



THE POVERTY ALLIANCE

**REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

COMPANY REGISTRATION NUMBER SC136689

REGISTERED CHARITY NUMBER SC019926

THE POVERTY ALLIANCE

CONTENTS

	Page
Directors' report	1
Independent auditor's report to the members and directors	8
Statement of financial activities (incorporating income and expenditure account)	13
Balance sheet	14
Statement of cash flows	15
Notes to the financial statements	16
Detailed income and expenditure account	29

THE POVERTY ALLIANCE

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2023

The directors have pleasure in presenting their report and the financial statements of the charitable company for the year ended 31 March 2023.

The financial statements comply with the current statutory requirements, the Memorandum and Articles of Association and the Statement of Recommended Practice – Accounting and Reporting by Charities.

Objectives and activities

The Objectives of The Poverty Alliance are set out in our Articles of Association:

- To promote the alleviation of poverty and to assist the work of voluntary organisations, statutory authorities and others engaged in the relief of poverty and or other charitable purposes; and
- To promote and organise cooperation in the achievement of the above purposes or any of them and to improve the level of public knowledge and awareness of poverty issues.

The Board and staff team of The Poverty Alliance undertake work to apply these objectives to the social, political and economic context in which we operate. In 2022-23 five areas of activity that would help us fulfil our objectives. These five areas of activity were:

1. Supporting the development of policies and practices that promote social justice and combat poverty;
2. Working with people and communities experiencing poverty to help them to challenge poverty;
3. Building a strong anti-poverty network in Scotland;
4. Raising awareness about poverty and changing attitudes; and
5. Providing high quality research and knowledge about poverty in Scotland.

A wide range of activities are carried out by the staff team with our members and many others in each of these areas. In 2022-23 much of the focus of the work of The Poverty Alliance was around the increasing impact of the cost of living crisis. Our work, whether in relation to policy development, network development and support, working alongside people with experience of poverty or delivering new research, sought to focus on how we can address the impacts of the cost of living crisis both now and long term. In each of the areas the main activities have included:

1. Policy Advocacy: Much of our policy development and advocacy work was focused on the cost of living crisis. We worked closely with member organisations to lobby on a range of policy issues that could help mitigate the rising cost of living, in particular the rising cost of energy. We contributed to a range of parliamentary enquiries in both Westminster and Holyrood focused on the cost of living, but also related to a range of other relevant issues. In addition, we also undertook work in advance of the local government elections in 2022, including launching a manifesto for the elections.

Our policy work was also focused on contributing to the ongoing development of the Scottish Government's approach to addressing Child Poverty. We contributed to the launch of the new Child Poverty Delivery Plan and became members of the Child Poverty Programme Board, allowing us to represent the views and experiences of our members to senior Scottish Government civil servants. We have also been active in the continued development of the Minimum Income Guarantee in Scotland, contributing to the work of the Scottish Government's Expert Group on the MIG. Our policy work has also included support for the continued development of the Cross Party Group on Poverty which has become an important forum for civil society organisations to come together.

We have also continued to work on a variety of other policy issues during 2022-23, including transport and poverty, fuel poverty, mental health, and rural poverty.

Our work on issues related to in-work poverty continued to develop. Our work on expanding the number of Living Wage accredited employers continued. In addition, we added new aspects to this programme looking at the role of working hours in the reduction of in-work poverty.

Objectives and activities (continued)

2. Working with grassroots organisations and with people with direct experience of poverty is a central part of the work of The Poverty Alliance. During the last financial year, we worked in a variety of ways to ensure that there were opportunities for organisations and individuals to take part in our work. This included through the Get Heard Scotland project, which developed a new approach to contributing to specific areas of policy development. We also continued our work with the citizen led group End Poverty Edinburgh, where we support them to be an effective voice in the development of anti-poverty policy in the city. The Community Activist Advisory Group (CAAG) remains an important aspect of our work to engage people with direct experience of poverty, and we continue to expand our 'participation bank' of community members that are willing to speak out on a range of poverty related issues. Our Rights in Action has continued to work with grassroots community activists to build awareness and action around human rights and poverty.
3. We have continued to strengthen and develop our work with The Poverty Alliance members over the last year. We have provided regular information bulletins to our members and opportunities to engage in our work through events and members meetings. We have delivered targeted membership drives throughout the year to help build engagement.

As in previous years we have continued to provide a range of online events and activities for members. This has included online networking and training activities targeted at members in particular. We delivered online activities for Challenge Poverty Week, as well as our annual conference, AGM, webinars, members meetings and training.

4. Awareness Raising: We continue to produce a range of publications, including the Scottish Anti-Poverty Review, leaflets, briefing sheets, and toolkits. A key part of our awareness work is our work with the media. We have continued to undertake a wide range of media work and have significantly increased our capacity to deliver more media activity around Challenge Poverty Week.

Social media is increasingly important for all our awareness raising work and we have further developed our websites and social media channels over the last year.

Our focus on Challenge Poverty Week, a key element of campaigns and awareness work, remained in the current financial year. We have continued to run a range of other campaigns, particularly on social security (Scrap the Cap) and services (Everyone Aboard). Our work on Living Wage Scotland continued to have a significant awareness raising and communications function, ensuring that we were reaching a wider audience with information about the real Living Wage.

5. Research and Evidence: Our research and evidence work has been delivered through a range of projects during the last year. This included the Rights in Action project, Serving the Future (in partnership with The Fraser of Allander Institute and Institute for Inspiring Children's Futures, both at the University of Strathclyde). We also worked with the Scottish Women's Budget Group on research into the impact of the cost of living crisis. We also worked with partners on several other research projects covering Child maintenance, stigma, educational inequalities and mental health.

We have also continued our partnership with the Scottish Poverty and Inequality Research Unit at Glasgow Caledonian University and have developed our partnership with the Mental Health Foundation.

Achievements and performance (continued)

As can be seen from the summary above The Poverty Alliance carries out a very wide range of activities. All these activities are designed to help contribute to our overall objective of influence policy and practice to reduce poverty. Some of the key highlights over the last year have included:

1. **Influencing policy and practice:** We were focused in the last financial year in doing all we could to ensure that policy makers were taking all the action they could to address the cost of living crisis. We successfully lobbied the First Minister to organise a summit of energy companies to identify what additional steps could be taken to protect people at risk of fuel poverty. Two summits were held in the autumn and winter of 2022, which helped deliver improved access to advice and information.

We have supported the continued development of the Cross Party Group on Poverty in the Scottish Parliament, acting as the secretariate. We published the report of a comprehensive enquiry into rural poverty, which we have used to help influence policy at UK and Scottish levels and to identify further work for The Poverty Alliance.

We completed the delivery of a significant piece of Poverty Awareness Training (PAT) to more than 200 staff connected to Argyll and Bute Council. Our PAT programme continued to develop throughout the year with training delivered to a diverse range of organisations including Diabetes UK, the STUC and Skills Development Scotland. Linked to our PAT work we also delivered an ambitious programme of awareness raising work to Local Action Groups linked to the Leader Programme.

We significantly exceeded our targets for Living Wage Scotland during 2022-23. In total 566 new employers were accredited against a target of 400. This meant that just over 9,000 workers were uplifted to the real Living Wage. In total the number of accredited employers stood at 3,096 at the end of the financial year and more than 60,000 workers in Scotland had benefited from the real Living Wage since the project began in 2014.

Our work to expand the Living Wage Scotland offer also scored notable successes during the year. We accredited 13 new Living Hours employers, again exceeding our target and taking the total to 20 in Scotland. Living Wage Places continued to develop in 2022-23, with a new Aberdeen group launched. Our sectoral work in social care and hospitality also showed steady growth.

2. **Community Engagement:** Our Get Heard Scotland work delivered a number of important citizen engagement opportunities over the last financial year, despite a reduction in overall funding for the project. We successfully developed a new citizen panel model in the last year, which brought people with experience of poverty together with policy makers to contribute to the development of key pieces of policy. We delivered intensive participatory projects focusing on the Scottish Government's Fair Fares Review, the development of legislation on Community Wealth Building, the development of a new Tobacco Action Plan, and a contribution to a review of the Scottish Government's Lifetime Skills strategy. These projects each delivered on our objective to support people with direct experience of poverty to influence policy.

We continued to support the End Poverty Edinburgh (EPE) citizens group. EPE members contributed to over 40 meetings, including conversations with elected officials such as City of Edinburgh Council leader Cammy Day, collaborations with other organisations like Turn2Us and Edinburgh Community Food, and monthly planning meetings. End Poverty Edinburgh provided media interviews on television and radio, contributed to written pieces online, and presented at various events to spread awareness and increase their reach. The work in 2022-23 has been recognised as important to City of Edinburgh Council who supported the work as part of a successful application to the UK Shared Prosperity Fund, securing the work of EPE until 2025.

Achievements and performance (continued)

3. **Building a Strong Network:** Our regular members meetings proved to be a successful way of engaging our members, particularly around the issues related to the cost of living crisis. Six meetings were held throughout the year which were then used to contribute to a range of policy discussions.

A total of 154 organisations joined The Poverty Alliance during the course of the year, 117 of them as full members. This strong growth in membership was in part helped by a full programme of events that provided a range of opportunities for membership engagement. Notable achievements included our first in-person annual conference since 2019, which was attended by more than 200 participants and was addressed by the First Minister Nicola Sturgeon. Our Rights in Action programme delivered 15 awareness raising workshops to members across Scotland involving more than 130 participants. Our annual Challenge Poverty lecture was delivered by Darren McGarvey to an audience of more than 200. Challenge Poverty Week was also a focus for our involvement work, with nine Get Involved meetings organised, which involved more than 160 participants. In addition, we also delivered a wide range of activities, including multiple Ministerial meetings and a successful Living Wage Awards ceremony as part of Living Wage Week 2023.

These events are essential to maintain our engagement with our members and with all those who want to be active in tackling poverty.

4. **Awareness raising:** In 2022 we delivered a successful hybrid Challenge Poverty Week, which remains the focus of our awareness raising activity. More than 390 organisations took part in the week. Organisations and representatives from every key sector in Scotland participated, including schools and colleges, government bodies, faith groups, trade unions and professional bodies, elected representatives, local authorities, health organisations, charities and NGOs.

The coverage of Challenge Poverty Week in social media increased in 2022, with particular increases on Facebook and Instagram. We also continued to receive excellent media coverage for CPW, with 48 pieces of new media during the week.

An important element of our awareness raising work is the framing of issues of poverty. We have successfully delivered framing to more than 50 participants in the last year.

5. **Research:** We undertook important research looking at the impact of the cost-of-living crisis on women, delivered in partnership with the Scottish Women's Budget Group. This highlighted the particular challenges women faced. The report received extensive media coverage and is being used to contribute to our policy and advocacy work.

Over the last year we made significant progress with participatory research projects focused on human rights and in-work poverty. In both pieces of work we have successfully used the Action Learning Set methodology to bring a diverse range of participants together to contribute to the research process. Both projects will produce key outputs in early 2023-24.

We undertook a large scale survey of user of Child Maintenance, working with Fife Gingerbread. This research received more than 270 responses from parents across Fife. A full report will be published in 2023-24 and will be used in lobbying work with the Scottish Government.

Financial Review

The Poverty Alliance made a surplus of £132,678 (2022: £112,885) during the year. The Poverty Alliance's financial position has been stable over the last year. We continued to have funding agreements with Scottish Government for key programmes - Get Heard Scotland and Living Wage Scotland (LWS). Both these programmes provide significant security for the organisation. Public finances are under significant pressure and we expect both these funds to be under pressure in years to come. We have maintained regular dialogue with Scottish Government to secure the long term future of these programmes. Our income

THE POVERTY ALLIANCE

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2023

Financial Review (continued)

from the LWS programme also allows greater flexibility in the development of other activities and to support the wider work of The Poverty Alliance. We have continued to diversify our funding, with new projects funded by the Robertson Trust, Barrow Cadbury, and abrdn Financial Fairness Trust all adding to our financial security. We will be revising our future funding and income strategy in 2023-24 to ensure that our future as an organisation is secure.

We have continued to operate a reserves policy that aims for between 3 to 6 months operating costs. There are no doubts about The Poverty Alliance being a going concern. The Poverty Alliance currently has general unrestricted funds of £443,470 (2022: £337,844) and restricted funds of £66,322 (2022: £39,270). Furthermore, the charitable company had additional unrestricted designated funds of £195,271 (2022: £195,271) which have been designated as detailed in note 17.

Structure, Governance and Management

The Poverty Alliance is a registered charity and a company limited by guarantee. The Memorandum of Association of The Poverty Alliance allows for an Executive Committee (also known as the Board) of up to 15 members. Full board members are elected for a period of three years. In addition, the Board may also co-opt members to fill vacancies and may also co-opt up to five additional members.

Members of the Board are recruited from within the ordinary membership of The Poverty Alliance. Prior to the Annual General Meeting of the organisation all members receive nomination forms entitling them to nominate one individual to the Board. If the number of nominations exceeds the number of vacancies, then the election is made by secret ballot.

The first meeting following the AGM is an induction meeting for new members. This induction outlines the roles and responsibilities of Board members, the current and future activities, and an overview of the financial position of the organisation. Finally, board members elect officers of the board (Convenor, Vice Convenor and Treasurer), each of which serves for three years.

Day to day management of the budget and resources of The Poverty Alliance are delegated by the Board to the Director. The Director is responsible for reporting back to the Board on a regular basis, for ensuring that the policies of the Alliance are up to date and meet with best practice and for ensuring that the staff team receive appropriate support and supervision. The pay and benefits package for management staff in The Poverty Alliance is set by the Board, with advice from the Finance and General Purposes Group of the Board. Any changes in management gradings are agreed by the board and pay is then set in line with Scottish Joint Council (SJC) salary scales.

Managing Risk

The Poverty Alliance's board and Finance and General Purposes Group is responsible for reviewing risk. We have a Risk Register that is updated quarterly and allows for an ongoing assessment of risk in relation to funding, staffing, governance, reputation and structure. Maintaining adequate funding, diversifying our income and ensuring the wellbeing of the staff team remain key concerns. In relation to staffing, the staff team at The Poverty Alliance is relatively stable with acceptable levels of staff turnover.

We keep the pay and conditions of the staff team under review and seek to ensure that we provide amongst the best pay and conditions in our sector, and within the current resourcing boundaries. Finally, we have continued to maintain a diverse portfolio of funders and, in line with our Funding Strategy, have been establishing relationships with new potential funders. We have continued to maintain a close relationship with our core funder and will continue to develop new streams of earned income.

THE POVERTY ALLIANCE

**DIRECTORS' REPORT
FOR THE YEAR ENDED 31 MARCH 2023**

Reference and administrative details

The Board of Directors

Hugh Foy
Rachel McEwen (resigned 25 November 2022)
Eilidh Dickson (resigned 25 November 2022)
Marie Ward
Jimmy Wilson
Susan Lyons
Sharon Baldwin
Emma Louise Jackson
Innocent Jakisa
Uzma Khan
Trishna Singh
Bridget Ann Ashrowan
Mhoraig Green
Shirley Grieve
Polly Gemma Jones
Alisa Mary MacKenzie
Kirsty Seonaid McKechnie

Company Secretary

Peter Kelly

Registered Office

Standard Building, 3rd Floor Front, 102 Hope Street, Glasgow,
G2 6PH

Auditor

Azets Audit Services
Statutory Auditor
Titanium 1
King's Inch Place
Renfrew
PA4 8WF

Banker

Bank of Scotland
167-201 Argyle Street
Glasgow
G2 8BU

Solicitors

T C Young
7 West George Street
Merchants House
Glasgow
G2 1BA

Website address

www.povertyalliance.org

THE POVERTY ALLIANCE

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2023

Directors' Responsibilities

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102, 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the income and expenditure of the charitable company for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and Regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended). 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.

Disclosure of information to the auditor

To the knowledge and belief of each of the persons who are directors at the time the report is approved:

- So far as the directors are aware, there is no relevant information of which the charitable company's auditor is unaware; and
- The directors have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant information, and to establish that the company's auditor is aware of the information.

Small company exemptions

The report has been prepared in accordance with the special provisions for small companies under Section 419(2) of the Companies Act 2006.

Approval

This report was approved on behalf of the directors and signed on their behalf by:



Marie Ward

Dated 16/11/2023

THE POVERTY ALLIANCE

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS AND DIRECTORS FOR THE YEAR ENDED 31 MARCH 2023

Opinion

We have audited the financial statements of The Poverty Alliance (the charitable company) for the year ended 31 March 2023 which comprise the Statement of Financial Activities (incorporating the Income and Expenditure Account), the Balance Sheet, the Statement of Cash Flows, and the notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2023 and of its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard. We have fulfilled our ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least 12 months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

THE POVERTY ALLIANCE

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS AND DIRECTORS FOR THE YEAR ENDED 31 MARCH 2023

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 (as amended) require us to report to you if, in our opinion:

- adequate and proper accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- The directors were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemption in preparing the Directors' Report and take advantage of the small companies' exemption from the requirement to prepare a Strategic Report.

Responsibilities of the directors

As explained more fully in the directors' responsibilities statement set out on page 7, the directors (who are the directors for the purposes of company law and trustees for the purposes of charity law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with the Acts and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

The extent to which the audit was considered capable of detecting irregularities including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above and on the FRC's website, to detect material misstatements in respect of irregularities, including fraud.

We obtain and update our understanding of the charitable company, its activities, its control environment, and likely future developments, including in relation to the legal and regulatory framework applicable and how the entity is complying with that framework. Based on this understanding, we identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. This includes consideration of the risk of acts by the charitable company that were contrary to applicable laws and regulations, including fraud.

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities, and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the charitable company through discussions with management, and from our knowledge and experience of the charity sector;

THE POVERTY ALLIANCE

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS AND DIRECTORS FOR THE YEAR ENDED 31 MARCH 2023

- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the charitable company, including the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended), taxation legislation and data protection, anti-bribery, environmental, employment and health and safety legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with HMRC and the charitable company's legal advisors.

We assessed the susceptibility of the charitable company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected, and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

THE POVERTY ALLIANCE

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS AND DIRECTORS
FOR THE YEAR ENDED 31 MARCH 2023**

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and to the charitable company's directors, as a body, in accordance with regulation 10 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

Our audit work has been undertaken so that we might state to the charitable company's members, as a body, and the charitable company's directors, as a body, those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company, the charitable company's members as a body, and the charitable company's directors, as a body, for our audit work, for this report, or for the opinions we have formed.

Azets Audit Services

Allison Gibson, Senior Statutory Auditor

For and on behalf of

Azets Audit Services, Statutory Auditor

Eligible to act as an auditor in terms of Section 1212 of the Companies Act 2006

Chartered Accountants

Titanium 1

King's Inch Place

Renfrew

PA4 8WF

Date: 16 November 2023

THE POVERTY ALLIANCE

STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING THE INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2023

	Notes	Unrestrict- ed Funds - General 2023 £	Unrestrict- ed Funds – Developm- ent 2023 £	Unrestricted Funds - Contingency 2023 £	Restricted Funds 2023 £	Total Funds 2023 £	Unrestrict- ed Funds 2022 £	Unrestricted Funds Development 2022 £	Unrestricted Funds - Contingency 2022 £	Restricted Funds 2022 £	Total Funds 2022 £
Income											
Donations	4	15,699	-	-	-	15,699	7,568	-	-	-	7,568
Charitable activities	5	265,623	-	-	970,290	1,235,913	231,196	-	-	783,080	1,014,276
Other trading activities	6	769	-	-	-	769	2,037	-	-	-	2,037
Other income	7	903	-	-	-	903	32	-	-	-	32
Total income		282,994	-	-	970,290	1,253,284	240,833	-	-	783,030	1,023,913
Expenditure											
Charitable activities	8	(172,481)	-	-	(948,125)	(1,120,606)	(163,273)	-	-	(747,755)	(911,028)
Total expenditure		(172,481)	-	-	(948,125)	(1,120,606)	(163,273)	-	-	(747,755)	(911,028)
Net income		110,513	-	-	22,165	132,678	77,560	-	-	35,325	112,885
Transfers between funds		(4,887)	-	-	4,887	-	(195,271)	73,000	122,271	-	-
Net movements in funds		105,626	-	-	27,052	132,678	(117,711)	73,000	122,271	35,325	112,885
Reconciliation of funds											
Total funds brought forward		337,844	73,000	122,271	39,270	572,385	455,555	-	-	3,945	459,500
Total funds carried forward	16,17	443,470	73,000	122,271	66,322	705,063	337,844	73,000	122,271	39,270	572,385

The notes on pages 16 to 28 form part of these financial statements

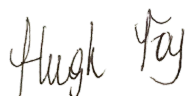
THE POVERTY ALLIANCE

BALANCE SHEET AS AT 31 MARCH 2023

	Note	2023 £	2022 £
Fixed assets			
Tangible assets	12	20,085	19,506
Current assets			
Debtors	13	168,995	303,668
Cash and cash equivalents		560,945	405,203
		<u>729,940</u>	<u>708,871</u>
Creditors: amounts falling due within one year	14	<u>(44,962)</u>	<u>(155,992)</u>
Net current assets		<u>684,978</u>	<u>552,879</u>
Net assets		<u>705,063</u>	<u>572,385</u>
Reserves			
Unrestricted funds – General	15,17	443,470	337,844
Unrestricted funds – Development	15,17	73,000	73,000
Unrestricted funds - Contingency	15,17	122,271	122,271
Restricted funds	15,16	66,322	39,270
Members funds		<u>705,063</u>	<u>572,385</u>

The financial statements have been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006 and with the Financial Reporting Standard 102.

These financial statements were authorised for issue by the directors on 16th November 2023 and are signed on their behalf by:



Director: Hugh Foy



Director: Marie Ward

Company number: SC136689

Charity number: SC019926

The notes on pages 16 to 28 form part of these financial statements

THE POVERTY ALLIANCE

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2023

	2023 £	2022 £
Cash flows from operating activities		
Net income for the reporting period	132,678	112,885
Adjustments for:		
Depreciation of tangible fixed assets	8,880	9,794
Decrease/(increase) in debtors	134,673	(254,802)
(Decrease)/increase in creditors	(111,030)	7,508
Net cash generated from/(used in) operating activities	165,201	(124,615)
Cash flows from investing activities		
Purchase of tangible fixed assets	(9,459)	(12,041)
Net cash used in investing activities	(9,459)	(12,041)
Change in cash and cash equivalents in the year	405,203	(136,656)
Cash and cash equivalents at the beginning of the year	155,742	541,859
Cash and cash equivalents carried forward	560,945	405,203

i) Analysis of changes in net debt	At 1 April 2022 £	Cash flows £	Other non- cash changes £	At 31 March 2023 £
Cash and cash equivalents				
Cash	405,203	155,742	-	560,945
Total	405,203	155,742	-	560,945

The notes on pages 16 to 28 form part of these financial statements

1. General information

The financial statements are prepared in Pounds Sterling (GBP) as that is the currency in which the charitable company's transactions are denominated. These financial statements represent the results of the charitable company only. The object of the charitable company is to promote the alleviation of poverty.

The Poverty Alliance is a private charitable company limited by guarantee, incorporated in the United Kingdom, and registered in Scotland. The charitable company's registered number is SC136689. The address of the charitable company's registered office is:

Standard Building 3rd Floor Front
102 Hope Street
Glasgow
G2 6PH

The charitable company 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 registered charity number is SC019926, and it is registered with the Office of the Scottish Charity Regulator (OSCR).

2. Accounting policies

The principal accounting policies applied in the preparation of these financial statements are noted below. These policies have been applied consistently to all the years presented, in dealing with items which are considered material in relation to the charitable company's financial statements unless otherwise stated.

Basis of Accounting

The financial statements have been prepared under the historical cost convention unless otherwise specified within the accounting policies and, in accordance with United Kingdom Accounting Standards including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice), the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102)", the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended).

The preparation of financial statements in compliance with FRS 102 requires the use of certain accounting estimates. It also requires management to exercise their judgement in the process of applying the accounting policies. Use of available information and application of judgement are inherent in the formation of estimates. Actual outcomes in the future could differ from such estimates. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 3.

2. Principal accounting policies (continued)

Going concern

As discussed in the Directors' Report, the charity has secured sufficient funding for the year to 31 March 2024. There are no borrowings, and the charity holds unrestricted funds of £638,741 as at 31 March 2023 and therefore the directors consider that it is appropriate to prepare the financial statements on the going concern basis.

Income

Income is recognised and included in the financial statements when all of the following criteria are met:

- The charitable company has entitlement to the funds;
- Any performance conditions attached to the item(s) of income have been met or are fully within the control of the charity;
- There is sufficient certainty that receipt of the income is considered probable; and
- The amount can be measured reliably.

Donations

Donations are recognised when the charitable company is entitled to the income, receipt is probable, and the amount can be measured reliably.

Charitable activities

Grant income received from funders in relation to the projects undertaken in the year. These are recognised as income in the period in which the performance conditions of the project are met.

Other trading activities

Monies received to cover the cost of expenses in relation to the projects undertaken in the year. These are recognised as income in the period in which they are receivable.

Other income

Bank interest received is credited in full as income in the period to which it relates.

Expenditure

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.

Charitable activities

These comprise those costs incurred by the charitable company in the delivery of its charitable activities and services.

2. Principal accounting policies (continued)

Expenditure (continued)

Allocation of support costs

Support costs are those functions that assist the work of the charitable company but do not directly undertake charitable activities. Support costs include office running costs, payroll, and governance costs. These costs are allocated to expenditure on charitable activities. The basis on which support costs have been allocated are set out in note 9.

Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Equipment – 20% on cost

Debtors

Trade debtors and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid after taking account of any trade discounts due.

Cash at bank and in hand

Cash at bank and 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.

Creditors

Creditors are recognised where the charitable company 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 are normally recognised at their settlement amount after allowing for any trade discounts due.

Financial instruments

The charitable company 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.

Operating leases

The charitable company classifies the lease of premises as operating leases; the title to the property remains with the lessor. Costs in respect of operating leases are charged on a straight line basis over the lease term.

Pension costs

The charitable company operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the charitable company. The annual contributions payable are charged to the Statement of Financial Activities.

THE POVERTY ALLIANCE

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

2. Principal accounting policies (continued)

Taxation

As a charity, The Poverty Alliance is exempt from tax on income and gains falling within sections 478-489 of the Corporation Tax Act 2010 to the extent that these are applied to its charitable objects. No tax charges have arisen in the charity.

Unrestricted funds

Unrestricted funds are available for use at the discretion of the members in furtherance of the general objectives of the charitable company.

Designated funds

Designated funds are unrestricted funds earmarked for particular purposes by the directors. The designation has an administrative purpose only and does not legally restrict the directors' discretion to apply the fund.

Restricted funds

Restricted funds are subjected to restrictions on their expenditure imposed by the donor or grant provider.

3. Judgements in applying accounting policies and key sources of estimation uncertainty

In preparing the financial statements, management is required to make estimates and assumptions which affect reported income, expenses, assets, and liabilities. Use of available information and application of judgement are inherent in the formation of estimates, together with past experience and expectations of future events that are believed to be reasonable under the circumstances. Actual results in the future could differ from such estimates.

The Board is satisfied that the accounting policies are appropriate and applied consistently. Key sources of estimation have been applied in determining the depreciation rates which have been based on the expected useful lives of the fixed assets, and the basis of apportionment of support costs which is deemed to be reasonable based on directors' knowledge of the operations of the charitable company.

	2023	2022
	£	£
4. Donations		
Donations received in year	<u>15,699</u>	<u>7,568</u>

THE POVERTY ALLIANCE

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

5. Income from charitable activities	Unrestricted funds – Core £	Restricted funds - Core £	Restricted funds – LWA £	2023 £
CORE	265,623	-	-	265,623
Living Wage Accreditation	-	-	388,000	388,000
Challenge Poverty Week	-	82,381	-	82,381
End Poverty Edinburgh	-	50,725	-	50,725
Scottish Government Get Heard Scotland	-	169,026	-	169,026
Leader Programme	-	28,000	-	28,000
Rights in Action	-	127,913	-	127,913
Knowledge is Power programme	-	3,500	-	3,500
SWBG and the Poverty Alliance	-	19,690	-	19,690
Serving the Future & PA	-	53,588	-	53,588
The Robertson Trust	-	5,000	-	5,000
Public Health Scotland	-	7,000	-	7,000
Fife gingerbread	-	6,667	-	6,667
SSE for living wage week	-	8,000	-	8,000
GHS - Renfrewshire Council	-	8,550	-	8,550
Barrow Cadbury Trust	-	12,250	-	12,250
	<u>265,623</u>	<u>582,290</u>	<u>388,000</u>	<u>1,235,913</u>
	<i>Unrestricted funds – Core £</i>	<i>Restricted funds - Core £</i>	<i>Restricted funds - LWA £</i>	<i>2022 £</i>
CORE	231,196	-	-	231,196
Living Wage Accreditation	-	-	380,000	388,000
Challenge Poverty Week	-	72,474	-	72,474
End Poverty Edinburgh	-	50,000	-	50,000
Scottish Government Get Heard Scotland	-	185,000	-	185,000
Rights in Action	-	58,050	-	58,050
Fair Food Fund	-	7,500	-	7,500
Peoples Health Trust	-	2,000	-	2,000
Perth & Kinross Child Poverty	-	5,000	-	5,000
Robertson Trust Mentor	-	6,100	-	6,100
University of Glasgow Universal credit	-	1,250	-	1,250
Strathclyde Uni Research	-	7,106	-	7,106
UCLan Peer Research	-	8,600	-	8,600
	<u>231,196</u>	<u>403,080</u>	<u>380,000</u>	<u>1,014,276</u>
6. Income from other trading activities			2023 £	2022 £
Reimbursement of expenses			<u>769</u>	<u>2,037</u>
			<u>769</u>	<u>2,037</u>

THE POVERTY ALLIANCE

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

7. Income from other sources	2023	2022
	£	£
Bank interest received	903	32

8. Expenditure on charitable activities

	Unrestricted - Core	Restricted - Living Wage Accreditation	Restricted - Core	2023 Total
	£	£	£	£
Printing, stationery, and postage	7,447	9,974	-	17,421
Consultancy	15,092	2,915	-	18,007
Venue hires and conference costs	11,847	5,672	-	17,519
Sessional payments	12,850	1,018	-	13,868
Equipment	-	865	-	865
Bank charges	32	-	-	32
Subscriptions	2,816	4,590	-	7,406
Participation	1,471	-	32,171	33,642
IT support	(1,557)	10,218	-	8,661
Miscellaneous	20,301	6,613	5,317	32,231
Governance costs (note 9)	8,346	4,554	-	12,900
Support costs (note 9)	93,836	320,700	543,518	958,054
	172,481	367,119	581,006	1,120,606

	Unrestricted - Core	Restricted - Living Wage Accreditation	Restricted Core	2022 Total
	£	£	£	£
Printing, stationery, and postage	12,878	9,239	-	22,117
Consultancy	15,490	-	-	15,490
Venue hires and conference costs	983	877	-	1,860
Sessional payments	3,524	-	-	3,524
Equipment	816	1	-	817
Bank charges	82	-	-	82
Subscriptions	3,065	6,938	-	10,003
Participation	-	(27)	11,161	11,134
IT support	6,668	5,401	-	12,069
Miscellaneous	29,203	12,231	10,372	51,806
Governance costs (note 9)	6,913	4,554	-	11,467
Support costs (note 9)	83,651	334,030	352,978	770,659
	163,273	373,244	374,511	911,028

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

9. Analysis of governance and support costs

The charitable company initially identifies the costs of its support functions. It then identifies those costs which relate to the governance function. Governance costs and other support costs are apportioned separately between the key charitable activities undertaken in the year (see note 8). Refer to the table below for the basis of apportionment and the analysis of support and governance costs.

	General support £	Governance function £	2023 Total £	Basis of apportionment
Catering and venue hire for directors and other business meetings	54,539	-	54,539	Invoiced events
Legal fees		860	860	Invoiced fees
Salaries, wages and related costs (note 11)	903,515	-	903,515	Allocated on time
Audit and accounting fees	-	12,040	12,040	Governance
	<u>958,054</u>	<u>12,900</u>	<u>970,954</u>	

	General support £	Governance function £	2022 Total £	Basis of apportionment
Catering and venue hire for directors and other business meetings	42,440	-	42,440	Invoiced events
Legal fees	-	2,317	2,317	Invoiced fees
Salaries, wages and related costs (note 11)	728,219	-	728,219	Allocated on time
Audit and accounting fees	-	9,150	9,150	Governance
	<u>770,659</u>	<u>11,467</u>	<u>782,126</u>	

10. Net income for the year

This is stated after charging:

	2023 £	2022 £
Depreciation	8,880	9,794
Auditor's fees - audit	11,355	9,130
Auditor's fees – non-audit fees	685	2,400
	<u>18,920</u>	<u>21,324</u>

11. Staff costs

The aggregate payroll costs were:

	2023 £	2022 £
Wages and salaries	778,179	629,274
Social security costs	80,031	61,966
Other pension costs	45,305	36,979
	<u>903,515</u>	<u>728,219</u>

During the year The Poverty Alliance had one member of staff remunerated in the band £60,000 - £70,000 (2022: nil) with employer pension contributions of £3,796 (2022: £nil). The Poverty Alliance has a stakeholder pension scheme in place, which is administered by Scottish Widows. The scheme is a Personal Pension Scheme whose assets are held separately from that of the charitable company.

THE POVERTY ALLIANCE

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

11. Staff costs (continued)

The key management personnel are deemed to be the management team at The Poverty Alliance. They received emoluments (including employers NI) of £152,433 (2022: £187,204) and pension contributions of £8,828 (2022: £9,578).

The average number of staff employed by the charitable company during the financial year was:

	2023	2022
	No.	No.
Number of Head Office staff	16	13
Number of Project staff	9	7
	<u>25</u>	<u>20</u>

12. Tangible fixed assets

Cost

	Equipment £
At 1 April 2022	60,589
Additions	9,459
Disposals	(1,718)
At 31 March 2023	<u>68,330</u>

Depreciation

At 1 April 2022	41,083
Charge for the year	8,880
Disposals	(1,718)
At 31 March 2023	<u>48,245</u>

Net book value

At 31 March 2023	<u>20,085</u>
At 31 March 2022	<u><u>19,506</u></u>

13. Debtors

	2023	2022
	£	£
Trade debtors	119,770	159,443
Prepayments and accrued income	49,225	144,225
	<u>168,995</u>	<u>303,668</u>

14. Creditors: amounts falling due within one year

	2023	2022
	£	£
Trade creditors	9,418	30,242
Tax and social security	1,341	16,629
Accruals and deferred income	19,965	102,398
Other creditors	14,238	6,723
	<u>44,962</u>	<u>155,992</u>

THE POVERTY ALLIANCE

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

15. Analysis of net assets between funds	Tangible Fixed Assets £	Other Net Assets £	Total 2023 £
Restricted Funds	14,908	51,414	66,322
Unrestricted Funds - General	5,177	438,293	443,470
Unrestricted Funds - Development	-	73,000	73,000
Unrestricted Funds - Contingency	-	122,271	122,271
	<u>20,085</u>	<u>684,978</u>	<u>705,063</u>

Analysis of net assets between funds	Tangible Fixed Assets £	Other Net Assets £	Total 2022 £
Restricted Funds	8,902	30,368	39,270
Unrestricted Funds - General	10,604	327,240	337,844
Unrestricted Funds - Development	-	73,000	73,000
Unrestricted Funds - Contingency	-	122,271	122,271
	<u>19,506</u>	<u>552,879</u>	<u>572,385</u>

16. Restricted funds	At 1 April 2022 £	Income £	Expenditure £	Transfers £	At 31 March 2023 £
Living Wage Accreditation	10,701	388,000	(367,119)	-	31,582
Challenge Poverty Week	-	82,381	(82,381)	-	-
End Poverty Edinburgh	-	50,725	(45,294)	-	5,431
Scottish Government Get Heard Scotland	785	169,026	(169,811)	-	-
Leader Programme	-	28,000	(28,000)	-	-
Rights in Action	27,784	127,913	(138,638)	-	17,059
Knowledge is Power programme	-	3,500	(3,500)	-	-
SWBG and the Poverty Alliance	-	19,690	(19,690)	-	-
Serving the Future & PA	-	53,588	(58,475)	4,887	-
The Robertson Trust	-	5,000	(5,000)	-	-
Public Health Scotland	-	7,000	(7,000)	-	-
Fife gingerbread	-	6,667	(6,667)	-	-
SSE for living wage week	-	8,000	(8,000)	-	-
GHS - Renfrewshire Council	-	8,550	(8,550)	-	-
Barrow Cadbury Trust	-	12,250	-	-	12,250
	<u>39,270</u>	<u>970,290</u>	<u>(948,125)</u>	<u>4,887</u>	<u>66,322</u>

16. Restricted funds (continued)

Living Wage Accreditation – This is an initiative funded by the Scottish Government to encourage employers in Scotland to become accredited Living Wage employers.

Challenge Poverty Week – This is a Poverty Alliance Initiative designed to provide a platform to allow civil society organisations to highlight the contribution they are making to address poverty and to develop a more ‘positive’ solutions focused approach to discussions regarding poverty. (Joseph Rowntree Foundation funded).

End Poverty Edinburgh - End Poverty Edinburgh is an independent group of citizens formed during the latter stages of the Edinburgh Poverty Commission to ‘hold the baton’ and include voices of experience in efforts to end poverty in the city. It aims to raise awareness of poverty in Edinburgh, influence decision-making within Edinburgh Partnership and beyond and hold the city to account in responding to the Commission’s calls to action. It is a practical model of co-production in action. The Poverty Alliance’s role has been to support and facilitate the work of End Poverty Edinburgh through a Community Participation Officer who has developed deep relationships with the group as well as bringing their own experience of living with poverty. They connect to Poverty Alliance’s expertise and knowledge on the causes and consequences of poverty and methods to tackle a poverty of participation. (City of Edinburgh Council/JRF funded).

Scottish Government Get Heard Scotland – Over the last 3 years the Scottish Government’s support for the work of the Poverty Alliance has been focused through the Get Heard Scotland project. This project has sought to – Support community and voluntary organisations to contribute to the implementation of Scottish Government’s Tackling Child Poverty Delivery Plan (TCPDP), and to the development of Scottish Government and Local Authority/Health Board annual progress reports; Provide feedback and input to Scottish Government and other policy makers on a range of initiatives on the development of policies related to the Child Poverty Act and TCPDP; Contributing to the development of more empowered and engaged communities and individuals on issues of poverty.

Leader Programme – Funded by Scottish Rural Network, Leader is a bottom-up method of delivering support to communities for rural development. The aim is to increase support to local rural community and business networks to build knowledge and skills and encourage innovation and cooperation in order to tackle poverty.

Rights in Action – The Rights in Action project has 3 main components – ‘Know your Rights’ workshops to raise awareness of how human rights can be used as a tool in the fight against poverty; Learning groups that create opportunities for community organisations and community members to share experiences, learn and identify community action; Participatory research projects that enable community researchers to generate learning on the overlaps between human rights and intersections of inequality, and undertake action. (Funded by Scottish Government Equality & Human Rights Division/Inspiring Scotland).

Knowledge is Power – A programme from SCDC and The Poverty Alliance to support community led action research. The 2 year programme will support community organisations to develop their own evidence to influence change in their communities, and to take forward actions for improvement. The research evidence generated will be used to help shape policy at a national level across Scotland. Funded by the National Lottery Community Fund.

SWBG – A project carried out in conjunction with Scottish Women’s Budget Group looking to provide evidence on what the cost-of-living crisis means for women on low incomes in Scotland. The purpose of the work was to provide an evidence base and policy recommendations focused on the Scottish budget to better respond to the cost-of-living crisis and identifying practical action for local government and public bodies to address issues around the cost of living. Supported with funding from abrdn Financial Fairness Trust and SWBG.

Serving the Future – Funded by Robertson Trust (Partners in Change), this project in conjunction with University of Strathclyde looks to work with hospitality employers, as well as with people in the sector to identify and implement meaningful change to reduce the risk of in work poverty.

THE POVERTY ALLIANCE

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

16. Restricted funds (continued)

Robertson Trust £5k – Funding to help Poverty Alliance develop a proposal around Taking Action on Rural Poverty.

Public Health Scotland – A piece of work involving recruiting participants with lived experience of being a parent/carer living on a low income. Participants came from a range of priority groups, with a range of experiences including in work poverty, impact of Covid 19, and the current cost of living crisis. The purpose of the work was to help inform the SG Child Poverty e-learning module.

Fife Gingerbread – Research project “Child Maintenance – Understanding the local context and solutions”. The project outcome is to influence the design of the solutions to poverty within Fife and ensure that stakeholder discussion and commentary on child poverty is informed by our evidence.

SSE for Living Wage Week – Corporate sponsorship of promotional activity and event costs relating to the Living Wage Scotland Awards ceremony 2022.

GHS – Renfrewshire Council – Get Heard: Participation, poverty and practice in Renfrewshire. A piece of work to develop a model of participation that will have a practical impact on local policy making and result in meaningful engagement on the part of both people with lived experience and policy makers. The Poverty Alliance’s role was to provide expert advice around good practice in developing models of participation, as well as supporting effective facilitation of panel meetings. This work was funded by Renfrewshire Council.

Barrow Cadbury – This project, funded by Barrow Cadbury, enables continued development of a partnership between Fair By Design and The Poverty Alliance. This grant will enable a flexible partnership to be developed in which The Poverty Alliance contributes to a number of activities including lived experience sessions on various topics. The purpose of the project is to enable people with lived experience to inform and participate in the Fair By Design campaign.

	<i>At</i> <i>1 April</i> 2021 £	<i>Income</i> £	<i>Expenditure</i> £	<i>Transfers</i> £	<i>At</i> <i>31 March</i> 2022 £
Living Wage Accreditation	3,945	380,000	(373,244)	-	10,701
Challenge Poverty Week	-	72,474	(72,474)	-	-
End Poverty Edinburgh	-	50,000	(50,000)	-	-
Scottish Government Get Heard Scotland	-	185,000	(184,215)	-	785
Rights in Action	-	58,050	(30,266)	-	27,784
Fair Food Fund	-	7,500	(7,500)	-	-
Peoples Health Trust	-	2,000	(2,000)	-	-
Perth & Kinross Child Poverty	-	5,000	(5,000)	-	-
Robertson Trust Mentor	-	6,100	(6,100)	-	-
University of Glasgow	-	1,250	(1,250)	-	-
Strathclyde Uni Research	-	7,106	(7,106)	-	-
UCLan Peer Research	-	8,600	(8,600)	-	-
	<u>3,945</u>	<u>783,080</u>	<u>(747,755)</u>	<u>-</u>	<u>39,270</u>

THE POVERTY ALLIANCE

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

	At 1 April 2022 £	Income £	Expenditure £	Transfer £	At 31 March 2023 £
17. Unrestricted funds					
General	337,844	282,994	(172,481)	(4,887)	443,470
Development	73,000	-	-	-	73,000
Contingency	122,271	-	-	-	122,271
	<u>533,115</u>	<u>282,994</u>	<u>(172,481)</u>	<u>(4,887)</u>	<u>638,741</u>
	At 1 April 2021 £	Income £	Expenditure £	Transfer £	At 31 March 2022 £
General	455,555	240,833	(163,273)	(195,271)	337,844
Development	-	-	-	73,000	73,000
Contingency	-	-	-	122,271	122,271
	<u>455,555</u>	<u>240,833</u>	<u>(163,273)</u>	<u>-</u>	<u>533,115</u>

Development designated fund – this fund has been designated to help develop future opportunities.

Contingency designated fund - this has been created relating to statutory redundancy costs, so that The Poverty Alliance can ensure it can meet any future obligations to staff when required and also to create a long term absence reserve to ensure that any additional unfunded expenditure relating to staffing incurred is able to be met by the organisation.

THE POVERTY ALLIANCE

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

18. Operating lease commitments

At 31 March 2023 the charitable company had total revenue commitments as set out below:

	2023	<i>2022</i>
	Property	<i>Property</i>
	£	£
Operating leases which expire:		
Within 1 year	24,000	<i>24,000</i>
Between 1 – 5 years	78,000	<i>96,000</i>
More than 5 years	-	<i>6,000</i>
	<hr/>	<hr/>
Total lease commitments	102,000	<i>126,000</i>
	<hr/> <hr/>	<hr/> <hr/>

19. Related party transactions

There were no transactions with related parties during the year (*2022: £nil*). No amounts were due to or from the directors as at 31 March 2023 (*2022: £nil*).

20. Trustees' expenses and remuneration

There were no expenses or remuneration paid to trustees in this financial year (*2022: nil*).

21. Members' liability

The charity is limited by guarantee. In the event of it being wound up the members may be required to contribute a sum not exceeding £1.

THE POVERTY ALLIANCE

**DETAILED INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2023**

	Core £	Living Wage Accreditation £	Other Restricted £	Total 2023 £	Total 2022 £
Income					
Donations	15,699	-	-	15,699	7,568
Grants	265,623	388,000	582,290	1,235,913	1,014,276
Reimbursement of expenses	769	-	-	769	2,037
Bank interest receivable	903	-	-	903	32
	<u>282,994</u>	<u>388,000</u>	<u>582,290</u>	<u>1,253,284</u>	<u>1,023,913</u>
Expenditure					
Printing, stationery, and postage	7,447	9,974	-	17,421	22,117
Consultancy	15,092	2,915	-	18,007	15,490
Venue hires and conference costs	11,847	5,672	-	17,519	1,860
Sessional payments	12,850	1,018	-	13,868	3,524
Equipment	-	865	-	865	817
Bank charges	32	-	-	32	82
Subscriptions	2,816	4,590	-	7,406	10,003
Participation	1,471	-	32,171	33,642	11,134
IT support	(1,557)	10,218	-	8,661	12,069
Miscellaneous	20,301	6,613	5,317	32,231	51,806
Governance costs	8,346	4,554	-	12,900	11,467
Support costs	93,836	320,700	543,518	958,054	770,659
	<u>172,481</u>	<u>367,119</u>	<u>581,006</u>	<u>1,120,606</u>	<u>911,028</u>
Surplus	<u><u>110,513</u></u>	<u><u>20,881</u></u>	<u><u>1,284</u></u>	<u><u>132,678</u></u>	<u><u>112,885</u></u>

This page does not form part of the audited financial statements.