

**Report of the Trustees and
Financial Statements for the Year Ended 31 March 2024
for
Poverty Truth Network**



Brett Nicholls Associates
Herbert House
24 Herbert Street
Glasgow
G20 6NB

Contents of the Financial Statements
for the Year Ended 31 March 2024

	Page
Reference and Administrative Details	1
Report of the Trustees	2 to 6
Independent Examiner's Report	7
Statement of Financial Activities	8
Balance Sheet	9
Notes to the Financial Statements	10 to 17

Poverty Truth Network

Reference and Administrative Details for the Year Ended 31 March 2024

TRUSTEES

S Rigby (Chair) (resigned 6.10.23)
C Brown (Chair) (appointed 6.10.23)
L Hemsworth (Vice Chair and Secretary)
P Atkinson (Treasurer)
A Campbell
I Tyler (resigned 1.10.23)
N Travers
C Brown
H Douglas
K Teklemariam (appointed 6.10.23)
M Burkett St. Laurent (appointed 8.11.23)
B Deans (appointed 8.11.23)
J Young (appointed 8.11.23)

PRINCIPAL ADDRESS

10 Carter Terrace
Leeds
LS15 7AH

REGISTERED CHARITY NUMBER

1184879

INDEPENDENT EXAMINER

David Nicholls FCCA
Brett Nicholls Associates
Herbert House
24 Herbert Street
Glasgow
G20 6NB

BANKERS

Triodos Bank
Deanery Road
Bristol
BS1 5AS

Poverty Truth Network

Report of the Trustees for the Year Ended 31 March 2024

The trustees present their report with the financial statements of the charity for the year ended 31 March 2024. The trustees have adopted the provisions of 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 2019).

OBJECTIVES AND ACTIVITIES

Objectives and aims

The Poverty Truth Network (PTN) is a registered charity in England and Wales (1184879), established in 2019.

Its objects 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 programs that enable others, especially those with a Lived Experience of Poverty, to take action to mitigate these factors." (June 2019).

The PTN grew out of the desire of members of different Poverty Truth Commissions (PTCs) to be more effectively networked and to collaborate for change at a national as well as local/regional level. A primary purpose of the PTN is to enable and support (but not manage) Poverty Truth Commissions where they are emerging and taking root across the UK.

The Poverty Truth Network operates primarily in England and Wales but also has close working relations with the Poverty Truth Community in Scotland.

As well as the nurturing and support of Poverty Truth Commissions in their local contexts, the PTN also brings facilitators and commissioners together to learn from one another, and to work together to address the symptoms and causes of poverty.

The main activities of the Poverty Truth Network are:

- helping to establish Poverty Truth Commissions
- supporting and networking Poverty Truth Commissions
- amplifying the voice of Poverty Truth Commissioners nationally
- working with national partners committed to tackling poverty

In all our work we want to prioritise the wisdom and experience of people continuing to struggle against the indignity of poverty in their daily lives. "Nothing About Us Without Us Is For Us."

Our model of working is to bring those living with poverty (community commissioners) and others committed to eradicating it (civic and business commissioners) together to understand more deeply the impact of poverty on people's lives; and to work for and to deliver change.

ACHIEVEMENT AND PERFORMANCE

Charitable activities

During the year our work continued to expand as we supported the expanding number of Poverty Truth Commissions (PTCs) across England and Wales, worked nationally on a range of key themes, continued to develop our parliamentary strategy, engaged with others to raise awareness of poverty, and put in place the foundations for the Poverty Truth Network's (PTN) strategy over coming years (2025 - 2030).

Alongside our main activities (see below), the Network has focused significant energy during the year on three priorities:

- growing the number of Charity Members and giving them increased opportunities to participate in the work of the charity on an ongoing basis. Each active PTC is able to appoint up to two charity members and each Amplify Group one member. The Network currently has 17 members, representing 12 PTCs and 5 Amplify Groups, an increase of 14 from the previous year.

Poverty Truth Network

Report of the Trustees for the Year Ended 31 March 2024

ACHIEVEMENT AND PERFORMANCE

Charitable activities (continued)

- increasing racial diversity across PTCs and the Network. As reported in last year's Annual Report, the trustees commissioned a review of how well represented members of the BAME community were both in local PTCs and within the Network. A final report was submitted to and approved by trustees (June 2024) which highlighted both good practice as well as areas for further development. This lies outside the current reporting cycle although significant progress has been made during the year, including the appointment of a trustee with lead responsibility for taking this work forward.

- developing a plan for the PTN's work over the next five years. Over the year, considerable work has gone into the development of the PTN Strategy (2025-30). This has included working alongside PTCs, Charity Members, funders, staff and trustees, including an in-person residential in Birmingham (February 2023). There is a strong sense that, despite the huge challenges, this is the right time to be bold in expanding the work locally, regionally and nationally.

- Helping to establish Poverty Truth Commissions

Over the last year we have implemented a triage system whereby initial enquiries, often raised through our website, have an initial online call with a member of our team to establish the level of interest in setting up a PTC and the capacity of local partners to establish one. Where appropriate this initial contact is followed up with support from a member of our team of mentors.

During the year we have offered support to 12 locations (Redcar; Neath Port Talbot; Wakefield; Milton Keynes; Kirklees; Chichester; Cambridgeshire; Warrington; Burton-on-Trent; Cumbria; Halton and Blackburn with Darwen). Not all these initial enquiries will result in PTCs being established, and some will take longer than others to develop. This is entirely consistent with the relational approach that we adopt to all our work, and where we seek to move at the pace of the local context.

We have also piloted bringing several areas with an interest in establishing PTC together for an online induction session, highlighting key elements in the process of hosting a PTC, and some of the key pitfalls to avoid. Over the coming year, we are reviewing our current material and developing further resources to ensure that best practice is communicated to new PTCs at the appropriate time.

- Supporting & networking Poverty Truth Commissions

Over the year, 6 commissions have launched in: East Surrey; Leeds; Peterborough; Salford; South Lakes; and Suffolk. In the case of East Surrey and Salford, this is their second commission, and in the case of Leeds their fourth. As a Network, we welcome this pattern of a number of PTCs in a single location, recognising the value of embedding changed behaviour and relationships over a period of time.

During the year Birmingham, Bournemouth, Christchurch & Poole and Morecambe Bay held celebration events as their Poverty Trust Commission ended. They have moved into the phase of embedding their proposals. In the cases of Bournemouth, Christchurch & Poole and Morecambe Bay, they have secured funding for a further PTC. During the year Derby PTC made the decision to close early due to small numbers of active commissioners and staffing issues.

Within our expanded staffing structure (reported in last year's Annual Report), each active PTC is now supported by a mentor who meets regularly with the facilitation team, primarily online. During the year this team has also brought increased clarity to the different stages of a PTC and has developed resources to support PTCs during these different stages. Over the coming year, we are seeking to increasingly streamline this support.

As well as supporting PTCs on a bespoke basis, the Network has continued to bring facilitators together in twice monthly learning sessions and, in May, we brought 27 facilitators together from 15 commissions for our annual Facilitators' Gathering. These events not only allow for Network staff to provide input and guidance, but also for facilitators to learn from one another.

Commissioners are at the heart of the work of the Network, and of every PTC. During the course of the year we hosted 2 Regional Gatherings (in Leeds and Birmingham) attended by 50 people from 9 commissions. An ongoing highlight of the year remains our National Commissioners' Gathering, held this year in October 2023. It was attended by 76 people from 16 commissions and 3 Amplify groups. These events provide important opportunities for commissioners to learn from one another, to share common struggles and to highlight some of the key differences that they are making.

During the year we continued to encourage PTCs to monitor, evaluate and learn from the work that they are undertaking. In the coming year we will be producing a resource designed to support PTCs to monitor the composition of their PTC to ensure that those experiencing poverty are as effectively represented as possible; that due attention is paid to the differences that PTCs are making to tackling the causes and the symptoms of poverty; and that the ongoing ripples caused by commissioners are mapped.

Poverty Truth Network

Report of the Trustees for the Year Ended 31 March 2024

ACHIEVEMENT AND PERFORMANCE

This year has also seen the Network able to continue, and expand, its financial support to PTCs thanks to the support of the National Lottery Community Fund. This enables us to support commissions at three key points: in their development phase as they gather the people, organisations, and finances necessary to host a commission; in their delivery phase as the PTC comes together to learn and work locally; and in their embedding phase, as the lessons and practices from the PTCs are embedded in the wider systems and practices of the area.

During the year, we were able to support 9 PTCs (South Tyneside; Sheffield; East Surrey; Bournemouth, Christchurch & Poole; Stoke-on-Trent; Morecambe Bay; Swansea, Ilfracombe and Malvern Hills) through our Support Fund. An initial review of the Support Fund will lead us to prioritise support in the first and third phases, having identified these as the areas where PTCs find it most challenging to secure external funding.

- Amplifying the work of Poverty Truth Commissions nationally

Poverty Truth Commissions regularly highlight many of the same issues, although some of these can be most effectively addressed at a local level, others require (or benefit) from a more national approach. This is the work supported by our Amplify Team, bringing commissioners together from different PTCs to work on a few specific areas agreed at the Network's Annual Gathering. During the year we worked on 5 such areas.

These are:

- Access to Services. We have produced a set of principles (available on our website) which, if followed, will help people to get the support they need, when, where and how they need it. Over the coming year, community and civic commissioners will be piloting these principles in their organisations and neighbourhoods.
- Brown Envelope Syndrome. This is a term we use to refer to the ways in which public authorities often use depersonalized and complex letters (frequently posted in brown envelopes) to communicate information about sanctions, debt or arrears. We are working with others to make these communications better for all with a focus on how the damage such communication often does to people's mental health.
- Cost of Living. Our particular focus is on the higher costs for food people in economically poorer neighbourhoods often end up paying. We are working with others, including Which, to address this issue. Over the coming year, we hope to engage with a few supermarkets to see how this can be more effectively addressed.
- Double Impact. For many of our commissioners, the link between poverty and poor mental health is self-evident but often ignored. During the year we produced a series of 8 animations which share some of these realities to support the training of frontline staff. We piloted this resource with several academics and have now made it more publicly accessible.
- Private Sector Housing. Many of our PTCs highlight a wide variety of challenges within the housing system. As a Network, we have chosen to focus on issues within the private rented sector. We have produced a set of principles on how to make sure that a house can be a home for those renting privately. Over the coming year, our aim is to work constructively with landlords and tenants to promote mutually beneficial best practice.

For several years, the Network has also been working to support the more effective use of volunteers as part of the Job Claimant offer within Universal Credit. whilst we have been able to encourage and support some work in this field, including a pilot in Oldham, we have not been able to make significant progress. This is an indication that this work is often challenging and will not always succeed.

During the next year, we anticipate finishing off our work in some of these areas (or passing it on to others). This will enable us to take up fresh activity advocated for by commissioners and PTCs.

- Working with national partners committed to tackling poverty

Over the past year the Network has continued to prioritise our limited capacity to engage with other national anti-poverty organisations in areas where there is significant shared interest, for example around the private rented housing sector or tackling food insecurity.

In last year's Annual Report, we highlighted the potential to undertake some work with the Carnegie UK Trust, focused on social, economic, environmental and democratic (SEED) wellbeing with a particular focus on learning from groups and individuals rarely listened to. During this past year we have been able to take forward this work with residents in Manchester and Glasgow (in October and November 2023) and then in Manchester, Glasgow and Swansea (April & May 2024). This gives the Network, and members of Poverty Truth Commissions, the opportunity to feed into this important work.

Poverty Truth Network

Report of the Trustees for the Year Ended 31 March 2024

ACHIEVEMENT AND PERFORMANCE

During the year the PTN was involved in the development of Let's End Poverty – a broad coalition of anti-poverty organisations keen to work together to highlight UK poverty and the steps that can be taken to tackle it. The Network has become a founding member of this coalition and hopes, in future years, to play a part in its ongoing work. It has been particularly gratifying to see how the new network has embraced several of the practices of the PTN, including the commitment to joint leadership alongside people struggling against poverty.

In October 2023, the Network hosted a Parliamentary Event in the Palace of Westminster which brought together a small number of parliamentarians to hear about the work of the Network, as well as some more specific details of work undertaken in Bournemouth, Christchurch & Poole and Birmingham PTCs. This has built up a growing number of contacts with parliamentarians and their staff.

Over the coming year, the Network will seek to implement its parliamentary strategy - Politics Alongside - focused on building relationships, highlighting how change happens and not simply what needs to change. This is consistent with both how PTCs work and the Network.

Future plans

The next year will be a critical one for the Poverty Truth Network, with our current funding due to expire in early 2025. We are already in conversations with existing funders and exploring potential future funding partners. Whilst recognising the challenges which exist within the current funding environment, we are clear that this is a time to be ambitious about the work that we are enabling to happen with 30 sites for PTCs across the UK.

Our 2025-30 Strategy lays out seven priorities to:

- build a Network of Poverty Truth Commissioners across the UK;
- build the influence of Poverty Truth 'practices' nationally;
- establish regional Poverty Truth 'hubs' across the UK;
- resource local areas to develop, deliver and embed Poverty Truth 'practices';
- learn as we develop and share transparently the differences and challenges being discovered;
- contribute to a changed narrative about poverty in the UK, focused on the resilience and positive contributions of people struggling against poverty; and
- ensure that we have the organizational structures and resources to deliver effectively, efficiently and safely.

Future plans (continued)

Whilst we recognise the challenges, we also recognise the opportunities that this time offers with a clear appetite for change and a desire to do things differently. We are committed to ensuring that Poverty Truth Commissions and the Poverty Truth Network can be part of that change. Our dream remains of a UK where poverty is a thing of the past. Our specific contribution is in bringing together people with ongoing experience of poverty and senior civic and business leaders to work together to enable lasting and sustainable change.

FINANCIAL REVIEW

Financial position

The income of the charity for the year was £313,054 (2023: £309,803) and the expenditure was £255,233 (2023: £165,986), resulting in the generation of a surplus for the year of £57,821 (2022: £143,817), of which £5,178 is restricted.

During the year the primary funders of the Poverty Truth Network remained the Joseph Rowntree Foundation (£40,000 [2023: £45,000]), Lankelly Chase Foundation (£60,000 [2023: £87,462]) and the National Lottery Community Fund (£179,716 [2023: £169,600]). During the year, each of these funders provided an additional award in recognition of the challenges being faced by the sector in response to the cost-of-living crisis. We would want to place on record our appreciation for this additional as well as ongoing support.

We would also wish to place on record our appreciation to our funders for their commitment to work together to streamline our reporting processes, and to working alongside us to achieve our aims. They are partners, as opposed to simply funders, in this important work.

In addition, during the year we received £17 in donations and £26,977 in earned income (from work supporting the Carnegie UK Trust and Chester & Cheshire West Council).

At 31 March 2024, the total reserves of the charity were £261,031 (2023: £203,210) with £173,253 of these being unrestricted general reserves (2023: £118,610), £250 being held as designated funds (2023: £2,250) and £87,528 being restricted funds (2023: £82,350).

Poverty Truth Network

Report of the Trustees for the Year Ended 31 March 2024

FINANCIAL REVIEW

Reserves policy

The intention of the trustees is to build up unrestricted reserves equivalent to three to six months of running costs as the charity continues to grow. Based on the expenditure for the year ended 31 March 2024 this equates to £127,617.

At 31 March 2024, the unrestricted free reserves of the charity were £173,253 (2023: £118,610). The trustees are satisfied that the reserves policy is currently being met.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is a Charitable Incorporated Organisation, established as a charity on 13 August 2019 and is registered with the Charity Commission for England and Wales, charity number 1184879. It is governed by its constitution.

Organisational structure

Over the last year our Board of Trustees has comprised of 11 members. They have all been members of a Poverty Truth Commission and bring their experiences either of the ongoing struggle against poverty or their roles as civic leaders to their leadership of the charity.

Our trustees met 4 times during the year in a combination of online and in person formats. As well as receiving operational reports from staff, they are responsible for the Network's policy, direction, and financial oversight. The Network's new Core policies are reviewed and approved by trustees on an agreed schedule. A risk register is updated prior to each trustees meeting with any changes brought to the attention of trustees.

Shirley Rigby stood down as Chair and as a trustee at the 2023 AGM. Thanks to Shirley were recorded in last year's Annual Report. Claire Brown, who was involved in the Gateshead Poverty Truth Commission, was appointed as Chair in October 2023.

During the year, Imogen Tyler stood down as a trustee and 4 new trustees were appointed: Michou Burckett St. Laurent; Barbara Deans; Kidist Teklemariam; and Joanna Young. These changes were all planned to build the capacity of the trustee body and to ensure a smooth transition of trustees.

During the year the Poverty Truth Network employed 9 people, all of whom operate on a part-time basis. In addition, 1 person was paid on a freelance consultancy basis at various points during the year. The overall full-time equivalent is 3. The senior staff of the charity are Andrew Grinnell and Martin Johnstone (co-directors).

Key management remuneration

In the opinion of the trustees there are two members of key management personnel, the co-directors. The total cost of these posts in the 2023-24 year was £62,371 (2023: £60,969).

Approved by order of the board of trustees on 19th September 2024 and signed on its behalf by:



C Brown - Trustee

Independent Examiner's Report to the Trustees of Poverty Truth Network

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

I report to the charity trustees on my examination of the accounts of Poverty Truth Network (the Trust) for the year ended 31 March 2024.

Responsibilities and basis of report

As the charity trustees of the Trust 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 Trust's accounts carried out under Section 145 of the Act and in carrying out my examination I have followed all applicable Directions given by the Charity Commission under Section 145(5)(b) of the Act.

Independent examiner's statement

Since your charity's gross income exceeded £250,000 your examiner must be a member of a listed body. I can 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 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 Trust as required by Section 130 of the Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 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.

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.



David Nicholls FCCA
Fellow, Association of Chartered Certified Accountants
Brett Nicholls Associates
Herbert House
24 Herbert Street
Glasgow
G20 6NB

Date: **23 October 2024**
.....

Poverty Truth Network

Statement of Financial Activities
for the Year Ended 31 March 2024

	Notes	Unrestricted funds £	Restricted funds £	2024 Total funds £	2023 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	60,017	219,716	279,733	302,362
Other trading activities	3	26,977	-	26,977	2,000
Investment income	4	1,344	-	1,344	441
Other income	5	5,000	-	5,000	5,000
Total		<u>93,338</u>	<u>219,716</u>	<u>313,054</u>	<u>309,803</u>
EXPENDITURE ON					
Charitable activities	6				
Poverty Truth Commissions		<u>40,695</u>	<u>214,538</u>	<u>255,233</u>	<u>165,986</u>
NET INCOME		<u>52,643</u>	<u>5,178</u>	<u>57,821</u>	<u>143,817</u>
RECONCILIATION OF FUNDS					
Total funds brought forward		120,860	82,350	203,210	59,393
TOTAL FUNDS CARRIED FORWARD		<u>173,503</u>	<u>87,528</u>	<u>261,031</u>	<u>203,210</u>

CONTINUING OPERATIONS

This statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities in both years. Comparative figures for the previous year by fund type are shown in Note 12.

The notes on pages 10 - 17 form part of these financial statements

Poverty Truth Network

Balance Sheet
31 March 2024

	Notes	2024 £	2023 £
CURRENT ASSETS			
Debtors	13	11,282	20,799
Cash at bank		252,682	189,099
		<u>263,964</u>	<u>209,898</u>
CREDITORS			
Amounts falling due within one year	14	(2,933)	(6,688)
		<u>261,031</u>	<u>203,210</u>
NET CURRENT ASSETS			
		<u>261,031</u>	<u>203,210</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			
		<u>261,031</u>	<u>203,210</u>
NET ASSETS			
		<u>261,031</u>	<u>203,210</u>
FUNDS	16		
Unrestricted funds		173,503	120,860
Restricted funds		87,528	82,350
		<u>261,031</u>	<u>203,210</u>
TOTAL FUNDS			
		<u>261,031</u>	<u>203,210</u>

The financial statements were approved by the Board of Trustees and authorised for issue on 19th September 2024 and were signed on its behalf by:



.....
L Hemsworth - Trustee

The notes on pages 10 - 17 form part of these financial statements

Poverty Truth Network

Notes to the Financial Statements for the Year Ended 31 March 2024

1. ACCOUNTING POLICIES

General information

Poverty Truth Network ("the charity") is a charitable incorporated organisation governed by its constitution dated 10 June 2019. It was registered as a charity in England (registered number 1184879) on 13 August 2019. Its registered address is 10 Carter Terrace, Leeds, LS15 7AH.

Basis of preparing the financial statements

The financial statements of the charity, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Charities Act 2011. The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value.

The financial statements are prepared on an accruals basis, and on a going concern basis, in accordance with:

- the Charities Act 2011 ("the Act");
- the Charities (Accounts and Reports) Regulations 2008;
- the Financial Reporting Standard applicable in the UK and Republic of Ireland, published in March 2018 ("FRS 102"), to the extent that it applies to small entities and public benefit entities;
- '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, published in October 2019 (FRS 102)' ("the Charities SORP");
- UK Generally Accepted Accounting Practice; and
- the historical cost convention.

The charity 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.

The financial statements are presented in UK sterling, which is the charity's functional currency, and rounded to the nearest pound.

There has been a change to the basis of preparation this financial year and as a result the previous financial year's figures have been restated.

Going concern

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

Income

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

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Grants offered subject to conditions which have not been met at the year end date are noted as a commitment but not accrued as expenditure.

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.

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.

Poverty Truth Network

Notes to the Financial Statements - continued for the Year Ended 31 March 2024

1. ACCOUNTING POLICIES - continued

Debtors

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.

Taxation

Poverty Truth Network is a charity within the meaning of Section 467 of the Corporation Tax Act 2010. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 of Part 11 of the Corporation Tax Act 2010 and section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that such income or gains are applied for charitable purposes only.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Pension costs and other post-retirement benefits

The charity operates a defined contribution pension scheme. Contributions payable to the charity's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

Financial instruments

The charity has financial assets and financial liabilities that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

2. DONATIONS AND LEGACIES

	2024 £	2023 £
Donations	17	300
Grants	279,716	302,062
	<u>279,733</u>	<u>302,362</u>

Grants received, included in the above, are as follows:

	2024 £	2023 £
Lankelly Chase	60,000	87,462
Joseph Rowntree Foundation	40,000	45,000
The National Lottery Community Fund	179,716	169,600
	<u>279,716</u>	<u>302,062</u>

Poverty Truth Network

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2024**

3. OTHER TRADING ACTIVITIES

	2024	2023
	£	£
Social enterprise income	26,977	2,000
	<u>26,977</u>	<u>2,000</u>

4. INVESTMENT INCOME

	2024	2023
	£	£
Bank interest received	1,344	441
	<u>1,344</u>	<u>441</u>

5. OTHER INCOME

	2024	2023
	£	£
Employment Allowance	5,000	5,000
	<u>5,000</u>	<u>5,000</u>

6. CHARITABLE ACTIVITIES COSTS

	Direct Costs (see note 7)	Grant funding of activities (see note 8)	Support costs (see note 9)	Totals
	£	£	£	£
Poverty Truth Commissions	198,614	51,000	5,619	255,233
	<u>198,614</u>	<u>51,000</u>	<u>5,619</u>	<u>255,233</u>

7. DIRECT COSTS OF CHARITABLE ACTIVITIES

	2024	2023
	£	£
Staff costs	125,007	110,307
Accommodation	2,071	1,622
Bank charges	47	22
Co-Directors' mentoring	267	533
Consultancy fees	16,091	15,817
Facilitator gathering	5,268	1,709
Insurance	1,092	390
IT support	585	272
Laptops and IT equipment	24	85
Learning events	6,225	680
Telephone and internet	737	84
Network gathering	18,712	7,928
Payroll fees	1,508	927
Regional events	1,430	1,375
Stationery, consumables and equipment	714	304
Subscriptions	2,997	1,970
Travel	7,307	4,427
Website and films	8,532	4,748
	<u>198,614</u>	<u>153,200</u>

Poverty Truth Network

Notes to the Financial Statements - continued for the Year Ended 31 March 2024

8. GRANTS PAYABLE

	2024 £	2023 £
Poverty Truth Commissions	<u>51,000</u>	<u>6,500</u>
The total grants paid to institutions during the year was as follows:		
	2024 £	2023 £
North of Tyne Poverty Truth Commission	-	250
Birmingham Poverty Truth Commission	-	3,000
Trafford Poverty Truth Commission	-	3,000
Bournemouth, Christchurch & Poole Poverty Truth Commission	3,000	250
South Tyneside Poverty Truth Commission	5,000	-
Sheffield Poverty Truth Commission	10,000	-
East Surrey Poverty Truth Commission	10,000	-
Stoke Poverty Truth Commission	5,000	-
Morecambe Bay Poverty Truth Commission	3,250	-
Swansea Poverty Truth Commission	3,250	-
Ilfracombe Poverty Truth Commission	10,000	-
Barrow Poverty Truth Commission	250	-
Lincoln Poverty Truth Commission	250	-
Peterborough Poverty Truth Commission	250	-
South Lakes Poverty Truth Commission	250	-
Salford Poverty Truth Commission	250	-
Leeds Poverty Truth Commission	250	-
	<u>51,000</u>	<u>6,500</u>

9. SUPPORT COSTS

	2024 £	2023 £
Accountancy - Independent Examination Fee - Current Year	1,500	1,500
Constitution - Legal Fees	-	1,423
Trustee Expenses	2,313	1,023
Trustee Meetings	1,806	1,840
Accountancy - Independent Examination Fee - Prior Year	-	500
	<u>5,619</u>	<u>6,286</u>

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2024**

10. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 March 2024 nor for the year ended 31 March 2023.

Trustees' expenses

During the year the trustees were reimbursed travel and IT expenses totalling £4,119 (2023: £1,023). These expenses were paid in furtherance of the Charity's objectives.

Trustees' donations

There were no donations made by any of the trustees in the year ended 31 March 2024 nor in the year ended 31 March 2023.

11. STAFF COSTS

	2024	2023
	£	£
Wages and salaries	113,840	98,492
Social security costs	6,479	7,122
Other pension costs	4,688	4,693
	<u>125,007</u>	<u>110,307</u>

The average monthly number of employees during the year was as follows:

	2024	2023
	6	6
Employees	<u>6</u>	<u>6</u>

No employees received emoluments in excess of £60,000.

12. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	87,762	214,600	302,362
Other trading activities	2,000	-	2,000
Investment income	441	-	441
Other income	5,000	-	5,000
Total	<u>95,203</u>	<u>214,600</u>	<u>309,803</u>
EXPENDITURE ON			
Charitable activities			
Poverty Truth Commissions	7,797	158,189	165,986
NET INCOME	87,406	56,411	143,817
Transfers between funds	10,650	(10,650)	-
Net movement in funds	98,056	45,761	143,817
RECONCILIATION OF FUNDS			
Total funds brought forward	22,804	36,589	59,393
TOTAL FUNDS CARRIED FORWARD	<u>120,860</u>	<u>82,350</u>	<u>203,210</u>

Poverty Truth Network

Notes to the Financial Statements - continued
for the Year Ended 31 March 2024

13. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2024 £	2023 £
Other debtors	378	-
Accrued income	-	9,684
Prepayments	10,904	11,115
	<u>11,282</u>	<u>20,799</u>

14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2024 £	2023 £
Trade creditors	1,433	5,165
Accrued expenses	1,500	1,523
	<u>2,933</u>	<u>6,688</u>

15. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds £	Restricted funds £	2024 Total funds £	2023 Total funds £
Current assets	176,436	87,528	263,964	209,898
Current liabilities	(2,933)	-	(2,933)	(6,688)
	<u>173,503</u>	<u>87,528</u>	<u>261,031</u>	<u>203,210</u>

Comparatives for analysis of net assets between funds

	Unrestricted funds £	Restricted funds £	2023 Total funds £	2022 Total funds £
Current assets	122,360	87,538	209,898	90,861
Current liabilities	(1,500)	(5,188)	(6,688)	(31,468)
	<u>120,860</u>	<u>82,350</u>	<u>203,210</u>	<u>59,393</u>

16. MOVEMENT IN FUNDS

	At 1/4/23 £	Net movement in funds £	At 31/3/24 £
Unrestricted funds			
General fund	31,433	22,081	53,514
Lankelly Chase	87,177	32,562	119,739
Designated - Seedbed	2,250	(2,000)	250
	<u>120,860</u>	<u>52,643</u>	<u>173,503</u>
Restricted funds			
Joseph Rowntree Foundation	3,790	(3,790)	-
National Lottery Community Fund	78,560	8,968	87,528
	<u>82,350</u>	<u>5,178</u>	<u>87,528</u>
TOTAL FUNDS	<u>203,210</u>	<u>57,821</u>	<u>261,031</u>

Notes to the Financial Statements - continued
for the Year Ended 31 March 2024

16. MOVEMENT IN FUNDS - continued

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	33,338	(11,257)	22,081
Lankelly Chase	60,000	(27,438)	32,562
Designated - Seedbed	-	(2,000)	(2,000)
	93,338	(40,695)	52,643
Restricted funds			
Joseph Rowntree Foundation	40,000	(43,790)	(3,790)
National Lottery Community Fund	179,716	(170,748)	8,968
	219,716	(214,538)	5,178
TOTAL FUNDS	313,054	(255,233)	57,821

Comparatives for movement in funds

	At 1/4/22 £	Net movement in funds £	Transfers between funds £	At 31/3/23 £
Unrestricted funds				
General fund	31,239	194	-	31,433
Lankelly Chase	(10,935)	87,462	10,650	87,177
Designated - Seedbed	2,500	(250)	-	2,250
	22,804	87,406	10,650	120,860
Restricted funds				
Joseph Rowntree Foundation	36,589	(32,399)	(400)	3,790
National Lottery Community Fund	-	88,810	(10,250)	78,560
	36,589	56,411	(10,650)	82,350
TOTAL FUNDS	59,393	143,817	-	203,210

Poverty Truth Network

Notes to the Financial Statements - continued for the Year Ended 31 March 2024

16. MOVEMENT IN FUNDS - continued

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	7,741	(7,547)	194
Lankelly Chase	87,462	-	87,462
Designated - Seedbed	-	(250)	(250)
	95,203	(7,797)	87,406
Restricted funds			
Joseph Rowntree Foundation	45,000	(77,399)	(32,399)
National Lottery Community Fund	169,600	(80,790)	88,810
	214,600	(158,189)	56,411
TOTAL FUNDS	309,803	(165,986)	143,817

17. RELATED PARTY DISCLOSURES

Other than those disclosed in note 10, there were no related party transactions for the year ended 31 March 2024.

18. PURPOSES OF UNRESTRICTED FUNDS

General Fund - To cover the core costs of the charity.

Lankelly Chase - To support the core costs of the charity.

Designated - Seedbed Fund - To support the development of Poverty Truth Commissions.

19. PURPOSES OF RESTRICTED FUNDS

Joseph Rowntree Foundation - To support the Poverty Truth Network Milestones' Plan (2021-24).

The National Lottery Community Fund - To enable people who struggle against poverty to be at the heart of the movement to eradicate it by funding a further twelve Poverty Truth Commissions across the UK as well as building relationships and enhancing the support between commissioners.