

# APT Action on Poverty

## Report and Audited Financial Statements

### 31 December 2020



## APT Action on Poverty

### Reference and administrative details

**For the year ended 31 December 2020**

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**Company number** 01872538

**Charity number** 290836

**Registered office and operational address** Nicholas House  
Heath Park  
Main Road  
Crophorne  
Persnore  
Worcestershire, WR10 3NE

**Trustees** Trustees, who are also directors under company law, who served during the year and up to the date of this report were as follows:

Helen Altshul  
Jake Bharier  
Brian Capper  
David Elliott  
Neil Fray  
Malcolm Harper  
Louise Locke  
Justine Williams

**Chief executive** Alex Daniels

**Company secretary** Elizabeth Chard

**Bankers** Barclays Bank plc                      Virgin Money plc  
128 High Street                      Jubilee House  
Cheltenham                              Gosforth  
GL50 1EL                                NE3 4PL

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

**Auditors** Godfrey Wilson Limited  
Chartered accountants and statutory auditors  
5th Floor Mariner House  
62 Prince Street  
Bristol  
BS1 4QD

## **APT Action on Poverty**

### **Report of the trustees**

#### **For the year ended 31 December 2020**

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The trustees are pleased to present their report and accounts for the year ended 31 December 2020, which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes. The accounts comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

#### **Structure, governance and management**

The company is limited by guarantee, was registered as a charity in 1985 and is governed by its Memorandum and Articles of Association.

The trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the company's aims and objectives and in planning future activities and are therefore confident that APT Action on Poverty ('Action on Poverty') meets the public benefit requirements.

When considering the appointment of trustees the board give regard to the skills audit of existing trustees, the requirement for any specialist skills, and the ability to contribute to the charity's governance and objectives. The key element of the trustee's induction is to ensure a sound understanding of the charity's mission, principles and strategy as well as the legal obligations of trustees. The induction process for new trustees involves a combination of provision of key documents plus communications and face to face discussions with the Chair of the trustees and the Chief Executive. New trustees are required to comply with company law requirements and declare any interests.

The Chief Executive of Action on Poverty, Alex Daniels, is appointed by the trustees to manage the day to day operations of the charity and ensure the overall implementation of the organisational strategy as agreed by the trustees. The Chief Executive and the Chair of the trustees communicate on a regular basis.

#### **Objectives and activities for the public benefit**

##### **Our Vision:**

*A fair world free from poverty and discrimination where every person is empowered to fulfil their potential.*

##### **Our Mission:**

*To transform lives and promote economic empowerment and social change by helping vulnerable and socially excluded people achieve sustainable livelihoods and by addressing the barriers that limit their participation.*

We aim to achieve our objectives through delivering programmes targeting specific sectors, communities and/or disadvantaged groups. These programmes all have a livelihood focus (accessing employment, incomes and/or increased food production) together with addressing inequalities and exclusion of target beneficiaries to secure sustainable and transformational change. We deliver this through working together with overseas partners and their beneficiaries to design programmes and activities in the various countries in which we operate. The nature of the activities will depend upon the local needs prioritised and the capacity/experience of the partners.

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Our key strengths are our experience with:

- Promoting enterprise and decent work;
- Reaching marginalised people (particularly women and people with disabilities); and
- Building the capacity of organisations – including our partners, CBOs (Community Based Organisations) and other stakeholders.

#### **Achievements and performance**

By the end of 2020 there were six active programmes delivering high quality, effectively monitored work and sustainable impact. Two of these also have significant extensions for 'COVID Rapid Response' projects.

The global impact of COVID-19 is likely to be felt for a long time here in the UK and in the poorest communities in sub-Saharan Africa where we work, with both economic and social impact. The impact in sub-Saharan Africa has not been as serious as in the UK. However, statistical data, health facilities, reporting and testing are all extremely poor with movement restrictions severely hindering access to food and other basic needs. Despite the increased needs many funding sources have faced disruptions and have declined. No overseas travel has taken place since January 2020 and this has meant that project managers have conducted meetings online and have developed different approaches to supporting and managing projects. For most of 2020, staff have been working from home with weekly project management meetings held via Zoom, staff meetings have been held monthly and interim meetings arranged as and when necessary.

Despite the challenges Action on Poverty has made an impact this year which went far beyond our expectations. We have helped over 51,000 beneficiaries directly during 2020 to obtain sustainable livelihoods so that they can secure enough food, medicines and education for themselves and their children and a life with more respect and dignity. A further 100,000 people have been helped through being better informed, empowered and/or as dependants of the direct beneficiaries. To extend the impact and to build for the future our work has also helped 452 small community organisations, disabled people's organisations, and producer groups to become more effective in helping their members collaborate for increased incomes, obtain better services and/or to influence other stakeholders to ensure their needs are not excluded in the future.

Within this, we consider that poverty and gender inequality are inextricably linked and this continues to be reflected in our work and more than half of our current beneficiaries are women. We also continue to support mainstream people with disabilities into our work and to support programmes that promote their inclusion.

We have continued to have considerable success with key institutional donors adding the National Lottery Fund and increasing funding from UK Aid and European funding. This is despite the uncertainty resulting from the merger of the Department for International Development (DFID) with the Foreign Office and the heavy cuts in the 0.7% of Gross Domestic Product (GDP) target for overseas aid. In terms of diversification, the number of different institutional donors and trusts providing grants of over £10,000 was 7 in 2020 (up from 5 in 2019). Continued emphasis was given to securing significant levels of donations from trusts and foundations and this has continued to be successful. Donations from trusts have been approximately 20% of our total income in 2020. We have received a grant of £32,787 from the Turing Foundation for apprenticeship work with young people, a grant of £10,000 as part of a three year grant from the Marr Munning Trust for young women in Sierra Leone and a £25,000 contribution as part of a three year grant from the Medicor Foundation to improve livelihoods and food security for vulnerable people in Sierra Leone.

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#### For the year ended 31 December 2020

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In April 2020 we were approached by the charity African Initiatives (Registered Charity No. 1064413) as to whether we would be interested in taking over the management of a project in Tanzania as sadly they were planning to close in the Spring of 2021. The project is concerned with building the capacity of village savings and credit groups and their ability to mainstream people with disabilities in their work. This is a good strategic fit for Action on Poverty and we are pleased to be able to help the good work continue. The project is funded by the National Lottery Fund and, after much discussion between the parties and due diligence procedures we took over the management of the 'Tusonge' project in November 2020. This project is included in the performance of programmes detailed below.

#### Performance of programmes

##### Sierra Leone

##### **'Livelihoods and Food Security for Vulnerable People in Sierra Leone'** (April 2018 - June 2021)

This project is with our partner Movement for Assistance and Promotion of Rural Communities (MAPCO) and funded by the Foreign, Commonwealth and Development Office (FCDO), previously DFID, through UK Aid with matched funding from Medicor Foundation. The project addresses the chronic poverty faced by rural communities with inadequate incomes, food and nutrition, especially children and vulnerable mothers in Moyamba District one of the two poorest districts in the country. This situation is exacerbated by gender and disability discrimination and the unemployment of youth.

Through a proven sustainable Community Based Organisation (CBO) support model these vulnerable groups are being targeted in 15 communities (64,000 people) to improve livelihoods and food security through access to resources, markets, knowledge, skills in agriculture and enterprise together with integrated inputs on women's and youth empowerment and well-being.



*The project has expanded to incorporate COVID-19 rapid response activities over a six month period September 2020 – February 2021.*

*These included sensitising communities in both Moyamba and Pujehun providing hand washing stations and latrines, improving water sources and supporting the CBO loan schemes to cope with the crisis. Also promoting livelihood activities to respond to the Covid restrictions such as by increasing vegetable production for their own consumption and for sale rather than reliance on petty trading when markets were closed.*

The project continues to be successful in terms of depth, outreach and sustainability of its impact. Two meals per day are being eaten by 98% of participating families compared with only 34% at the start of the project. Over 22,000 people have increased their household income by at least 50% and 15 communities have increased access to drinking water.

MAPCO held an experience sharing meeting with other Non-Government Organisations (NGOs), they then cascaded the information to 15 Community Based Organisations (CBOs). All MAPCO staff attended a disability-awareness toolkit training and are in turn holding CBO based training on disability awareness.

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Action on Poverty were pleased to be asked by UK Aid Direct to do a webinar presentation to other grant holders on the subject of 'Women and Financial Inclusion and the Impact of COVID-19' on revolving loan schemes. Our project with MAPCO showed that loan repayments were still on schedule and that adaptations had been made to ensure the viability of the scheme and continued support of the CBOs.

The project was due to end in March 2021 but has been extended for a further three months as a result of the FCDO cuts (across all grants during 2020) which required that savings in 2020 were transferred to 2021. An external evaluation will be carried out in April 2021.

#### **'The Empowerment and Education of Young Mothers, Women and Girls'** (August 2018 - August 2021)

In August 2018 with our partner Community Action for Rural Development (CARD) and with funding from the European Union we began a project to empower 3,500 young women in 40 rural communities in Kenema District both economically and socially. They will access literacy, business skills, apprenticeships and rights training. Forty CBOs and five NGOs will be strengthened to deliver these services and to operate more effectively in the future. The project includes an understanding of the mechanisms to protect young women from gender-based violence and will foster attitudinal change among men and community leaders.

The project is progressing well in all areas. The second year of this 3-year project was completed at the end of August. The five NGOs have all improved their capacity to deliver services including improved skills in project management, monitoring, fundraising, advocacy and networking. They have gained experience in delivering a range of project interventions and are more aware of the importance of engaging with women and people with disabilities. Thirty staff and volunteers of the five NGOs have received additional training and the five NGOs have networked well with other departments and partners. The 40 CBOs have developed their management, improved planning and roles and responsibilities and established or expanded Village Savings and Loan Associations (VSLAs).

During the COVID-19 pandemic, the NGOs and CBOs coordinated well to deliver awareness raising and prevention activities in their communities with an additional small grant from Action on Poverty.

The third year of the project is progressing well. Disability awareness training was held for all five NGOs and the learning from this will be cascaded down to the 40 CBOs. Some of the CBOs have started up new literacy circles and apprenticeships and the VSLA schemes are operating well in all 40 communities. The five NGO partners have worked with the CBOs and local leaders to set up oversight committees that can continue to monitor and support the VSLAs, literacy training and apprenticeships after the project ends in August.

The Turing Foundation is also contributing to this project by supporting the apprenticeship training of 200 of the most vulnerable women especially those with disabilities and young mothers. Over 100 have completed their training programme. They have also received business training and are earning some income from their improved skills and benefiting from the revolving loan schemes that the project has helped them establish.

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#### **'Empowering Local Communities in Pujehun District'** (November 2019 - October 2022)

This three year project started in November 2019 with funding from the European Union. We are providing technical support to the project being implemented by our partner MAPCO as they take on their first large project as the lead. The project will create lasting change by enhancing the capacity of community structures (CBOs), Village Development Committees (VDCs), Ward Development Committees (WDCs) and nine other rural chiefdoms in Pujehun District to improve integrated governance and deliver services on poverty reduction to 5,700 vulnerable families (approximately 30,000 people). It will contribute to the empowerment of marginalised and vulnerable communities in some of the most disadvantaged areas enabling women, youth and people with disabilities to access employment opportunities and earn sustainable incomes. It will increase the incomes of 4,560 vulnerable families bringing benefits to approximately 24,000 people.

The project has progressed well in its first year. CBOs in 19 rural communities have been established and have elected leaders from within their communities including a high representation of marginalised groups (62% women and 23% people with disabilities). All 19 CBOs are successfully delivering new livelihoods services in their communities with 59% of target households reached (18,969 people) by the end of year one. This has already impacted income levels as 40% of families have increased their incomes by at least 30%. VDCs and WDCs have been supported to improve their understanding of their roles and responsibilities and how to fulfil them which has increased their capacity to function effectively.



*Kadiatu is currently taking part in a weaving apprenticeship. With mentoring from a local artisan she now designs and creates her own woven dresses. MAPCO has supported the trainee weavers to locate reasonably priced materials and the tools needed to make quality products and meet market demand. Kadiatu is now making five dresses a month.*

*She says 'I am proud of my contribution to household income and I save the rest of my earnings for unforeseen circumstances'.*

In early March there were 3,937 confirmed cases of COVID-19 in Sierra Leone and 79 deaths. There has been a small increase in the number of cases in our project districts since November and there has recently been a two week travel ban for Western Area. The outbreak of the Ebola virus in neighbouring Guinea is of great concern.

#### **Kenya**

Whilst Kenya is making some progress in its GDP as a country inequalities remain very challenging and our focus is on reaching those who are particularly marginalised.

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#### **Strengthening the Implementation of the CRPD (Convention on the Rights of Persons with Disabilities) with Women with Disabilities in Kenya and Uganda (January 2019 – December 2021)**

SITE Enterprise Promotion Limited (SITE), a long-term partner of Action on Poverty, is the lead partner of this project which will improve the implementation of the CRPD in order to promote the full and equal enjoyment of all human rights by women living with disabilities. It is managed from Kenya with Action on Poverty providing a technical support role along with two other partners KUB (Kenya Union of the Blind) and NUWODU (National Union of Women with Disabilities of Uganda). The focus within the CRPD is on Articles 6 (women) and 27 (livelihoods).

This is an ambitious project. The anticipated result is that the CRPD is more effectively implemented in Kenya and Uganda with specific reference to gender and livelihoods, enterprise and employment, and demonstrated in three selected areas. These are Meru and Machakos (Kenya) and Gulu (Uganda). The primary beneficiaries are 51,135 women with disabilities in Kenya and 21,526 in Uganda. It will integrate disability into wider human rights work specifically enabling access to services and resources to secure livelihoods, enterprise and employment for women with disabilities.

This project is making good progress despite being hindered by the indirect impact of COVID-19 due to the level of networking and linkages required. In early March 2021, there were 111,000 confirmed cases of COVID-19 and 1,899 deaths recorded in Kenya. Healthcare workers have been particularly affected. Testing is privatised and expensive, suggesting that a large number of cases go undetected as many people cannot afford to buy tests.

Nevertheless, the project has made good progress towards establishing co-ordinated and progressive efforts by many stakeholders to include women with disabilities in the targeted areas currently and in the longer term. Over 12,589 Women with Disabilities (WWD) have been recruited by 369 Disabled Persons Organisations (DPOs), which have been strengthened in leadership, management and representation of their members. New joint campaigns and collaborations including 157 new forums have improved effective engagement between DPOs leaders and duty-bearers. County and district plans and budgets increased recognition and inclusion of people with disabilities, including COVID-19 food aid, ramps to enable access to shops in the market, white canes and COVID-19 masks. WWDs totalling 288 were trained in enterprise, money management, record keeping and business skills and these women trained a further 1,740 WWDs.

#### **Improved Livelihoods and Resilience through Camel Milk**

During the latter part of 2020, we made preparations to start on the third phase of our highly successful 'CAMILI' project. We have been working with our partner SITE since 2014 to transform the camel milk value chain, improving productivity and competitiveness of camel milk and value added products. The second phase lasting 18 months of the project ended in January 2019 and exceeded its targets so now we want to consolidate and expand on the achievements.

Some of the funding had been secured by the end of December 2020 for this new phase of the project to increase the quantity and quality of camel milk and develop sustainable livelihoods, increasing incomes and food security. We are planning that 5,350 people involved in the 'industry' will benefit from an average 35% increase in incomes thereby reducing poverty and hunger among 5,350 households in vulnerable and fragile pastoralist communities. The nutritional status of 5,000 children under the age of five will be improved, 2,200 women milk traders will benefit from improved working conditions and access to equipment to sustain and grow their small enterprises. Additionally, 1,250 people will access new employment through the camel milk sector. Many thousands more will also benefit indirectly by having greater access to camel milk and its valuable nutritional qualities.

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##### Uganda

##### **Skilling Youth for Sustainable Livelihoods in Refugee Hosting Communities** (October 2019 – September 2021)

This is a two year project designed to increase employment opportunities for marginalised youth, including refugees in Agago and Lamwo Districts in Northern Uganda. It will address the skills, knowledge and experience gap that hinders young peoples' ability to generate income or gain employment. The project is partnering with Volunteer Efforts for Development Concerns (VEDCO) and they have a strong team in place to cope with the challenges of undertaking sustainable development work in an area that has both severe deprivation and long-term emergency aid.

Eight hundred young people aged 18-24 (50% female, at least 5% people with disabilities and 35% refugees) will be trained in market-relevant technical and employability skills. Of these, 70% will earn an income through employment or self-employment and youth in general will have improved representation and engagement in public and private sectors.

In September we were requested by UK Aid Direct to reduce our budget by 25% and to transfer the savings to the next financial year. This has had a significant impact on the project's workplan. The project is now in its second year and has trained the first cohort of 400 and started training the second cohort of 150 young people, working with 10 local businesses to provide work placements. The remaining 250 young people are expected to be brought on board in April 2021, later than planned due to budget cuts. This delay has caused some issues with local authorities as at the project inception meetings we had committed to enrolling 400 young people in the second cohort. It was agreed with the authorities that 50 young people would be selected in Agago district and 100 from Lamwo district including some from the refugee settlement.

*Isaac is 17 years old from Palabek Gem sub county, Lamwo district. His friend encouraged him to go to meetings to find out about this project. He was selected for the project and chose a training course in tailoring as not many men work in tailoring. It seemed like a good opportunity for him to try something new. After his placement he received a start-up kit, which enabled him to open a tailoring workshop. He is now earning 250,000 UGX a month on average and his savings have increased. His life has changed a lot as he used to spend time gambling but now he is focussed on his tailoring business. He supports his family by contributing food for the household. He hopes to be a role model to inspire other youth in the community. He is planning to study design in the future after saving enough money to study. "You cannot make the situations in life but you can have the right attitude to fit those situations" he said.*



VEDCO is drawing on learning and feedback from the first cohort of youth trainees to adapt and improve the project plans for the second year. This includes using feedback from the youth on the topics that they particularly valued within life skills and business skills training to tailor the training schedule for the second cohort. VEDCO is continuing to conduct monitoring visits and provide business mentoring support for young people from the first cohort who have set up their own businesses.

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In early March 2021, there were 40,535 confirmed cases of COVID-19 and 334 COVID-19 related deaths in Uganda. The rate of infection has steadily increased in recent months but lockdown restrictions have continued to ease, for example with mass gatherings now permitted with up to 200 people. Political tensions prior to, during and following the national elections were also closely monitored by us and our partners.

The COVID-19 Rapid Response project began on 1 October 2020 and is progressing well. Households totalling 800 of which 560 are led by women have been supported with local vegetable seeds for backyard gardens. Incomes are being quickly generated from fast maturing local vegetables such as cow peas. Twenty two people, including nine People With Disabilities (PWD) have been trained and supported in groups with materials to produce liquid soap and linked to fellow beneficiaries in both projects to market their products. Handwashing facilities were also provided to 800 households. Radio programmes have reached 23,000 people with key messages on COVID-19 awareness and prevention.

As mentioned under '**Kenya**' earlier we are also '**Strengthening the Implementation of the CRPD with Women with Disabilities**' and specifically with 21,516 women with disabilities in Uganda.

#### **Tanzania**

As mentioned above, in November 2020 we took over the management of a project entitled 'Disability Inclusion in Village Community Banking' (July 2018 – June 2022) from African Initiatives that is funded by the National Lottery Community Fund. The project is working in Njia Panda and Kilema Pofu villages in Njia Panda ward in Tanzania. The project has three main objectives. Firstly, to reach 540 direct beneficiaries with economic empowerment activities at least 10% of whom will be people living with a disability. Secondly, training and awareness raising activities to increase knowledge of disability rights and empower those living with disabilities to claim them. Thirdly, increasing the practice and capacity of Tusonge to design and implement disability inclusive projects.

By the end of year 2 in July 2020, 180 group members were reached with economic empowerment activities 26% of whom were people with disabilities and 37% were family members of an adult or child with a disability. The transfer from African Initiatives to Action on Poverty has gone very smoothly and there has been no negative impact or disruption for Tusonge.

Now in its third year, the project is progressing well with no major challenges. Tusonge have managed to find ways to work through the recent elections in October 2020 and all activities are on track to meet the end of year targets. Village Community Banking (VICOPA), financial management and entrepreneurship training have all gone smoothly and have been completed. Future plans involve vocational training and awareness training on disability rights will be run for people with disabilities, the wider community and local leadership. Capacity building training will be run in partnership with Uchimi bank for groups to open bank accounts. Signposting to local service providers and support to the emerging PWD Union will continue. The groups set up in years 1 and 2 continue to be supported through follow up training and visits, technical mentorship, learning exchange visits and microfinance institution/banking training. These will all contribute to the sustainability of the work.

## **APT Action on Poverty**

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For most of 2020, the Government of Tanzania was reporting that COVID-19 had been overcome in the country and was not an issue. Given the lack of data and transparency it is very difficult to judge the overall impact COVID-19 has had on Tanzania. So far the communities we work with do not seem to have been significantly affected although with the lack of reliable data this is largely anecdotal. Tusonge adapted some of their planned awareness raising activities to spread messaging and information on COVID-19. This awareness raising campaign was run in partnership with local government and other local NGOs, and was successful in ensuring access to reliable advice and information for the communities we work with. Tusonge continues to take some preventative measures. There has been some disruption at the border with Kenya which has affected trade to some extent but this has not yet significantly impacted group members. Tusonge continues to monitor the situation.

#### **Plans for the future**

Our Strategic Plan confirms our vision, mission and aims.

We will continue to empower vulnerable people economically and socially by working together with local partners in sub-Saharan Africa.

We will deliver a sustainable, cost-effective and transformative impact on livelihoods work with some of the most marginalised people. We will work to catalyse change in this area of work proactively pushing a cross-cutting agenda of inclusive livelihoods amongst different stakeholders.

We strive to continuously improve the quality and effectiveness of our work supporting and developing new programmes in response to need and opportunities and diversifying our range of income sources.

#### **Specific Objectives**

We will:

- 1 Extend our transformational impact and build on earlier success;
- 2 Develop a sound financial platform by continuing to seek funding from larger trusts to follow up the success in previous years, building a better foundation and income diversification from a low resource base. We will support our individual givers with appropriate levels of communication;
- 3 Investigate partnerships with others including the private sector where mutual objectives can be met and develop new partnerships and ways of working; and
- 4 Build the effectiveness and efficiency of raising awareness by implementing targeted communication and promotion of Action on Poverty in line with the above.

Specific targets and activities have been set for the above.

#### **Financial review**

As always the vast majority of our total expenditure of £806,858 has been on charitable activities in the year and sent out to our overseas project partner organisations who lead our projects from within the communities they are designed to help. Similarly, of the costs incurred in the UK, the vast majority was spent on programme management, with our staff overseeing and adding value to the projects in the field and reporting back to our UK donors.

During 2020, our unrestricted activities resulted in a surplus of £80,104. This leaves free reserves of £272,928 at the year-end which were in excess of our 6-12 month target range and this will ensure we are able to continue operating as a going concern throughout 2021. Restricted reserves at the end of 2020 were £140,050.

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##### **Reserves policy**

Action on Poverty's stated policy is to maintain a level of unrestricted reserves equivalent to 6-12 months' running costs. The trustees consider that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the charity's current activities while consideration is given to ways in which additional funds may be raised. As at 31 December 2020 unrestricted reserves equivalent to 19 months' running costs were held. This is expected to reduce to 12-13 months during 2021.

##### **Investment policy**

The trustees have the power to invest in such assets as they see fit but to date surplus unrestricted funds are held on low risk deposit in order to ensure ready availability.

##### **Risk management**

Action on Poverty takes very seriously the management of risk to which the charity is exposed particularly cash flow, recruitment, safeguarding and safety and security of staff travelling overseas. The trustees have assessed the major risks to which the charity is exposed and are satisfied that systems are in place to mitigate exposure to those risks.

The risk register is an agenda item at each trustees' meeting and we have reviewed practices around managing the safety and security of staff when working overseas to ensure we are meeting reasonable duty of care requirements and have strengthened security risk management practices to mitigate exposure. Safeguarding policies and procedures have been brought into line with renewed donor practices and we are working with partners to improve policies and procedures. Partnership contracts are reviewed to bring them in line with donor requirements. Action on Poverty also has a child protection policy and vulnerable adults' policy in place.

##### **COVID-19**

The trustees have considered the impact of the COVID-19 pandemic on the charity's current and future financial position. During 2020, we were in discussions with our institutional donors to adapt our programmes accordingly. We were tracking and participating in the discussion on the rapid changes in the global environment and funding context and continue to do so.

The trustees appreciate that although some donors have cut their commitments these have to some degree been offset by one-off COVID grants. Rather than threats to existing funding, the main risk could be in obtaining new funding as cuts in company dividend income may affect the ability of some individuals and trusts to donate.

We remain particularly concerned about the impact on livelihoods in both the short and the long term in all the countries in which we work. The impact will not be felt equally. In the poorest communities or amongst those with hand-to-mouth livelihoods such as farm workers, market vendors, boda boda riders and hourly paid labour, the concern is not so much about economic growth but simply one of survival of the most vulnerable. The greatest impact is likely to be on those who are already vulnerable and in the depth of poverty including the significant percentages who do not make any savings and their coping mechanisms involve travelling to sell their labour or other prohibited activity.

##### **Our approach to fundraising**

Our supporters are key to everything we do. We are fully committed to being transparent and accountable about how our supporters' donations are used. At Action on Poverty we are hugely grateful to all our donors and focus on building long-lasting relationships based on trust and respect. We follow the Fundraising Regulator's Code of Fundraising Practice.

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During 2020 we introduced a new Customer Relationship Management (CRM) system which has proved to be an excellent investment enabling easy tracking of funding applications, recording of donations and Gift Aid claims to Her Majesty's Revenue and Customs (HMRC).

During the financial period ending December 2020 we did not use any professional fundraising organisations. Our fundraising is carried out by our small team of staff all of whom had additional roles in 2020 supervised by the Chief Executive. This has meant we have full control of and confidence in our fundraising practices.

We did not receive any complaints about our fundraising activities during the 2020 financial year. We keep up to date with changes to regulation, respond to consultations on this and update processes and practice as necessary to comply. We welcome feedback from supporters and proactively use it to improve and enhance our fundraising campaigns.

#### **Asset cover for funds**

The trustees are satisfied that the charitable company's assets and cash balances attributable to each of its individual funds are available and adequate to fulfil its obligations in relation to those funds.

#### **Trustees' consideration of going concern basis of accounting**

The COVID-19 pandemic will continue to have an impact on the charity, its work and the wider global community. The trustees have considered the impact of this issue on the charity's current and future financial position.

No material uncertainties, apart from the implications of COVID-19 mentioned above, that may cast significant doubt on the ability of the company to continue as a going concern have been identified by the trustees. The trustees consider that the charity has sufficient unrestricted reserves and cash flow to continue as a going concern for a period of at least 12 months from the date on which these financial statements are approved for the following reasons:

- The charity holds unrestricted, general reserves of £272,694 and a cash balance of £422,475; and
- The charity's key funders are continuing to fund the programmes in hand.

The trustees therefore consider it appropriate to adopt the going concern basis for the preparation of the accounts as detailed in note 1(b) to the financial statements.

#### **Statement of responsibilities of the trustees**

The trustees who are also directors of the charity for the purposes of company law are responsible for preparing the trustees' report and 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).

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Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the income and expenditure of the charity for that period. In preparing those financial statements the trustees are required to:

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles in the Charities SORP;
- Make judgements and accounting estimates that are reasonable and prudent;
- State whether applicable UK accounting standards and statements of recommended practice have been followed subject to any material departures disclosed and explained in the financial statements; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and which enable them to ensure that the financial statements comply with the Companies Act 2006. The trustees are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

- There is no relevant audit information of which the charitable company's auditors are unaware; and
- The trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Members of the charity guarantee to contribute an amount not exceeding £1 to the assets of the charity in the event of winding up. The trustees are members of the charity but this entitles them only to voting rights. The trustees have no beneficial interest in the charity.

#### **Auditors**

Godfrey Wilson Limited were re-appointed as auditors to the charitable company during the year and have expressed their willingness to continue in that capacity.

Approved by the trustees on 11 May 2021 and signed on their behalf by

*B S Capper*

Brian S. Capper BSc MA PhD  
Chair of Trustees

## **Independent auditors' report**

**To the members of**

### **APT Action on Poverty**

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#### **Opinion**

We have audited the financial statements of APT Action on Poverty (the 'charity') for the year ended 31 December 2020 which comprise the statement of financial activities, balance sheet, statement of cash flows and the related notes to the financial statements, including a summary of 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 charity's affairs as at 31 December 2020 and of its incoming resources and application of resources, including 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.

#### **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 charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other 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 opinion.

#### **Conclusions relating to going concern**

In auditing the financial statements, we have concluded that the trustees' 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 charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

#### **Other information**

The trustees are responsible for the other information. The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. 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.

## **Independent auditors' report**

### **To the members of**

#### **APT Action on Poverty**

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In connection with our audit of the financial statements, 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.

#### **Opinion 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 trustees' report (incorporating the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the trustees' report (incorporating the directors' report) have 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 charity and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report. We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us;
- the financial statements are not in agreement with the accounting records and returns;
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not obtained all the information and explanations necessary for the purposes of our audit.

#### **Responsibilities of the trustees**

As explained more fully in the trustees' responsibilities statement set out in the trustees' report, the trustees 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 they 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 trustees are responsible for assessing the charity'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 trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

## **Independent auditors' report**

**To the members of**

### **APT Action on Poverty**

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#### **Our responsibilities for the audit of the financial statements**

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 the 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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

#### **Use of our report**

This report is made solely to the charity's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charity's members 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 charity's members as a body, for our audit work, for this report, or for the opinions we have formed.

*Alison Godfrey*

Date: 11 May 2021

**Alison Godfrey FCA**  
**(Senior Statutory Auditor)**

For and on behalf of:  
**GODFREY WILSON LIMITED**  
Chartered accountants and statutory auditors  
5th Floor Mariner House  
62 Prince Street  
Bristol  
BS1 4QD

## APT Action on Poverty

### Statement of financial activities (incorporating an income and expenditure account)

For the year ended 31 December 2020

|   | Note | Restricted<br>£       | Unrestricted<br>£     | 2020<br>Total<br>£           | 2019<br>Total<br>£    |
|---|------|-----------------------|-----------------------|------------------------------|-----------------------|
| <b>Income from:</b>   |      |                       |                       |                              |                       |
| Donations and legacies                                      | 3    | 39,399                | 103,744               | <b>143,143</b>               | 60,013                |
| Charitable activities                                       | 4    | 663,444               | 34,204                | <b>697,648</b>               | 464,907               |
| Investments   |      | -                     | 319                   | <b>319</b>                   | 488                   |
| Other income  |      | -                     | 160                   | <b>160</b>                   | 1,834                 |
| <b>Total income</b>   |      | <u>702,843</u>        | <u>138,427</u>        | <u><b>841,270</b></u>        | <u>527,242</u>        |
| <b>Expenditure on:</b>                                      |      |                       |                       |                              |                       |
| Raising funds   |      | 16,001                | 18,384                | <b>34,385</b>                | 20,631                |
| Charitable activities                                       |      | <u>732,534</u>        | <u>39,939</u>         | <u><b>772,473</b></u>        | <u>529,836</u>        |
| <b>Total expenditure</b>                                    | 6    | <u>748,535</u>        | <u>58,323</u>         | <u><b>806,858</b></u>        | <u>550,467</u>        |
| <b>Net income / (expenditure) and net movement in funds</b> | 7    | (45,692)              | 80,104                | <b>34,412</b>                | (23,225)              |
| <b>Reconciliation of funds:</b>                             |      |                       |                       |                              |                       |
| Total funds brought forward                                 |      | <u>185,742</u>        | <u>192,824</u>        | <u><b>378,566</b></u>        | <u>401,791</u>        |
| <b>Total funds carried forward</b>                          |      | <u><u>140,050</u></u> | <u><u>272,928</u></u> | <u><u><b>412,978</b></u></u> | <u><u>378,566</u></u> |

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in note 16 to the accounts.

## APT Action on Poverty

### Balance sheet

As at 31 December 2020

|  | Note | £               | 2020<br>£      | 2019<br>£ |
|--|------|-----------------|----------------|-----------|
| <b>Fixed assets</b>                          |      |                 |                |           |
| Tangible assets                              | 11   |                 | <b>1,406</b>   | 1,236     |
| <b>Current assets</b>                        |      |                 |                |           |
| Debtors                                      | 12   | <b>848</b>      |                | 5,393     |
| Current asset investments                    | 13   | <b>64,885</b>   |                | 64,885    |
| Cash at bank and in hand                     |      | <b>357,589</b>  |                | 318,981   |
|  |      |                 | <b>423,322</b> | 389,259   |
| <b>Liabilities</b>                           |      |                 |                |           |
| Creditors: amounts falling due within 1 year | 14   | <b>(11,750)</b> |                | (11,929)  |
| <b>Net current assets</b>                    |      |                 | <b>411,572</b> | 377,330   |
| <b>Net assets</b>                            | 15   |                 | <b>412,978</b> | 378,566   |
| <b>Funds</b>                                 | 16   |                 |                |           |
| Restricted funds                             |      |                 | <b>140,050</b> | 185,742   |
| Unrestricted funds                           |      |                 |                |           |
| General funds                                |      |                 | <b>272,928</b> | 192,824   |
| <b>Total charity funds</b>                   |      |                 | <b>412,978</b> | 378,566   |

These accounts have been prepared in accordance with the special provisions applicable to companies subject to the small companies' regime.

Approved by the trustees on 11 May 2021 and signed on their behalf by



Brian S Capper BSc MA PhD  
Chair of Trustees

## APT Action on Poverty

### Statement of cash flows

For the year ended 31 December 2020

|   | 2020                  | 2019                  |
|---|-----------------------|-----------------------|
|   | £                     | £                     |
| <b>Cash used in operating activities:</b>                             |                       |                       |
| Net movement in funds   | 34,412                | (23,225)              |
| <i>Adjustments for:</i>   |                       |                       |
| Depreciation charge   | 515                   | 254                   |
| Dividends, interest and rents from investments                        | (319)                 | (488)                 |
| Decrease / (increase) in debtors                                      | 4,545                 | (6)                   |
| Increase / (decrease) in creditors                                    | (179)                 | 936                   |
| <b>Net cash provided by / (used in) operating activities</b>          | <u>38,974</u>         | <u>(22,529)</u>       |
| <b>Cash flows from investing activities:</b>                          |                       |                       |
| Dividends, interest and rents from investments                        | 319                   | 488                   |
| Purchase of tangible fixed assets                                     | (685)                 | (1,490)               |
| <b>Net cash provided by / (used in) investing activities</b>          | <u>(366)</u>          | <u>(1,002)</u>        |
| <b>Increase / (decrease) in cash and cash equivalents in the year</b> | <b>38,608</b>         | <b>(23,531)</b>       |
| Cash and cash equivalents at the beginning of the year                | <u>383,866</u>        | <u>407,397</u>        |
| <b>Cash and cash equivalents at the end of the year</b>               | <u><b>422,474</b></u> | <u><b>383,866</b></u> |
| This is represented as:   |                       |                       |
| Current asset investments   | 64,885                | 64,885                |
| Cash at bank and in hand  | <u>357,589</u>        | <u>318,981</u>        |
|   | <u><b>422,474</b></u> | <u><b>383,866</b></u> |

### Analysis of changes in net debt

The charity has not provided an analysis of changes in net debt as it does not have any long term financing arrangements.

## APT Action on Poverty

### Notes to the financial statements

#### For the year ended 31 December 2020

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#### 1. Accounting policies

##### a) Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities in preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

APT Action on Poverty meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note.

##### b) Going concern basis of accounting

The trustees acknowledge that the COVID-19 pandemic has had an impact on the charity and the wider economy but are confident that there are no material uncertainties about the charity's ability to continue as a going concern. The charity has seen a 60% increase in its income in the year to 31 December 2020 and its unrestricted reserves and cash balances remain healthy. The accounts have therefore been prepared on the assumption that the charity is able to continue as a going concern.

##### c) Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the item of income have been met, it is probable that the income will be received and the amount can be measured reliably.

Income from the government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

##### d) Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity: this is normally upon notification of the interest paid or payable by the bank.

##### e) Funds accounting

Unrestricted funds are available to spend on activities that further any of the purposes of the charity. Designated funds are unrestricted funds of the charity which the trustees have decided at their discretion to set aside to use for a specific purpose. Restricted funds are donations which the donor has specified are to be solely used for particular areas of the charity's work or for specific projects being undertaken by the charity.

##### f) Expenditure and irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

## APT Action on Poverty

### Notes to the financial statements

For the year ended 31 December 2020

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#### 1. Accounting policies (continued)

##### g) Allocation of support and governance costs

Support and governance costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Governance costs are the costs associated with the governance arrangements of the charity, including the costs of complying with constitutional and statutory requirements and any costs associated with the strategic management of the charity's activities. These costs have been allocated between cost of raising funds and expenditure on charitable activities on the following basis, which is an estimate of staff time spent on each activity:

|                       | 2020  | 2019  |
|-----------------------|-------|-------|
| Raising funds         | 21.0% | 12.8% |
| Charitable activities | 79.0% | 87.2% |

##### h) Tangible fixed assets

Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The depreciation rates in use are as follows:

|                                  |                              |
|----------------------------------|------------------------------|
| Plant and machinery              | 20% straight line basis      |
| Fixtures, fittings and equipment | 20 - 33% straight line basis |

##### i) 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.

##### j) Current asset investments

Current asset investments consist of cash held on short term deposit.

##### k) 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.

##### l) Creditors

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.

##### m) Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently recognised at amortised cost using the effective interest method.

##### n) Pension costs

The charity operates a defined contribution pension scheme for its employees. There are no further liabilities other than that already recognised in the statement of financial activities.

## APT Action on Poverty

### Notes to the financial statements

For the year ended 31 December 2020

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#### 1. Accounting policies (continued)

##### o) Foreign currency transactions

Transactions in foreign currencies are translated at rates prevailing at the date of the transaction. Balances denominated in foreign currencies are translated at the rate of exchange prevailing at the year end.

##### p) Accounting estimates and key judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

There are no sources of estimation uncertainty that have a significant effect on the amounts recognised in the financial statements.

#### 2. Prior period comparatives

|                                   | Restricted<br>£ | Unrestricted<br>£ | 2019<br>Total<br>£ |
|-----------------------------------|-----------------|-------------------|--------------------|
| <b>Income from:</b>               |                 |                   |                    |
| Donations and legacies            | 25,975          | 34,038            | <b>60,013</b>      |
| Charitable activities             | 447,746         | 17,161            | <b>464,907</b>     |
| Investments                       | -               | 488               | <b>488</b>         |
| Other income                      | -               | 1,834             | <b>1,834</b>       |
| <b>Total income</b>               | <b>473,721</b>  | <b>53,521</b>     | <b>527,242</b>     |
| <b>Expenditure on:</b>            |                 |                   |                    |
| Raising funds                     | 11,995          | 8,636             | <b>20,631</b>      |
| Charitable activities             | 487,159         | 42,677            | <b>529,836</b>     |
| <b>Total expenditure</b>          | <b>499,154</b>  | <b>51,313</b>     | <b>550,467</b>     |
| <b>Net income / (expenditure)</b> | <b>(25,433)</b> | <b>2,208</b>      | <b>(23,225)</b>    |
| <b>Transfer between funds</b>     | <b>(640)</b>    | <b>640</b>        | <b>-</b>           |
| <b>Net movement in funds</b>      | <b>(26,073)</b> | <b>2,848</b>      | <b>(23,225)</b>    |

## APT Action on Poverty

### Notes to the financial statements

For the year ended 31 December 2020

#### 3. Income from donations and legacies

|                                 | Restricted<br>£ | Unrestricted<br>£ | 2020<br>Total<br>£    |
|---------------------------------|-----------------|-------------------|-----------------------|
| Trusts and foundations          | 35,900          | 19,950            | <b>55,850</b>         |
| Legacies                        | -               | 69,579            | <b>69,579</b>         |
| Donations and other fundraising | 3,499           | 14,215            | <b>17,714</b>         |
|                                 | <u>39,399</u>   | <u>103,744</u>    | <u><b>143,143</b></u> |

| <b>Prior year comparative</b>   | Restricted<br>£ | Unrestricted<br>£ | 2019<br>Total<br>£   |
|---------------------------------|-----------------|-------------------|----------------------|
| Trusts and foundations          | 22,700          | 12,750            | <b>35,450</b>        |
| Legacies                        | -               | 5,370             | <b>5,370</b>         |
| Donations and other fundraising | 3,275           | 15,918            | <b>19,193</b>        |
|                                 | <u>25,975</u>   | <u>34,038</u>     | <u><b>60,013</b></u> |

#### 4. Income from charitable activities

|  | Restricted<br>£ | Unrestricted<br>£ | 2020<br>Total<br>£    |
|--|-----------------|-------------------|-----------------------|
| <i>Project grants from institutional donors:</i> |                 |                   |                       |
| FCDO   | 426,977         | -                 | <b>426,977</b>        |
| European Commission                              | 114,268         | -                 | <b>114,268</b>        |
| The Dulverton Trust                              | 35,000          | -                 | <b>35,000</b>         |
| Turing Foundation                                | 32,787          | -                 | <b>32,787</b>         |
| Medicor Foundation                               | 25,000          | -                 | <b>25,000</b>         |
| Marr Munning                                     | 10,000          | -                 | <b>10,000</b>         |
| The Haremead Trust                               | 10,000          | -                 | <b>10,000</b>         |
| African Initiatives                              | 9,412           | -                 | <b>9,412</b>          |
| <i>Consultancy fees</i>                          | -               | 34,204            | <b>34,204</b>         |
|  | <u>663,444</u>  | <u>34,204</u>     | <u><b>697,648</b></u> |

## APT Action on Poverty

### Notes to the financial statements

For the year ended 31 December 2020

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#### 4. Income from charitable activities (continued)

##### Prior year comparative

|  | Restricted<br>£ | Unrestricted<br>£ | 2019<br>Total<br>£ |
|--|-----------------|-------------------|--------------------|
| <i>Project grants from institutional donors:</i> |                 |                   |                    |
| FCDO (previously DFID)                           | 235,403         | -                 | 235,403            |
| European Commission                              | 107,503         | -                 | 107,503            |
| Medicor Foundation                               | 50,000          | -                 | 50,000             |
| Turing Foundation                                | 26,223          | -                 | 26,223             |
| Marr Munning                                     | 20,000          | -                 | 20,000             |
| Comic Relief                                     | 8,617           | -                 | 8,617              |
| <br><i>Consultancy fees</i>                      | <br>-           | <br>17,161        | <br>17,161         |
|  | <u>447,746</u>  | <u>17,161</u>     | <u>464,907</u>     |

#### 5. Government grants

The charitable company receives government grants, defined as funding from the Foreign, Commonwealth & Development Office (FCDO) and European Commission to fund charitable activities. The total value of such grants in the period ending 31 December 2020 was £541,245 (2019: £342,906). There are no unfulfilled conditions or contingencies attaching to these grants.

## APT Action on Poverty

### Notes to the financial statements

For the year ended 31 December 2020

#### 6. Total expenditure

|   | Raising funds<br>£ | Charitable<br>activities<br>£ | Support and<br>governance<br>costs<br>£ | 2020 Total<br>£ |
|---|--------------------|-------------------------------|---|-----------------|
| Staff costs (note 9)                          | 23,165             | 87,089                        | 24,427                                  | <b>134,681</b>  |
| Other costs                                   | -                  | 5,658                         | 21,157                                  | <b>26,815</b>   |
| Audit and accountancy fees                    | -                  | -                             | 5,400                                   | <b>5,400</b>    |
| Depreciation                                  | -                  | -                             | 515                                     | <b>515</b>      |
| Grants payable to partners (note 8)           | -                  | 638,564                       | -                                       | <b>638,564</b>  |
| Publicity and fundraising costs               | 400                | 483                           | -                                       | <b>883</b>      |
| <b>Sub-total</b>                              | <b>23,565</b>      | <b>731,794</b>                | <b>51,499</b>                           | <b>806,858</b>  |
| Allocation of support and<br>governance costs | 10,820             | 40,679                        | (51,499)                                | -               |
| <b>Total expenditure</b>                      | <b>34,385</b>      | <b>772,473</b>                | <b>-</b>                                | <b>806,858</b>  |

Total governance costs were £5,400 (2019: £5,220).

#### Prior year comparative

|   | Raising funds<br>£ | Charitable<br>activities<br>£ | Support and<br>governance<br>costs<br>£ | 2019 Total<br>£ |
|---|--------------------|-------------------------------|---|-----------------|
| Staff costs (note 9)                          | 13,741             | 93,733                        | 16,251                                  | <b>123,725</b>  |
| Other costs                                   | -                  | 14,927                        | 25,733                                  | <b>40,660</b>   |
| Audit and accountancy fees                    | -                  | -                             | 5,220                                   | <b>5,220</b>    |
| Depreciation                                  | -                  | -                             | 254                                     | <b>254</b>      |
| Grants payable to partners (note 8)           | -                  | 371,770                       | -                                       | <b>371,770</b>  |
| Publicity and fundraising costs               | 822                | 8,016                         | -                                       | <b>8,838</b>    |
| <b>Sub-total</b>                              | <b>14,563</b>      | <b>488,446</b>                | <b>47,458</b>                           | <b>550,467</b>  |
| Allocation of support and<br>governance costs | 6,068              | 41,390                        | (47,458)                                | -               |
| <b>Total expenditure</b>                      | <b>20,631</b>      | <b>529,836</b>                | <b>-</b>                                | <b>550,467</b>  |

## APT Action on Poverty

### Notes to the financial statements

#### For the year ended 31 December 2020

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#### 7. Net movement in funds

This is stated after charging:

|                                   | 2020         | 2019         |
|-----------------------------------|--------------|--------------|
|                                   | £            | £            |
| Depreciation                      | 515          | 254          |
| Trustees' remuneration            | Nil          | Nil          |
| Trustees' reimbursed expenses     | Nil          | Nil          |
| Auditors' remuneration:           |              |              |
| ▪ Statutory audit (including VAT) | <u>5,400</u> | <u>5,220</u> |

#### 8. Grants payable

|  | 2020           | 2019           |
|--|----------------|----------------|
|  | £              | £              |
| <i>Grants paid to partner organisations:</i>               |                |                |
| Movement for Assistance and Promotion of Rural Communities | 338,231        | 208,016        |
| Community Action for Rural Development                     | 186,859        | 128,519        |
| Volunteers' Effort for Development Concern                 | 109,121        | 30,455         |
| SITE Enterprise Promotion                                  | <u>4,353</u>   | <u>4,780</u>   |
|  | <u>638,564</u> | <u>371,770</u> |

#### 9. Staff costs and numbers

Staff costs were as follows:

|                       | 2020           | 2019           |
|-----------------------|----------------|----------------|
|                       | £              | £              |
| Salaries and wages    | 121,660        | 111,415        |
| Social security costs | 5,411          | 5,819          |
| Pension costs         | <u>7,610</u>   | <u>6,491</u>   |
|                       | <u>134,681</u> | <u>123,725</u> |

No employee earned more than £60,000 during the year.

The key management personnel of the charitable company comprise the trustees and chief executive. The total employee benefits of the key management personnel were £50,217 (2019: £55,049). This is made up of salary costs of £42,925 (2019: £46,938) and employer NI and pension costs of £7,292 (2019: £8,110). Of these salary costs £nil (2019: £4,808) relates to a back-dated contractual pay-rise from 2016.

|                    | 2020        | 2019        |
|--------------------|-------------|-------------|
|                    | No.         | No.         |
| Average head count | <u>5.30</u> | <u>4.50</u> |

## APT Action on Poverty

### Notes to the financial statements

#### For the year ended 31 December 2020

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#### 10. Taxation

The charity is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

#### 11. Tangible fixed assets

|                            | Plant and<br>machinery<br>£ | Fixtures,<br>fittings and<br>equipment<br>£ | Total<br>£          |
|----------------------------|-----------------------------|---|---------------------|
| <b>Cost</b>                |                             |   |                     |
| At 1 January 2020          | 1,299                       | 5,543                                       | <b>6,842</b>        |
| Additions in year          | -                           | 685   | <b>685</b>          |
| At 31 December 2020        | <u>1,299</u>                | <u>6,228</u>                                | <u><b>7,527</b></u> |
| <b>Depreciation</b>        |                             |   |                     |
| At 1 January 2020          | 1,299                       | 4,307                                       | <b>5,606</b>        |
| Charge for the year        | -                           | 515   | <b>515</b>          |
| At 31 December 2020        | <u>1,299</u>                | <u>4,822</u>                                | <u><b>6,121</b></u> |
| <b>Net book value</b>      |                             |   |                     |
| <b>At 31 December 2020</b> | <u>-</u>                    | <u><b>1,406</b></u>                         | <u><b>1,406</b></u> |
| At 31 December 2019        | <u>-</u>                    | <u>1,236</u>                                | <u>1,236</u>        |

#### 12. Debtors

|                                | 2020<br>£         | 2019<br>£           |
|--------------------------------|-------------------|---------------------|
| Prepayments and accrued income | -                 | 5,393               |
| Other debtors                  | <u>848</u>        | <u>-</u>            |
|                                | <u><b>848</b></u> | <u><b>5,393</b></u> |

#### 13. Current asset investments

|                      | 2020<br>£            | 2019<br>£     |
|----------------------|----------------------|---------------|
| Cash held on deposit | <u><b>64,885</b></u> | <u>64,885</u> |

## APT Action on Poverty

### Notes to the financial statements

For the year ended 31 December 2020

#### 14. Creditors : amounts due within 1 year

|                                    | 2020<br>£     | 2019<br>£     |
|------------------------------------|---------------|---------------|
| Accruals                           | 7,653         | 8,158         |
| Other taxation and social security | 2,648         | 2,458         |
| Other creditors                    | 1,449         | 1,313         |
|                                    | <u>11,750</u> | <u>11,929</u> |

#### 15. Analysis of net assets between funds

|                                       | Restricted<br>funds<br>£ | Unrestricted<br>funds<br>£ | Total<br>funds<br>£   |
|---------------------------------------|--------------------------|----------------------------|-----------------------|
| Tangible fixed assets                 | -                        | 1,406                      | 1,406                 |
| Net current assets                    | <u>140,050</u>           | <u>271,522</u>             | <u>411,572</u>        |
| <b>Net assets at 31 December 2020</b> | <b><u>140,050</u></b>    | <b><u>272,928</u></b>      | <b><u>412,978</u></b> |
|                                       | Restricted<br>funds<br>£ | Unrestricted<br>funds<br>£ | Total<br>funds<br>£   |
| <b>Prior year comparative</b>         |                          |                            |                       |
| Tangible fixed assets                 | -                        | 1,236                      | 1,236                 |
| Net current assets                    | <u>185,742</u>           | <u>191,588</u>             | <u>377,330</u>        |
| <b>Net assets at 31 December 2019</b> | <b><u>185,742</u></b>    | <b><u>192,824</u></b>      | <b><u>378,566</u></b> |

APT Action on Poverty

Notes to the financial statements

For the year ended 31 December 2020

16. Movements in funds

|   | At 1<br>January<br>2020<br>£ | Income<br>£    | Expenditure<br>£ | Transfers<br>between<br>funds<br>£ | At 31<br>December<br>2020<br>£ |
|---|------------------------------|----------------|------------------|------------------------------------|--------------------------------|
| <b>Restricted funds</b>   |                              |                |                  |                                    |                                |
| <i>Sierra Leone</i> : Vocational skills development and income generation for disadvantaged young people  | 3,913                        | -              | (3,913)          | -                                  | -                              |
| <i>Sierra Leone</i> : Livelihoods and food security for vulnerable people   | 39,638                       | 321,419        | (349,259)        | -                                  | <b>11,798</b>                  |
| <i>Sierra Leone</i> : Enhancing CSO capacity  | 125,168                      | 143,769        | (213,949)        | -                                  | <b>54,988</b>                  |
| <i>Kenya and Uganda</i> : Strengthening the implementation of the CRPD (Convention on the Rights of Persons with Disabilities) with Women with Disabilities | 1,000                        | -              | (1,000)          | -                                  | -                              |
| <i>Uganda</i> : Skilling youth for sustainable livelihoods in refugee hosting communities   | 963                          | 135,558        | (137,332)        | -                                  | <b>(811)</b>                   |
| <i>Sierra Leone</i> : Empowering local communities in Pujehun District  | 1,000                        | 57,685         | (29,271)         | -                                  | <b>29,414</b>                  |
| <i>Tanzania</i> : Disability inclusive VICOBA   | -                            | 9,412          | (5,178)          | -                                  | <b>4,234</b>                   |
| <i>Kenya</i> : Camel milk project   | -                            | 35,000         | -                | -                                  | <b>35,000</b>                  |
| Country-specific funding  | 14,060                       | -              | (8,633)          | -                                  | <b>5,427</b>                   |
| <b>Total restricted funds</b>   | <b>185,742</b>               | <b>702,843</b> | <b>(748,535)</b> | <b>-</b>                           | <b>140,050</b>                 |
| <b>Unrestricted funds</b>   |                              |                |                  |                                    |                                |
| General funds   | 192,824                      | 138,427        | (58,323)         | -                                  | <b>272,928</b>                 |
| <b>Total unrestricted funds</b>   | <b>192,824</b>               | <b>138,427</b> | <b>(58,323)</b>  | <b>-</b>                           | <b>272,928</b>                 |
| <b>Total funds</b>  | <b>378,566</b>               | <b>841,270</b> | <b>(806,858)</b> | <b>-</b>                           | <b>412,978</b>                 |

## APT Action on Poverty

### Notes to the financial statements

#### For the year ended 31 December 2020

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#### 16. Movement in funds (continued)

##### Purposes of restricted funds

|   |  |
|---|--|
| Sierra Leone: Vocational skills development and income generation for disadvantaged young people  | To reach an additional 240 disadvantaged youths and provide skills training in conjunction with the larger livelihoods project.  |
| Sierra Leone: Livelihoods and food security for vulnerable people   | Reducing the poverty and malnutrition of people in rural households through community organisations.   |
| Sierra Leone: Enhancing CSO capacity  | Strengthening 45 civil society organisations to empower women, and provide gender, literacy, business skills and apprenticeship training.  |
| Kenya and Uganda: Strengthening the implementation of the CRPD (Convention on the Rights of Persons with Disabilities) with Women with Disabilities | Supporting partner SITE in helping women with disabilities in Kenya and Uganda to understand and access their rights and to improve their inclusion in livelihoods.                        |
| Uganda: Skilling youth for sustainable livelihoods in refugee hosting communities   | Skills training in market relevant technical skills through apprenticeships for 800 refugee and host community youth, improving their engagement in public and private sectors.            |
| Sierra Leone: Empowering local communities in Pujehun District  | Building the capacity of community structures, including 19 community based organisations to provide livelihoods services, rights awareness and income generation and improved governance. |
| Tanzania: Disability inclusive VICOBA   | Establishing community banking groups and providing financial management, business and vocational training to vulnerable women and people living with disabilities.                        |
| Kenya: Camel milk project   | Providing skills and hygiene training in new areas throughout the entire Camel Milk supply chain to improve productivity and produce standards.  |
| Country-specific funding  | Funds raised to provide help in Tanzania, Sri Lanka, Uganda and Sierra Leone on future project opportunities.  |

APT Action on Poverty

Notes to the financial statements

For the year ended 31 December 2020

16. Movement in funds (continued)

Prior year comparative movement in funds

|   | At 1<br>January<br>2019<br>£ | Income<br>£           | Expenditure<br>£        | Transfers<br>between<br>funds<br>£ | At 31<br>December<br>2019<br>£ |
|---|------------------------------|-----------------------|-------------------------|------------------------------------|--------------------------------|
| <b>Restricted funds</b>   |                              |                       |                         |                                    |                                |
| <i>Kenya</i> : Camel milk project   | 7,121                        | 14,668                | (21,432)                | (357)                              | -                              |
| <i>Sierra Leone</i> : Empowering communities  | 402                          | -                     | (402)                   | -                                  | -                              |
| <i>Sierra Leone</i> : Vocational skills development and income generation for disadvantaged young people  | -                            | 3,967                 | (54)                    | -                                  | <b>3,913</b>                   |
| <i>Sierra Leone</i> : Livelihoods and food security for vulnerable people   | 42,749                       | 256,272               | (258,743)               | (640)                              | <b>39,638</b>                  |
| <i>Sierra Leone</i> : Enhancing CSO capacity  | 151,835                      | 154,759               | (181,426)               | -                                  | <b>125,168</b>                 |
| <i>Kenya and Uganda</i> : Strengthening the implementation of the CRPD (Convention on the Rights of Persons with Disabilities) with Women with Disabilities | -                            | 1,000                 | -                       | -                                  | <b>1,000</b>                   |
| <i>Uganda</i> : Skilling youth for sustainable livelihoods in refugee hosting communities   | -                            | 38,055                | (37,092)                | -                                  | <b>963</b>                     |
| <i>Sierra Leone</i> : Empowering local communities in Pujehun District  | -                            | 1,000                 | -                       | -                                  | <b>1,000</b>                   |
| Country-specific funding  | <u>9,708</u>                 | <u>4,000</u>          | <u>(5)</u>              | <u>357</u>                         | <u><b>14,060</b></u>           |
| <b>Total restricted funds</b>   | <u>211,815</u>               | <u>473,721</u>        | <u>(499,154)</u>        | <u>(640)</u>                       | <u><b>185,742</b></u>          |
| <b>Unrestricted funds</b>   |                              |                       |                         |                                    |                                |
| General funds   | <u>189,976</u>               | <u>53,521</u>         | <u>(51,313)</u>         | <u>640</u>                         | <u><b>192,824</b></u>          |
| <b>Total unrestricted funds</b>   | <u>189,976</u>               | <u>53,521</u>         | <u>(51,313)</u>         | <u>640</u>                         | <u><b>192,824</b></u>          |
| <b>Total funds</b>  | <u><u>401,791</u></u>        | <u><u>527,242</u></u> | <u><u>(550,467)</u></u> | <u><u>-</u></u>                    | <u><u><b>378,566</b></u></u>   |

## APT Action on Poverty

### Notes to the financial statements

#### For the year ended 31 December 2020

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#### 17. Operating lease commitments

The charity had operating leases at the year end with total future minimum lease payments as follows:

|                     | <b>2020</b>         | 2019       |
|---------------------|---------------------|------------|
|                     | £                   | £          |
| Amount falling due: |                     |            |
| Within 1 year       | <b>936</b>          | 468        |
| Within 1 - 5 years  | <b>702</b>          | -          |
|                     | <u><b>1,638</b></u> | <u>468</u> |

The charity's rental lease is on a short term notice period; there is no lease commitment.

#### 18. Related party transactions

There are no other related party transactions to disclose in the current or previous reporting period.