments					
	Unrestricted General Fund £	Restricted Seedbed Fund £	Restricted Rowntree Fund £	Total funds £	Last year £
Receipts					
Donations & Legacies	-	-	-	-	-
Gift Aid	-	-	-	-	-
Grants	-	-	78,500	78,500	73,293
Charitable Activities	2,750	-	-	2,750	-
Interest	27	-	-	27	1
Sub total	2,777	-	78,500	81,277	73,294
Asset and investment sales					
Sub total	-	-	-	-	-
Total receipts	2,777	-	78,500	81,277	73,294
Payments					
Employee costs	-	-	14,772	14,772	952
Consultants fees	-	-	41,760	41,760	6,900
Staff expenses	-	-	1,056	1,056	754
Development costs	-	-	2,337	2,337	200
Network Support	-	2,500	4,485	6,985	-
Office & Administration	300	-	251	551	408
Governance & Assurance	-	-	1,427	1,427	991
Sub total	300	2,500	66,088	68,888	10,204
Asset and investment purchases					
Sub total	-	-	-	-	-
Total payments	300	2,500	66,088	68,888	10,204
Net of receipts/(payments)	2,477	- 2,500	12,412	12,389	63,090
Transfers between funds	-	-	-	-	-
Cash funds last year end	23,730	5,000	34,360	63,090	-
Cash funds this year end	26,207	2,500	46,772	75,479	63,090

Statement of Assets and Liabilities at the end of the period

Categories	Unrestricted General Fund £	Restricted Seedbed Fund £	Restricted Rowntree Fund £	Total funds £	Last year £
Cash funds					
Triodos Bank Ltd	26,207	2,500	46,772	75,479	63,090
(balances with receipts and payments account)	26,207	2,500	46,772	75,479	63,090
Other monetary assets					
Gift Aid Receivable	-	-	-	-	-
Insurance prepaid	-	-	322	322	322
	-	-	322	322	322
Assets retained for the charity's own use²					
Furniture, Equipment & IT	-	-	-	-	-
	-	-	-	-	-
Liabilities					
Unpaid salaries & consultancy fees	-	-	3,300	3,300	5,224
	-	-	3,300	3,300	5,224

	Signature		Print Name	Date of approval
Signed by two trustees on behalf of all the trustees	<i>S. Rigby</i>	Chair	S.Rigby	6 Aug 2021
	<i>H. Terefenko</i>	Hon.Treasurer	H.A.Terefenko	6 Aug 2021

Notes to the Accounts

1. The accounts have been prepared on a Receipts and Payments cash basis as permitted by section 133 of the Charities Act 2011 provided the charity's gross income is not over £250,000. The Charity Commission guideline CC16 for receipts and payments accounting has been applied.

2. The principal accounting policies are:

Income is recognised upon receipt of cash or cash equivalents to which the charity has entitlement.

Expenditure, inclusive of irrecoverable VAT, is recognised upon payment of an invoice or claim for which the charity has an obligation to settle. The Charity is not registered for VAT.

Fixed assets are based on asset purchase payments greater than £1,000 and are amortised on a 33% Reduced Balance basis.

3. Fund accounting:

The trustees have determined that the grants from the Joseph Rowntree Foundation, provided to cover the general running costs of the charity in its start up years, will be treated as restricted even though their use is broad. Using a separate fund from the General Fund also enables accurate reporting upon these grants.

The Seedcom Fund and grant is restricted to supporting the start up of truth commissions.

The General fund is unrestricted funds which are available for use at the discretion of the trustees in furtherance of the general objectives of the charity;

4. The Independent Examiner was paid £500 during the year.