



Church Action
on Poverty
Limited

voices from the **MARGINS**



2018 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:

Alison Jackson (*Chair*)
Lydia Groenewald (*Treasurer*)
Phil McGrath (*Vice Chair*)
John Allison-Walsh (*appointed November 2017*)
Margaret Cairney
Andrew Connell
Sandra Dutson
Martin Green
Helen Hood
Richard Machin
Norbert Mbu-Mputu
David Primrose
Adrian Smith (*until December 2017*)
John Weightman (*until November 2017*)
Anthony Woods

Key management personnel

Niall Cooper (*Director*)
Julie Jarman (*Programme Manager and Company Secretary until November 2017*)
Susan Cockerill (*Programme Manager and Company Secretary from November 2017*)

Staff

Gavin Aitchison
Amanda Bickerton (*until November 2017*)
Marcia Brown
Joshua Fenton-Glynn
Janet Gee
Laura Jones (*from January 2018*)
Joyce Kay
David Nicholson
Ben Pearson (*from October 2017*)
Liam Purcell
Sarah Purcell
Alec Spencer (*until June 2017*)
Andy Turner (*from March 2018*)

Freelancers and consultants

Jayne Gosnall
Naomi Maynard
Daniel Nkrumah
Sandra Penaloza Torrez Rice (*from July 2017*)
Letitia Rose
Laura Walton (*from July 2017*)

Volunteers

Jennifer Lazarus
Pauline Steel

Independent examiner

James Gore-Langton FCCA DChA
Slade & Cooper Limited
Green Fish Resource Centre
46–50 Oldham Street
Manchester
M4 1LE

Bankers

CAF Bank
25 Kings Hill Avenue, West Malling,
Kent ME19 4JQ

Nationwide Building Society
Pipers Way, Swindon SN38 1NW

National Westminster Bank plc
11 Spring Gardens, Manchester M2 1FB

Triodos Bank
Deanery Road, Bristol BS1 5AS

introduction

My fellow trustees and I are delighted to present our annual report, which we think makes really inspiring reading. Church Action on Poverty continues to have an impact greater than our size suggests, with our initiatives and campaigns making a real difference to the lives of people in poverty and to attitudes in society.

Our Poverty Media Unit continues to empower people living in poverty to tell and publicise their stories; we are delighted that so much of the impact these stories has been to raise awareness of the problems caused by the failure of systems of support.

We have always worked with other organisations, but we are finding ourselves becoming more involved in partnership work, for example, the End Hunger UK campaign and Your Local Pantry. We very much welcome these collaborations, both for the broader reach that it gives us and because working with others who share our objectives and values helps build energy and enthusiasm in our team.

It is clear from this report how hard our staff have been working and how effective they are in delivering our charitable objectives; we are very proud of what they have achieved and grateful to them for their commitment. There have been some changes over the year; we thank those staff members who have moved on to other work for all that they have done during their time with us, and welcome new people who have become part of the team so quickly that it is hard to remember how short a time they have been with us.

I would like to thank my fellow trustees for their support and commitment over the year. Trustees' meetings get through the business effectively, but also provide opportunity for a fruitful exchange of ideas and insights which combine with input from staff to set the direction of travel. It is the nature of a body of trustees that the members change from time to time, and we said goodbye to John Weightman and welcomed John Allison-Walsh. However, we were devastated in December to learn of the sudden death of Adrian Smith, a long-serving member whose contributions to our meeting were always valuable, giving a clear insight into the issues around living in poverty. We still miss his presence and continue to think about his family and friends.

My final, heartfelt thanks goes to our supporters, who have continued their amazing generosity to us in these times of austerity. We are encouraged that so many organisations are willing to fund the work that we do, but our campaigns and much of the cost of maintaining the organisation at its current small but effective level is due to donations from individuals and local congregations. Thank you for all your support and encouragement; this report demonstrates how your generosity is achieving great things.



Alison Jackson, chair of Council of Management



**Alison Jackson 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

■ **Building a more just society**

Reducing the gap between rich and poor; challenging policies and structures which create inequality; holding those with power and wealth accountable; enabling people in poverty to live more robust and sustainable lives.

■ **Building capacity to exercise power**

Building the skills, capacity and assets of local people in communities across the UK; enabling local communities to have a more effective public voice, and bring about change for themselves.

■ **Building a movement for positive change**

Building strategic alliances; mobilising churches, communities and others to come together to drive change.

■ **Changing public perceptions**

Celebrating positive images of people in poverty and stories of how people bring about change; challenging negative media representations by communicating the stories and reality of life in unequal Britain.

■ **Building an effective and sustainable organisation**

Securing the resources to achieve maximum reach and impact; being transparent, accountable, creative and sustainable.

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 independently examined financial statements for the year ended 31 March 2018.

Reference and administrative information set out on page 2 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 are building a more just society

Church Action on Poverty continues to play a leading role in a powerful movement within the churches and beyond to build a more just society.



We're working for a UK where no one has to go to bed hungry

We play a lead role in End Hunger UK, a coalition which brings together all of the major organisations working for food justice in the UK. We speak out together, calling on the Government to step up to the plate with us and take responsibility for ensuring that everyone has access to good food in the UK.

The movement to End Hunger grew and expanded this year, and achieved some campaign successes:

- Over 100 people joined us in Westminster for our first **national conference**, with speakers that included MPs and policy-makers.
- Hundreds of people gathered at **regional briefings** across the UK, learning more about the issues and exploring ways to become actively involved in the campaign.
- Hundreds of End Hunger campaigners contacted their MPs about **holiday hunger**, building cross-party support for action and persuading the UK Government to launch a pilot programme of holiday food and activity clubs.
- End Hunger campaigners also persuaded over 80 MPs to support a bill, still working its way through Parliament, which would introduce a regular official **measurement of household food insecurity** in the UK.
- The campaign and our successes received **coverage in local, regional and national press**.



We're going beyond food banks to help people access good food

Through our work with communities across the UK, Church Action on Poverty found that Your Local Pantry was one of the most effective ways that communities can help people to avoid the unjust 'Poverty Premium' on everyday essentials. We are now working with Stockport Homes, who set up the first Pantry in 2014, to help other communities across the UK set up their own Local Pantries.

A Pantry is a 'community supermarket', run by volunteers and stocked largely from supermarket surplus produce. They have positive impacts beyond simply providing food:

- Members pay £3.50 per week and are able to choose from a range of groceries, normally worth over £15 – **saving up to £650 a year**. In a 12-month period, more than 10,000 visits were made to the four existing Pantries in Stockport, saving members in excess of £128,000.
- Pantries **reduce the need for charitable food aid**, giving people choice and dignity.
- They also provide opportunities for **socialising and volunteering**, and some offer **advice and support**. A massive 100% of Pantry members said that the Pantry helped them feel that they belonged to their community.

We have now launched a toolkit which communities can use to set up their own Local Pantries, and we are promoting it across the UK.



It is really a safety net as well,

in case you do have to pay out

an unexpected item. It's thinking,

"Well, I've got to buy this,

but I've got Pantry on Friday,

so I know I will get food in."



One of the best things

that has happened to me

is getting involved in projects through

Church Action on Poverty... Poverty affects

people's confidence and self-esteem so it's really

important that people are encouraged to

use their voice, even if they

do not feel they have got one

We build people's capacity to exercise power

Church Action on Poverty delivers programmes that equip local communities, particularly the most marginalised, with the skills, capacity and assets to exercise more power over decisions which affect their lives locally and nationally.

We tackle food poverty through people-powered change



In partnership with Sustain, our Food Power programme helps local communities to develop their own solutions to food poverty, with the support of their peers from other communities across the UK. Food Power enables the real experts on food poverty – people who have experienced it – to make a difference by giving them strategic influence within food poverty alliances. This year...

- Young people in Blackburn with Darwen (see opposite) produced a **short film** talking about their experiences of food poverty, and how Food Power has empowered them to challenge stigma and work towards poverty-proofing their school.
- We **recruited over 30 experts by experience** across six regions, who will be empowered to tackle food poverty locally over the coming year.

We support people in poverty to work for change alongside people in public life

POVERTY TRUTH SALFORD

Co-facilitated by Church Action on Poverty, the Salford Poverty Truth Commission brought together 15 people with personal experience of poverty and 15 people in business or public life to work on solutions to local poverty issues from 2016 to 2017. The Commission had a real impact on how Salford Council relates to local people in poverty:

- The Council **reviewed its debt recovery systems** to be more sensitive, and stopped using enforcement agents to recover debts from vulnerable residents.
- The Council launched new **face-to-face debt advice** sessions; **rewrote its standard letters** to be less threatening; and gave **full council tax exemptions** for Salford care leavers.
- They **waived charges for copies of birth certificates for homeless people**, so they can more easily obtain the official identification they need to access benefits.

We help people build confidence and small businesses

Self-Reliant Groups

Self-Reliant Groups (SRGs) are groups of 4–10 people from the same community or background who agree to meet regularly, save small amounts and support each other to achieve their collective and individual hopes and dreams. They are controlled and managed by their members, and sometimes use their savings to start enterprises that benefit themselves, their families and their communities.

This year...

- Our '**Economics of Friendship**' event was attended by over 60 people, raising awareness and gaining support for SRGs.
- **Four new SRGs** were established in Greater Manchester.
- At our first **Peer Gathering**, over 30 SRG members from around the UK shared their experiences and inspired each other.

I feel like my life's beginning again through the movement and I can take it forward, and I'm really passionate about it



Rosemary is a member of Footloose Self-Reliant Group



“When you are hungry, you get angry,

anger changes behaviour.

If I share my experiences, then others

can share theirs, and it takes

a weight off their shoulders”

Young people from Blackburn with Darwen who have experienced food poverty travelled to Cardiff for the 2018 Food Power conference

We are building a movement for change

Church Action on Poverty builds strategic alliances with national and regional partners, allowing us to mobilise churches, communities and others to come together to drive change.

We invite people to Give, Act and Pray with us

Individuals and churches can become part of our movement by making a donation, taking action through our campaigns, or by including us in their prayers and worship.

To achieve lasting change that unlocks UK poverty, we need as many people as possible to give, act and pray with us. Every action makes a difference.

This year...

- In November, our **'Voices from the Margins' conference** (see photo opposite) told stories from projects and churches working with people on the margins, and helped people to share ideas and skills.
- Churches and individuals marked **Church Action on Poverty Sunday** by raising thousands of pounds, by praying for change, and by producing creative art installations (see below).
- Our new **Churches Engagement Officer** began supporting churches and people across South England to get actively involved in the movement for change.
- Our campaigners took **thousands of actions online** in support of the campaign to End Hunger in the UK.



In Lytham near Blackpool, artist and youth worker Brendan Bunting made this art installation to highlight poverty and homelessness on Church Action on Poverty Sunday.

See more of his work at www.twitter.com/DapperArtist

We support local groups to work for change

Groups of committed Church Action on Poverty supporters are working together to tackle poverty in Sheffield, Barnsley and the North East.

Dedicated local groups are a vital part of our movement, linking grassroots local action in communities with our national campaigns for policy change.

This year...

- In Sheffield, many local people took part in the local group's ninth annual **Pilgrimage** in October. They visited projects supporting homeless people across the city, learning about their work and offering prayers and support.
- Our group in the North East has been campaigning to persuade more local employers to pay the real **Living Wage**.
- Our Sheffield group organised a **Civic Breakfast** in March, which brought together local decision-makers, church leaders and community workers to hear about the impact that the roll-out of Universal Credit would have in their city.
- Church Action on Poverty North East's **'Prison Matters'** project has set up a drop-in to support ex-offenders, and is training church volunteers to work with them.

We ask what it means to be a 'church of the poor'

Our 'Church of the Poor?' programme helps churches to explore how they can change to be more like what Pope Francis has called "a poor church that is for the poor".

Churches can work more effectively for change if they see the face of Christ in people in poverty, rather than viewing them as problems to be solved.

This year...

- We held a **National Poverty Consultation** which inspired many dedicated church workers and leaders to explore the ideas in more depth.
- We **listened deeply** to churches in many places about what being a 'church of the poor' means to them. We're using what we learned to launch an ambitious programme of work in 2018-19, that will challenge more churches to learn from the vision and place a greater priority on the poorest communities.

**“I donate to Church Action on Poverty
to support the Christian faith
and Church in action”**



**Church Action
on Poverty**

Supporters gathered in Sheffield for our
'Voices from the Margins' conference in November 2017

plans for 2018–19 and beyond

Ending Hunger in the UK will be the focus of much of our work in 2019 and beyond.

Supporters of Church Action on Poverty know that we are constantly trying to ‘go upstream’ and address the underlying structural drivers of poverty in the UK. Over the past year one of the biggest areas of ‘upstream’ work that we have been engaged with is in relation to food poverty and hunger. This work has taken place through playing a leading role in the national **End Hunger UK** campaign (see page 6), supporting the development of a network of food poverty alliances across the UK as part of the **Food Power** programme (see page 10), and working to develop **Your Local Pantry** (see page 6) as a social franchise to provide a sustainable long-term solution to food insecurity at a local level.

Here at Church Action on Poverty we know that social action without social justice can compound poverty, and we remain committed to making sure the work we do achieves long-term change for people experiencing poverty.

In each of these three programmes, we have been seeking to understand the impact food insecurity has on people’s lives through the engagement of experts by experience. This approach is invaluable, highlighting how food poverty affects people’s everyday lives and offering insights into what needs to change to address it.

Whilst these three programmes were developed separately, over the next year we will bring them together into a unified long-term strategy that has a genuine chance of ending hunger in the UK within the next five to ten years.

Talking of movements, we are really pleased to report that our work on Self-Reliant Groups will continue into 2018–19 with a growing number of groups across Greater Manchester. We will continue to work closely with Purple Shoots in Wales and WEvolution in Scotland to build this movement of social change.

Beyond this, exploring what it means to be a Church of the Poor will continue to be a priority for 2018–19. We will be working closely with a new three-year research collaboration ‘Life on the Breadline: Christianity, Poverty and Politics in the 21st Century’, led by Coventry University – as well as taking forward our own action research work with partners in Greater Manchester, Sheffield, Leeds and elsewhere.

Lastly, we have been fortunate to secure a sustainability grant from Comic Relief which will give us the opportunity to review a number of the ways we work and communicate with members, supporters and churches. This funding will enable us to develop more video and digital content, to rebuild our website, and to consider how we can work better in partnership with our extensive network of members, supporters and partners to build a more powerful movement of social justice and change. Together we can!

financial review

Financial review of 2017-18

Having decided in 2016 to rebuild our unrestricted reserves, we have again generated a small unrestricted surplus of £8,180 in 2018 (2017: £111,115 due to a very generous one-off donation of £75,000 from an anonymous trust). Furthermore, donations from committed individual members, supporters and local churches continue to grow, totalling £191,517 (including Gift Aid) in 2018 (2017: £179,113). We continue to manage our core costs carefully. These are predominantly funded from our unrestricted income.

To ring-fence a proportion of unrestricted funding for future special projects, we established a designated fund in 2017. At the end of 2018 the fund balance is £37,053 (2017: £46,892) after investing in the Poverty Media Unit. We anticipate that the designated funds will be fully spent within two years.

During 2018 it has been encouraging to see many of our projects develop and expand. We have strong relationships with our funders, who increasingly provide us with funding for multiple years. In 2018 we have been successful in securing further funding from Comic Relief and the Esmée Fairbairn Foundation, to continue the important work tackling the Poverty Premium and campaigning to End Hunger in the UK, which is now growing from strength to strength. We are hopeful to secure further funding to extend the End Hunger UK campaign for another three years. Your Local Pantry developed from the research undertaken as part of the Poverty Premium programme, and we await the outcome of a funding bid which would enable us to roll out Pantries throughout the UK. Two programmes have secured funding until 2021: further funding from the Tudor Trust and new funding from NESTA has enabled the establishment of more Self-Reliant Groups; and our continued partnership with Sustain, through funding from the Big Lottery, is strengthening our work with food poverty alliances around the UK.

The deficit in restricted funds at the year end is due to the spending of funds received in advance, while the carried forward balance of restricted funds relates to programme funding for long-term projects continuing into 2019.

Overall financial and fundraising aims for 2018–19

- 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.

Reserves policy

The Council of Management currently aims to hold reserves equal to three months' expenditure (£126,052). Our current level of unrestricted reserves is £116,005. 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. The Council will review this policy during 2018–19. The Council also continues to take steps to reduce risk by holding cash reserves in a number of separate banking institutions.

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 total number of such guarantees at 31 March 2018 was 688 (2017: 626).

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, working in the main office, assisting with finance, mailings and general office duties. 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 17 November 2018 and signed on their behalf by



Alison Jackson, 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 31st March 2018 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.



James Gore-Langton FCCA DChA
Slade & Cooper Limited
Green Fish Resource Centre
46-50 Oldham Street
Manchester
M4 1LE

Monday 26 November 2018

financial statements

Statement of financial activities (including income and expenditure account) for the year ending 31 March 2018

	Unrestricted funds	Restricted funds	Total funds 2018	Total funds 2017
Income				
Grants, donations and legacies ³	£214,271	£265,215	£479,486	£603,817
Charitable activities: fees and other income ⁴	£6,421	£11,578	£17,999	£5,033
Investments ⁵	£115	£0	£115	£59
Total income	£220,807	£276,793	£497,600	£608,909
Expenditure				
Raising funds ⁶	£44,079	£0	£44,079	£42,064
Charitable activities ⁷	£133,008	£327,120	£460,128	£423,165
Total expenditure	£177,087	£327,120	£504,207	£465,229
Net income/(expenditure) for the year⁹	£43,720	(£50,327)	(£6,607)	£143,680
Transfer between funds	(£35,540)	£35,540	£0	£0
Net movement in funds for the year	£8,180	(£14,787)	(£6,607)	£143,680
Reconciliation of funds				
Total funds brought forward	£107,825	£131,566	£239,391	£95,711
Total funds carried forward	£116,005	£116,779	£232,784	£239,391

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 2018

	2018		2017	
Current assets				
Debtors ¹³	£79,568		£74,796	
Cash at bank and in hand	£200,053		£227,992	
Total current assets	£279,621		£302,788	
Liabilities				
Creditors: amounts falling due in less than one year ¹⁵	(£46,837)		(£63,397)	
Net current assets		£232,784		£239,391
Total assets less current liabilities		£232,784		£239,391
Net assets		£232,784		£239,391
The funds of the charity				
Restricted income funds ¹⁷		£116,779		£131,566
Unrestricted income funds ¹⁸				
General funds	£78,952		£60,933	
Designated funds	£37,053		£46,892	
		£116,005		£107,825
Total charity funds		£232,784		£239,391

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 27 form part of these accounts.

Approved by the trustees on 17 November 2018 and signed on their behalf by:



Alison Jackson, Chair



Lydia Groenewald, Treasurer

Statement of cash flows for the year ending 31 March 2018

	2018	2017
Cash provided by/(used in) operating activities²¹	(£28,054)	£125,010
Cash flows from investing activities		
Bank interest	£115	£59
Cash provided by investing activities	£115	£59
Increase/(decrease) in cash and cash equivalents in the year	(£27,939)	£125,069
Cash and cash equivalents at the beginning of the year	£227,992	£102,923
Cash and cash equivalents at the end of the year	£200,053	£227,992

Notes to the accounts for the year ending 31 March 2018**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) issued on 16 July 2014 (as updated through Update Bulletin 1 published on 2 February 2016) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

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.

There are no key judgments which the trustees have made 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%
-------------------------	------------

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.

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. Employees were auto-enrolled to the National Employment Savings Trust (NEST) group pension scheme in November 2016. Additional accrued pension contributions were paid to the pension plans during the financial year 2017-18.

There were contributions outstanding at the balance sheet date of £6,436 (2017: £32,571).

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

	Campaigns & events	Grass- roots work	Living Wage	Poverty Premium	Self- Reliant Groups	End Hunger UK	Food Power	Church of the Poor	Voices from the Margins	Total in 2018	Total in 2017
Grants											
Arts Council	-	-	-	-	-	-	-	-	-	-	£5,920
Awards For All	-	-	-	-	-	-	-	-	-	-	£10,000
Baptist Union of GB	-	-	-	-	-	-	-	-	-	-	£500
Big Lottery (via Sustain)	-	-	-	-	-	-	£56,356	-	-	£56,356	£20,500
Comic Relief	£16,154	-	-	£41,422	-	-	-	-	-	£57,576	£57,192
Esmée Fairbairn	-	-	-	£20,000	-	£99,437	-	-	-	£119,437	£140,542
John Grant Davies Trust	-	-	£2,000	-	-	-	-	-	-	£2,000	-
John Laing Charitable Trust	-	-	-	-	-	-	-	-	-	-	£10,000
Joseph Rowntree Fdn	-	-	-	-	-	-	-	-	£4,000	£4,000	£10,000
Hymns Ancient & Modern	-	-	-	-	-	-	-	-	-	-	£3,000
Manchester Guardian Soc	-	-	-	-	-	-	-	-	-	-	£2,000
Marsh Christian Trust	£600	-	-	-	-	-	-	-	-	£600	£550
Methodist Church	£6,000	-	-	-	-	-	-	-	-	£6,000	£6,000
Salford CVS	-	-	-	-	£5,000	-	-	-	-	£5,000	-
Seedbed Christian Trust	-	-	-	-	-	-	-	-	-	-	£15,000
Anonymous donor	-	£15,000	-	-	-	-	-	-	-	£15,000	£90,000
Tudor Trust	-	-	-	-	£20,000	-	-	-	-	£20,000	£40,000
URC Trust	-	-	-	-	-	-	-	£2,000	-	£2,000	£2,000
Unison NW	-	-	-	-	-	-	-	-	-	-	£6,500
Total income from grants	£22,754	£15,000	£2,000	£61,422	£25,000	£99,437	£56,356	£2,000	£4,000	£287,969	£419,704
Donations (inc Gift Aid)	£191,517	-	-	-	-	-	-	-	-	£191,517	£179,113
Legacies	-	-	-	-	-	-	-	-	-	-	£5,000
Total income	£214,271	£15,000	£2,000	£61,422	£25,000	£99,437	£56,356	£2,000	£4,000	£479,486	£603,817
Unrestricted general funds	£198,117	-	-	-	-	-	-	-	-	£198,117	£229,813
Unrestricted designated funds	£16,154	-	-	-	-	-	-	-	-	£16,154	£54,233
Restricted funds	-	£15,000	£2,000	£61,422	£25,000	£99,437	£56,356	£2,000	£4,000	£265,215	£319,771
Total income	£214,271	£15,000	£2,000	£61,422	£25,000	£99,437	£56,356	£2,000	£4,000	£479,486	£603,817

4 Income from charitable activities

	Unrestricted	Restricted	2018	2017
Fees and other income	£6,421	£11,578	£17,999	£5,033
<i>Total by fund 31 March 2017</i>	<i>£3,875</i>	<i>£1,158</i>	<i>£5,033</i>	<i>-</i>

5 Investment income

	Unrestricted	Restricted	2018	2017
Income from bank deposits	£115	£0	£115	£59

6 Cost of raising funds

	2018	2017
Staff costs	£36,022	£35,794
Printing and postage	£8,057	£6,270
Total	£44,079	£42,064

All expenditure on cost of raising funds is unrestricted.

7 Analysis of expenditure on charitable activities

	Staff costs	Operating costs	Support costs	Total 2018	Total 2017
Campaigns and events	£68,066	£69,148	(£57,039)	£80,175	£105,526
End Hunger UK	£65,407	£35,223	£22,182	£122,812	£83,543
Grassroots work	£14,865	£3,974	£3,768	£22,607	£16,355
Food Power	£31,009	£4,554	£8,891	£44,454	£20,372
Living Wage	£4,426	£16	£0	£4,442	£13,502
Poverty Premium	£3,147	£0	£683	£3,830	£59,419
Poverty Media Unit	£21,569	£1,574	£2,850	£25,993	£32,542
Good Society	£14,440	£1,978	£3,284	£19,702	£25,543
Self-Reliant Groups	£20,033	£18,081	£6,732	£44,846	£22,279
Your Local Pantry	£29,299	£9,005	£6,234	£44,538	£0
Church of the Poor	£8,782	£3,292	£2,415	£14,489	£0
Salford Poverty Truth Commission	£0	£20,956	£0	£20,956	£37,282
Voices from the Margins	£0	£4,148	£0	£4,148	£0
Governance costs ⁸	£0	£7,136	£0	£7,136	£6,802
Total	£281,042	£179,085	£0	£460,128	£423,165
Unrestricted expenditure				£133,008	£134,801
Restricted expenditure				£327,120	£288,364
Total				£460,128	£423,165

8 Analysis of governance costs

	2018	2017
Accountancy services	£2,543	£2,013
AGM and conference	£1,587	£1,332
Trustee expenses	£3,006	£3,457
Total	£7,136	£6,802

9 Net income for the year

This is stated after charging:

	2018	2017
Independent examiner's remuneration (net of VAT)		
Independent examination fees	£300	£250
Accountancy	£1,400	£1,400

10 Staff costs

Staff costs during the year were as follows:

	2018	2017
Wages and salaries	£269,308	£245,388
Social security costs	£20,865	£18,099
Pension costs	£26,891	£22,829
Total	£317,064	£286,316

Allocated as follows:

	2018	2017
Cost of raising funds	£36,022	£35,794
Charitable activities	£281,042	£250,522
Total	£317,064	£286,316

No employee has employee benefits in excess of £60,000 (2017: nil).

The average number of staff employed during the period was 12 (2017: 11).

The average full-time equivalent number of staff employed during the period was 9 (2017: 7.5).

The ratio between the salaries of the highest-paid and lowest-paid staff members was 1.5:1 (2017: 1.5:1).

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 £69,209 (2017: £69,486).

11 Trustee remuneration and expenses, and related party transactions

Neither the trustees nor any persons connected with them received any remuneration during the year (2017: nil).

14 trustees (2016: 14) received travel and subsistence expenses totalling £3,006 (2017: £3,457).

Aggregate donations from related parties were £4,262 (2017: £8,743).

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 (2017: nil).

12 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.

13 Debtors

	2018	2017
Other debtors	£0	£23,048
Prepayments and accrued income	£79,568	£51,748
Total	£79,568	£74,796

14 Cash at bank and in hand

	2018	2017
Cash at bank and in hand	£200,053	£227,992
Total	£200,053	£227,992

15 Creditors: amounts falling due within one year

	2018	2017
Short term compensated absences (holiday pay)	£3,362	£7,887
Other creditors and accruals	£24,039	£22,939
Deferred income	£13,000	-
Pension contributions	£6,436	£32,571
Total	£46,837	£63,397

16 Deferred income

	2018	2017
Deferred grant brought forward	-	-
Grant received	£13,000	-
Released to income from charitable activities	-	-
Deferred grant carried forward	£13,000	-

17 Analysis of movements in restricted funds

	Balance at 1 April 2017	Income	Expenditure	Transfers	Balance at 31 March 2018
Living Wage	£654	£3,764	(£4,442)	£24	-
Poverty Media Unit	-	-	-	£636	£636
Poverty Premium	£19,632	£61,422	(£48,368)	(£32,686)	-
Your Local Pantry	-	-	-	£32,686	£32,686
Grassroots work	£8,243	£15,000	(£22,607)	(£636)	-
Self-Reliant Groups	£17,723	£25,850	(£44,845)	£1,272	-
Good Society	-	-	-	-	-
End Hunger UK	£64,502	£105,541	(£122,812)	£23,230	£70,461
Food Power	£1,094	£56,356	(£44,454)	-	£12,996
Salford Poverty Truth Commission	£19,718	-	(£20,956)	£1,238	-
Church of the Poor	-	£4,860	(£14,488)	£9,628	-
Voices from the Margins	-	£4,000	(£4,148)	£148	-
Total	£131,566	£276,793	(£327,120)	£35,540	£116,779

Previous reporting period	Balance at 1 April 2016	Income	Expenditure	Transfers	Balance at 31 March 2017
Public affairs	-	£3,000	(£3,000)	-	-
Living Wage	£1,306	£12,850	(£13,502)	-	£654
Poverty Media Unit	-	£6,024	(£6,024)	-	-
Poverty Premium	£5,941	£73,110	(£59,419)	-	£19,632
Grassroots work	£7,598	£17,000	(£16,355)	-	£8,243
Self-Reliant Groups	-	£40,000	(£22,277)	-	£17,723
Good Society	£5,000	£2,000	(£25,542)	£18,542	-
End Hunger UK	-	£110,479	(£83,543)	£37,566	£64,502
Food Power	-	£21,466	(£20,372)	-	£1,094
Salford Poverty Truth Commission	£23,048	£35,000	(£38,330)	-	£19,718
Total	£42,893	£320,929	(£288,364)	£56,108	£131,566

Restricted funds represent the balance of revenue grants given for the particular projects above, which are more fully described in the trustees' report.

18 Analysis of movement in unrestricted funds

	Balance at 1 April 2017	Income	Expenditure	Transfers	Balance at 31 March 2018
General funds	£60,933	£204,653	(£151,094)	(£35,540)	£78,952
Designated funds	£46,892	£16,154	(£25,993)	£0	£37,053
Total	£107,825	£220,807	(£177,087)	(£35,540)	£116,005

Previous reporting period	Balance at 1 April 2016	Income	Expenditure	Transfers	Balance at 31 March 2017
General funds	£52,818	£287,980	(£176,865)	(£103,000)	£60,933
Designated funds	-	-	-	£46,892	£46,892
Total	£52,818	£287,980	(£176,865)	(£56,108)	£107,825

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

	Unrestricted general funds	Unrestricted designated funds	Restricted funds	Total
Net current assets	£78,952	£37,053	£116,779	£232,784
Total	£78,952	£37,053	£116,779	£232,784

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	
	2018	2017	2018	2017
Less than one year	£10,080	£10,080	-	£1,430
One to five years	£840	£10,920	-	-
Over five years	-	-	-	-
Total	£10,920	£21,000	-	£1,430

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

	2018	2017
Net income/(expenditure) for the year	(£6,607)	£143,680
Adjustments for:		
Bank interest	(£115)	(£59)
Decrease/(increase) in debtors	(£4,772)	(£31,420)
Increase/(decrease) in creditors	(£16,560)	£12,809
Net cash provided by/(used in) operating activities	(£28,054)	£125,010



We supported Jayne to set up a Self-Reliant Group and be part of a Poverty Truth Commission

Church Action on Poverty boosted

my confidence. I suffer from depression

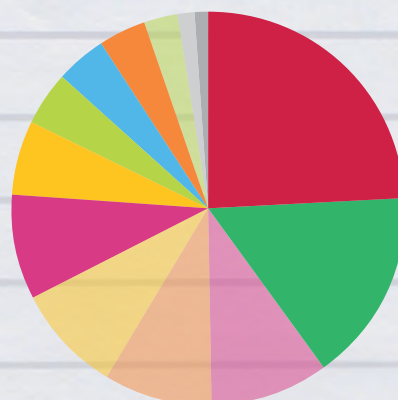
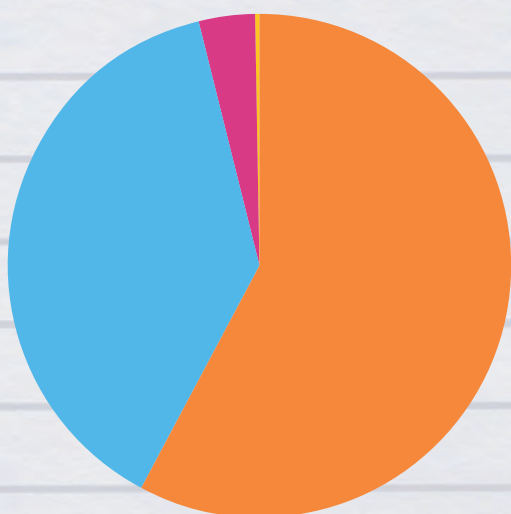
but now I have hope that I can make

positive changes in my life, and

support others to do the same

Where our money came from

How we spent it



Grants: £287,969 (58%)
Donations (including Gift Aid): £191,517 (38%)

Fees and other income: £17,999 (4%)
Bank interest: £115 (<1%)

End Hunger UK: £122,812 (24%)
Campaigns/events: £80,175 (16%)
Self-Reliant Groups: £44,846 (9%)
Your Local Pantry: £48,368 (10%)
Food Power: £44,454 (9%)
Raising funds: £44,079 (9%)
Poverty Media Unit: £30,141 (6%)
Grassroots work: £22,607 (4%)
Salford PTC: 20,956 (4%)
Good Society: £19,702 (4%)
Church of the Poor: £14,489 (3%)
Governance: £7,136 (1%)
Living Wage: £4,442 (1%)

**Find out more and get involved
at www.church-poverty.org.uk!**

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**Church Action
on Poverty**

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Registered charity number 1079986.