



**CHILD POVERTY ACTION GROUP**  
(A Company Limited by Guarantee)

Report and Financial Statements  
Year Ended 31 March 2020

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## The charity's aims

### Objects of the charity

The objects of the charity are to prevent poverty among children and families with children and to promote action for the relief directly or indirectly of such poverty, in the UK.

### Our vision

Our vision is of a society free from child poverty, where all children can enjoy a childhood without financial hardship and have a fair chance in life to reach their full potential.

### Our theory of change:

By promoting our values, we advance the public and political will for a society free of child poverty

By developing evidence-based solutions, we encourage policymakers and practitioners to act to prevent and end child poverty

By campaigning, we work towards social and political change that will keep families from poverty

By developing and sharing our social security expertise, we help maximise families' resources, inform our evidence for change and, through our social enterprise, sustain our income

## Our objectives

### Objective 1 – end child poverty

- Achieve all-party support for a comprehensive strategy to prevent and end child poverty across the UK

### Objective 2 – secure futures for children and families

- Achieve political support for a renewed vision for social security

### Objective 3 – sustain and build our sector leading products and services

- Sustain and develop our high quality welfare rights content, training and membership by exploiting new technology in order to design new products, market effectively, grow income and gain new supporters

### Objective 4 – stay financially secure, maintain modern infrastructure and manage effectively

- Stay positive, forward-looking, adaptable and capable, in an attractive work environment with well-managed staff and sufficient resources

## Delivering public benefit

The charity's Trustees have had due regard to the Charity Commission and OSCR guidance in relation to delivering public benefit, and particularly in relation to benefiting a section of the public and to fee charging activities. CPAG's work is specifically aimed at benefiting the 4.2 million children in the UK who grow up in poverty, and their families. Some of the second-tier support we provide to frontline advisers is charged for: different levels of charge are levied depending on the nature of the organisation. In addition, some published material is provided on a heavily subsidised basis to individuals in receipt of state benefits.

## Key activities, achievements and performance in 2019-2020

### Positive changes for children and families this year

The Scottish Government announced a new **Scottish Child Payment of £10 per week** for all children in households getting universal credit or equivalent legacy benefits following a coalition campaign spearheaded by CPAG called *Give Me 5*.

Reduction in the **universal credit waiting time**.

We successfully campaigned for changes to guidance from the Department for Work and Pensions (DWP) that will **help families fleeing domestic violence**.

Campaigning from CPAG and others led to the Secretary of State for Work and Pensions **abolishing three-year universal credit sanctions**, and announcing **better support for childcare costs**.

As a result of our 'Computer says no' work the **DWP is making improvements to information provision in universal credit**.

Our award-winning legal team secured victory at the High Court on **bereavement support payment** which should see children receive support if their parents are unmarried when one of them dies.

CPAG  
success in  
numbers

**36,900**  
people supported  
through our helpline  
for advisers

**20,848**  
CPAG books  
distributed

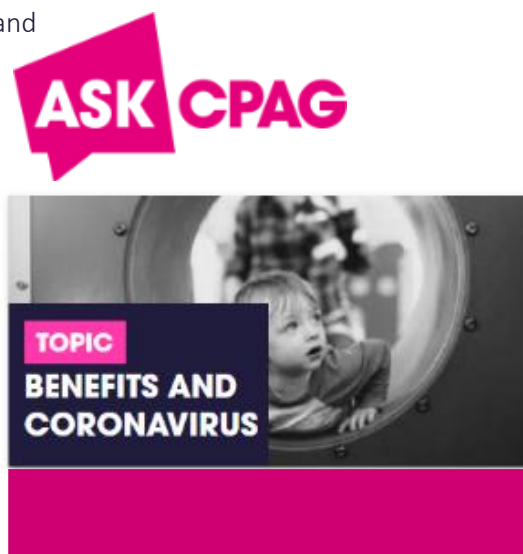
**2,000**  
families a year to  
potentially benefit  
from our  
bereavement  
support payment  
case win

**£10**  
a week Scottish  
Child Payment for  
lower-income  
households won

This year was turbulent politically, with Brexit and a new Westminster government dominating the news and parliamentary agenda. Child poverty rose again. The face of poverty is getting younger because of policies like the two-child limit, and in-work poverty continues to rise. And then of course as the financial year came to a close, the Coronavirus pandemic and resultant lockdown caused huge economic turmoil for families, led to a huge rise in universal credit claims, and focused the nation on the importance of our social security system and the enormous contribution made by our often low-paid key workers. Many workers fell between the gaps of the unprecedented support schemes put in place to protect incomes during the Coronavirus lockdown and CPAG's Early Warning System stepped up to the challenge of recording and reporting these.

## Spotlight on AskCPAG: diversifying our support for advisers

After over a year of developing *AskCPAG* – our new digital advice service and online tools – when the lockdown began in March and many people started working from home, the platform came into its own. With advisers unable to access shared office books and a fast-changing social security landscape to keep up with, the agile online platform proved very valuable. Kindly funded by **The Legal Education Foundation**, AskCPAG helps advisers and other frontline staff, including MPs' caseworkers, to navigate the social security system and find solutions to their clients' benefit problems. It features several of our publications in digital form, as well as interactive tools that answer questions and produce pro-forma letters – for example to help people challenge a decision. It also offers regular updates, so the changes that came in rapidly after lockdown – such as the increase in universal credit and the job retention scheme – were quickly added to ensure families could be supported with the most up-to-date and helpful information. **Allen and Overy Foundation** and **the TUUT Charitable Trust** kindly provided additional funding towards online tools and content.



AskCPAG complements our other advice work – we offer support on benefits as a second-tier service to frontline advisers via telephone and email. We can do this thanks to grants from **the Scottish Government**, **City Bridge Trust** (Universal Credit London project), **Comic Relief** (Universal Credit national project), **Feeding Britain** (Pathways out of Poverty project, funded by **The National Lottery Community Fund**), **Gwyneth Forrester Trust** (crisis advice project), **the TUUT Charitable Trust** (Universal Credit project) and others. We also offer advice on challenging decisions on a client's behalf via the upper tribunal and the judicial review process thanks to support from **The Legal Education Foundation** and **the Access to Justice Foundation**. This helps build capacity and expertise within the welfare rights community, helping more families. **The Strategic Legal Fund for vulnerable young migrants** also gave CPAG two specialist grants to support our work on access to benefits and tax credits for migrants.



"Incredibly useful for debt advisers working from home. Thank you CPAG and Money and Pensions Service."

*Advice group on the availability of the Debt Advice Handbook on AskCPAG*

## CPAG'S ADVICE SERVICE IN ACTION

### 1 A FAMILY NEEDS HELP

A couple with two children was facing eviction. They went to their local Citizens Advice for support.



### 2 CITIZENS ADVICE CALL CPAG'S ADVICE SERVICE

The Citizens Advice worker hadn't come across this particular problem before, so called CPAG's free advice service for help.

Depending on the problem they could also have got information from AskCPAG or our Judicial Review project.

### 3 CPAG ADVISER HELPS

After listening to the case, our adviser outlined the steps the Citizens Advice worker could take.

### 4 THE FAMILY GET THE HELP THEY NEED

The Citizens Advice worker took our suggested action and later reported back that the issue had been resolved and the family had been able to stay in their home.

### 5 MANY MORE FAMILIES BENEFIT

The Citizens Advice worker is now better equipped to help other families. Evidence of the problem feeds into our policy work, helping us advocate for systemic changes to resolve the problem for all families.



"The whole course was very useful and relevant to my work. Excellent training. Highly recommended."

*Welfare rights worker*

## Training and publications

Our training courses and publications support frontline workers – giving advisers vital knowledge and skills to support their clients with a variety of subjects from universal credit to using judicial review. We also delivered training on universal credit to new MPs, their researchers and some Peers after the December 2019 election. Our eLearning platform in Scotland has supported 767 people this year, and across the UK we have been developing

online training and webinars.

The advice and support we provide frontline advisers isn't a one-way street. We gather lots of evidence of what's happening on the ground from them, which is fed into our Early Warning System (EWS) funded by **the Barrow Cadbury Trust, Oak Foundation** and **the Scottish Government's Children, Young People and Families Early Intervention (CYPFEIF) Fund**, managed by the Corra Foundation. This in turn informs our policy, advocacy and legal work. For example, we fed into National Audit Office reports and supported the DWP to make improvements based on our data. When the Coronavirus crisis struck, the EWS enabled us to release information in almost real time about how families coped with the social security system.

## Early warning system

One of the questions submissions to the Early Warning System have raised is whether the rule of law is being followed within universal credit. Just as we have become more digitally-focussed, so has the DWP – universal credit is a 'digital by default' benefit meaning that it is mostly managed online. This has thrown up several problems for claimants. Thanks to funding from **The Legal Education Foundation** and **Open Society Foundations**, we have been able to launch a project called 'Computer Says No!' and push for improvements to the system. Our first two reports, looking at information provision and challenging decisions, have already led to improvements in the way information is provided to people claiming universal credit, with more changes promised.

Not only were we able to gather evidence of these issues and

push for these changes

thanks to cases submitted through our Early Warning System, but in turn these changes are fed back to advisers through AskCPAG, our advice services, training and publications, to help them support families better.



"The rule of law means many things to many people, but its common thread is, first, that everyone must know, or be able to find out, the rules and laws by which their lives are regulated; and secondly, that everyone is entitled to challenge, whether by internal review mechanisms, by appeal or by judicial review, the lawfulness of their treatment."

*The Rt Hon Sir Stephen Sedley,  
former Lord Justice of Appeal,  
in the foreword to one of our reports*





- CPAG offices
- CPAG training events
- Cost of the School Day locations

# CPAG across the UK

## COST OF THE SCHOOL DAY

The Cost of the School Day project helps whole school communities identify and reduce the financial barriers that shape and limit children's opportunities at school. Putting children and young people in the lead, we help schools take action to remove cost barriers and minimise poverty stigma and exclusion. The project was started in Scotland in 2014. This year, it expanded to England, Wales and new parts of Scotland, in partnership with Children North East.

Funded by the National Lottery Community Fund, Scottish Government's Attainment Challenge Unit and Dundee City Council.

## SCOTTISH BENEFITS ONLINE TOOL

Our second tier welfare rights service in Scotland continued to develop a Scottish benefits online resource, updating it as best start grant early learning and school-age payments were introduced.

Funded by The Scottish Government.

## A MENU FOR CHANGE

We successfully helped deliver the Menu for Change food insecurity project, in partnership with Oxfam, Poverty Alliance and Nourish. We worked to embed a cash-first approach to food insecurity in policy and practice responses at local and national level. This involved engaging with local authorities, producing eLearning, piloting a Money Crisis project, and securing changes to food bank standardised referral procedures to include offering an active referral to an advice agency for income maximisation.

Funded by the National Lottery Community Fund.

## TACKLING CHILD POVERTY IN GLASGOW

In Glasgow, we supported the city council and health board to produce a local child poverty action report, and participatory budgeting work in Calton district has culminated in a public vote prioritising funds for local activity to tackle child poverty.

Funded by NHS Greater Glasgow and Clyde and Glasgow City Council.

## EXTENDED SCHOOLS

We successfully piloted welfare rights advice for parents in school settings, reaching groups less likely to access advice from mainstream advice agencies. We secured £122,198 annually for 79 clients.

Funded by the Greater London Authority.

## UNIVERSAL CREDIT ADVICE

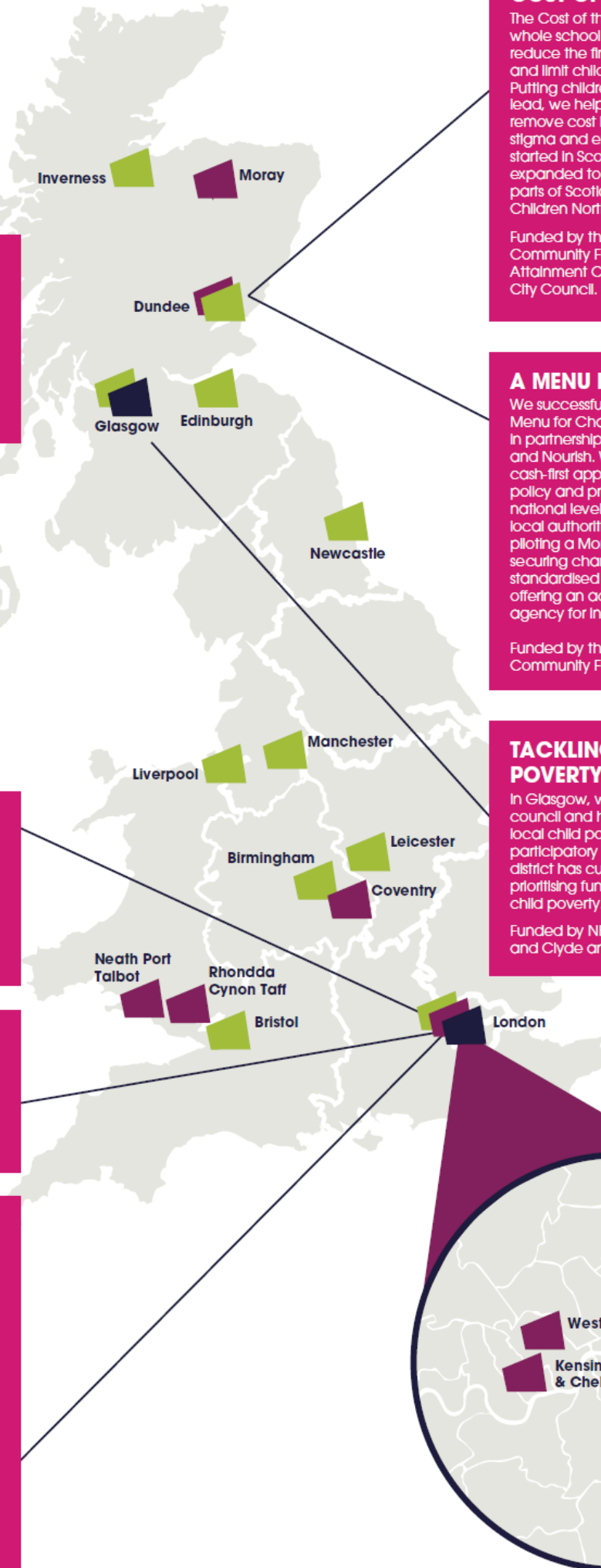
Our universal credit London advice project helps frontline workers understand the rules and procedures and maximise income for their clients.

Funded by City Bridge Trust.

## CAMPAIGNING IN LONDON

Our campaigning in London led to improvements in council tax support: Greenwich introduced 100 per cent council tax support for the poorest residents; Westminster pledged to stop using the two-child limit in council tax support; Hackney increased its level of support; and Barking and Dagenham increased its council tax discretionary fund for 2020-21. Barking and Dagenham also created a new welfare assistance scheme worth \$350k in 2020-21, and the London Borough of Tower Hamlets confirmed that it would make a number of positive changes to its local welfare assistance scheme based on CPAG's recommendations.

Funded by Trust for London.





## Our new strategy

### End Child Poverty:

*Achieve all-party support for a comprehensive strategy to prevent and end child poverty across the UK*

We have been building cross-party support for a child poverty strategy directly through one-to-one meetings with MPs and at party conference fringe events, and our calls were evident in several of the party manifestos at the 2019 general election. We helped push child poverty up the agenda in the election period. Our work is often mentioned in the Westminster and Scottish Parliaments and we give oral and written evidence to committees on a regular basis. Our new presence in Wales has seen us starting to move child poverty issues higher up the agenda in Wales too.

In March, we published *2020 Vision: Ending Child Poverty for Good*, analysing progress towards the previous goal of ending child poverty by 2020, and setting out why a child poverty strategy is needed again and what it should include. We continue to work across the sector and nationwide to galvanise support for a new commitment and strategy to prevent and end child poverty, and continue to support the End Child Poverty coalition of over 70 organisations. We are grateful to **the John Ellerman Foundation** for a core grant towards our policy, research, advocacy and campaigning work.

We continue to incorporate and amplify the voices of “experts by experience” – children, young people, parents and carers in poverty or low income, across our work. Our family panel produced a report and a short film – *A Different Take* – which was screened at the London Child Poverty Summit and explored the biggest issues that they faced living in London and included calls to action. CPAG’s policy, advocacy and campaigning work in London is funded by **Trust for London**.

We have expanded our work in schools, with the launch of the *UK Cost of the School Day* programme funded by **The National Lottery Community Fund** in Coventry, London, Moray, Neath Port Talbot, and Rhondda Cynon Taf. The project builds on our work in Scotland funded by **the Scottish Government**, and we are working with whole-school communities to identify and overcome cost barriers and poverty-related stigma that shape and limit children’s experiences of school. We have joined forces with Children North East to expand this work, and ‘poverty proof’ schools so all children can make the most of the school day. In Scotland, we successfully completed our Dundee Cost of the School Day work funded by **Dundee City Council**, creating a legacy of commitment, tools and resources to support ongoing work to reduce school costs. We published an evaluation of the Cost of the School Day approach, commissioned by **NHS Health Scotland**, and the Scottish Government Pupil Equity Fund operational guidance now includes mention of, and links to, the project.



We successfully helped deliver the Menu for Change food insecurity project in Scotland (in partnership with Oxfam, Poverty Alliance and Nourish and funded by **The National Lottery Community Fund**), which worked to embed a cash-first approach to food insecurity in policy and practice. This involved engaging with local authorities, eLearning, a Money Crisis pilot project, and changes to food bank standardised referral procedures to include offering an active referral to an advice agency for income maximisation. As schools closed due to the Coronavirus, we successfully pushed for cash payments instead of free school meal vouchers in over a third of local authorities in Scotland. In Wales, in response to our campaigning, over 80 per cent of local authorities offered the option of cash or only giving cash instead of vouchers.



We have also been working with health professionals to establish child poverty as a public health issue in England as it is in Scotland – this has included working with the Health Foundation to ensure that poverty is recognised as a socio-economic driver of ill-health in government policy.

Our annual *Cost of a Child* report showed the continuing gap between low-income families' incomes and what they need to raise a child – because of low pay and insufficient social security support. We have begun a four-year project generously funded by **Barclays Bank UK plc** – *Your Work, Your Way* – to tackle in-work poverty through supporting potential second earners to get into and progress in paid work.



## Secure futures for children and families:

### *Achieve political support for a renewed vision for social security*

*Secure Futures for Children and Families*, CPAG's project looking at the future of social security, launched in September 2019. We developed a set of principles to underpin a more effective social security system, and held round tables on possible delivery systems including universal benefits, means-tested benefits and contributory/contingency benefits. We have had many contributions to the project, including analysis of problems with our current system's over-reliance on means-testing, the need for income security and children's rights. We recruited a new policy analyst to boost our in-house capacity to model different policies and approaches. We also held our first citizens' jury, thanks to Grants Plus support from **the Esmée Fairbairn Foundation**, to explore both the principles and possible delivery systems for a future social security system. A group of people representative of the population as a whole shared their views and deliberated – this will feed into our recommendations for what a secure future for children and families might look like. We have more citizens' juries planned, thanks to support from **the Barrow Cadbury Trust**, **the Glasgow Centre for Population Health** and **Oxfam**.

As well as looking to the future of social security, we have been pushing for improvements to the current system with evidence from our Early Warning System (see above). We produced a state of the nation publication on

universal credit – highlighting what needs to change and the effect of those changes on child poverty. We continue our leadership role in the sector on universal credit, including around the proposed managed migration of claims to UC. We chair the Social Security Consortium which facilitates information sharing and which has been developing joint-positions with disability charities on managed migration. In Scotland we played a leading role in the Disability and Carers Benefits Expert Advisory Group, providing expert advice to the Cabinet Secretary. We took the lead in developing a revised Scottish Campaign on Rights to Social Security manifesto and chaired the launch event. We continue to lead the broad coalition of organisations campaigning against the two-child limit and are developing a campaign to restore and maintain child benefit. We are grateful to **the Esmée Fairbairn Foundation** for funding our campaigns and communication work.

Our advice service provided expert casework support in 9,236 cases, supporting 1,450 organisations across the UK.



The Scottish Government announced the introduction of a Scottish Child Payment of £10 a week for all children in households in receipt of universal credit or equivalent legacy benefits. This followed the longstanding CPAG-led *Give Me 5* campaign, and CPAG co-ordinated influencing with IPPR, JRF and the Poverty Alliance. Roll out for children under six has been brought forward to begin by the end of 2020. It is estimated that this will reduce child poverty by 30,000 (three percentage points) as well as preventing poverty. We also helped secure £3 million additional investment in the Scottish Welfare Fund in the draft 2020/21 Scottish budget.

Previous CPAG influencing secured a legal duty in the 2018 Social Security (Scotland) Act to produce a strategy on social security take up, and this has now been published. We have been actively monitoring the first year of Social Security Scotland, and have provided relevant case studies to Scottish Government officials developing policies on universal credit split payments and consent.

Our legal work saw great success, recognised by CPAG winning the award for best legal aid team at the Legal Aid Lawyer of the Year awards. We won our challenge to the marriage requirement in bereavement support payment, and we supported a successful case concerning tenants unlawfully forced to spend subsistence benefits other than housing benefit on rent to avoid homelessness. We were very disappointed to lose our long-running benefit cap case at the Supreme Court. Our two-child limit case was heard at the Supreme Court in October 2020 and a decision is pending.

Following a two-year trainee scheme from January 2019 to January 2021 – the Justice First Fellowship – a staff member will soon be qualifying as a solicitor in 2020. We are immensely grateful to **The Legal Education Foundation** and **Herbert Smith Freehills** for supporting this scheme.



“These appeals were rightly brought. The arguments raised in them have been of such weight as to attract this court’s most careful and sympathetic consideration; and they have led to two members of the court to enter a powerful dissent from the majority’s dismissal of the appeals”

*Lord Wilson in the benefit cap judgment*

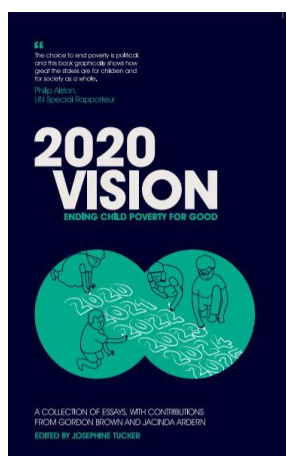
Our advice service in a Tower Hamlets food bank drew to a close in October 2019 after six years. Our *Extended Schools* project, supported by the **Greater London Authority**, saw us successfully piloting welfare rights advice for

parents in school settings. We were able to reach groups less likely to seek advice from mainstream advice agencies, namely women and people from a BME background, and more likely to access advice when it is available at a school, securing £122,198 annually for 79 clients. In Glasgow, we produced a child poverty action report and our participatory budgeting work in Calton district has culminated in a public vote prioritising funds for local activity to tackle child poverty. We have secured a further year's funding from **Glasgow Health and Social Care Partnership** for a new Glasgow child poverty co-ordinator.

## Sustain and build our sector leading products and services

*Sustain and develop our high quality welfare rights content, training and membership by exploiting new technology in order to design new products, market effectively, grow income and gain new supporters*

The core objective of our business team is to deliver expert information to frontline workers advising and supporting families in poverty and generate vital income for CPAG. This is achieved by producing a range of publications, training courses, seminars and conferences, and by facilitating CPAG membership and supporter activities.



In 2019/20, CPAG published 15 new titles offering authoritative information on welfare benefits and the impact of social security reform, including the highly respected and bestselling *Welfare Benefits and Tax Credits Handbook*, legislative guidance, and three new policy titles – *Let's talk about Tax*, *Living Hand to Mouth*, and *2020 Vision* – to inform the debate around child poverty in the UK. We distributed 20,848 CPAG books across the UK, and gave access to a further 1,534 through online and print subscriptions. We also sold and distributed an additional 2,846 books from other publishers which complement our own portfolio. We also produced or updated 39 factsheets in Scotland.

We trained over 6,240 participants through our training, conferences and seminars. We delivered 143 programmed courses across 11 different locations in England and Scotland. An additional 167 bespoke, in-house training courses were also run within outside organisations. Universal credit remained a topic of particular interest and

demand. There was also a notable increase in demand for more introductory-level courses from frontline workers who do not work specifically in welfare rights.

In Scotland our eLearning offer continues to be popular. We developed a bespoke package for Fife Council. We have also licensed the Scotland team's eLearning to Hertfordshire County Council. We also secured a grant from **the Scottish Benefit Take-up Fund** to produce eLearning. We have developed a very popular Scottish social security online resource (which had 21,966 page views in 2019/20) – to increase awareness of new entitlements for families. We developed three new digital resources – *Cash in a Crisis* (a tool for frontline workers to find sources of cash for people without money for food), *Payments for Children in Scotland* (to increase frontline workers' awareness of new support for families in Scotland) and *Student Income and Universal Credit* (for advisers to support lone parents and others into further and higher education).

Our conference and seminar programme continued to be popular and saw record numbers of attendees: over 280 participants attended the welfare rights conferences in London and Manchester; and 230 attended the Glasgow conference – our largest ever. We are immensely grateful to our friends at solicitors firm **Herbert Smith Freehills**; the firm hosts our London conference at its offices, saving CPAG significant venue, catering and related costs. Two seminars were organised during the year, in Manchester and London, and had an additional 76 participants.

In January 2020 we launched our new online platform AskCPAG. Building on decades of experience supporting organisations and individuals across the UK, AskCPAG supplements the expertise advisers have come to trust and rely on from our rights handbooks and training, with up-to-date information, insights, decision-making tools and appeal letter generators. Subscribers to our previous online subscriptions have been transferred over to this platform – which includes the online *Welfare Benefits and Tax Credits Handbook*, *Welfare Rights Bulletin* and *Poverty* journal. CPAG worked with the **Money and Pensions Service** to make the *Debt Handbook* available for free. In 2019/20 we had 1,180 members and an additional 1,270 print subscribers 516 subscribers to AskCPAG and our other online subscription packages. All members receive a copy of the *Poverty* journal and CPAG provides valuable information throughout the year to welfare rights workers through the *Welfare Rights Bulletin*. We continue to engage with our members to provide the support they need across face-to-face, print and digital solutions.

**Stay financially secure, maintain modern infrastructure and manage effectively**  
***Stay positive, forward-looking, adaptable and capable, in an attractive work environment with well-managed staff and sufficient resources***

### **Fundraising**

Donors to CPAG can be assured that we comply with the regulatory standards for fundraising. CPAG is registered with the Fundraising Regulator and is committed to the Fundraising Promise and adherence to the Code of Fundraising Practice. CPAG's Head of Fundraising is a member of the Chartered Institute of Fundraising. CPAG's fundraising is monitored regularly by the Senior Management Team and quarterly by the Trustees.



Fundraising during the year brought in a total of £2,087,792 (2019: £2,361,318). The vast majority of this is from restricted income from grants - £911k for CPAG in Scotland and £960k for CPAG's work in the rest of the country. CPAG also received statutory income: contracts with the **Greater London Authority** and **London Borough of Tower Hamlets** as detailed above.

We received significant grants from a number of trusts including **The Legal Education Foundation** for our new digital platform, AskCPAG; a continuation of our project to build the capacity of advisers through judicial review and upper tribunal remedies, and a new project, "Computer Says No! Access to Justice and Digitalisation in Universal Credit".

**Herbert Smith Freehills**, as well as hosting our London conference, provided pro-bono legal assistance in cases in which we have intervened.

CPAG's approach to fundraising is to increase our unrestricted income, crucially through increased individual giving, legacy fundraising, and grants. We received a core grant of £50,000 from **the John Ellerman Foundation** (first of three) together with donations of smaller amounts from other charitable trusts.

Individual giving significantly increased, partly as a result of unexpected media (e.g. the broadcast of "Growing Up Poor: Britain's Breadline Kids", a Channel 4 Dispatches programme) and also our focus on supporter acquisition, three fundraising appeals, and frequent, mailings to regular donors about how their donations are helping CPAG in its mission of preventing and ending child poverty. We saw a 30 per cent increase in supporters to 7,069 (2019: 5,424).



CPAG does not employ third party suppliers to raise funds. For those who fundraise on our behalf, we ensure that the correct safeguards are in place including agreements with 'commercial participants' or 'corporate partners'. We are grateful to **MJP Conveyancing** for choosing CPAG as charity of the year.

Two organisations wound up in the year and we are grateful to them for donating funds to CPAG: **Belgrave Playhouse** and **Berwick Welfare Rights +**.

We are also very grateful to over 200 organisations and individuals who raised over £27,000 through a huge variety of imaginative fundraising and tireless effort: the construction industry raised £7,000 for CPAG through its Wellies Charity lunch; the band **Los Campesinos!** donated £4,000, **author Raj Kaur Kaira** donated royalties, the students from **Alexandra Park School** won a grant for CPAG from the First Give programme, **Amy Ertan** took on a half marathon and **Beth Sian** shaved her head. We are grateful to all our supporters, too many to list all here; more fundraising heroes and their stories can be found on our website.

CPAG's new four-year project, funded by **Barclays Bank UK plc**, "Your Work, Your Way", aimed at reducing in-work poverty, is CPAG's first significant corporate grant.

At CPAG, we are committed to data privacy including compliance with the GDPR, which is a positive step in how people are contacted and vulnerable people protected. We updated our privacy policy in October 2019, mainly with new information about how we promote CPAG and recruit new supporters, and we emailed all supporters about the changes. Our fundraising activities are designed to ensure we protect privacy and we have systems in place to enable us to fulfil the wishes of those supporters who do not want to receive appeals. We started work on a more comprehensive cookie management solution. Our website outlines our complaints policy for the public. We received no complaints in 2019/20. We are signed up to the Fundraising Preference Service to enable individuals to opt out from receiving fundraising communications from us. We received no such requests from this service last year.

We are extremely grateful to all our supporters and hope they will continue to support us however they can.

### *Staff, safeguarding and resources*

In 2019, we extensively reviewed CPAG's safeguarding policy and Trustees approved a new policy in June 2020. A copy is available by emailing [office@cpag.org.uk](mailto:office@cpag.org.uk).



## Looking Ahead

In 2020/21, we aim to continue our efforts from 2019/20 to consolidate and embed the new digital infrastructure we have been developing. This will assist us to grow CPAG's business and income generating activities, by ensuring that customers get appropriate, useful and timely information from us.

Specifically, we aim to:

- Review the Welfare Benefits and Tax Credits Handbook, to ensure that it meets user needs now that we are seeing a fuller UC rollout.
- Digital transformation: Develop phase II of our digital transformation, namely an integrated subscription service for Ask CPAG with the online version of our Welfare Benefits and Tax Credits Handbook, and implementing a new publishing system.
- Continue to focus on marketing new customers, including housing associations, education and health workers, while also supporting our existing customers; building bespoke packages and services where required.
- Promote our refreshed membership offer, as a way to support CPAG, get involved in campaigning work and enable advisers to benefit from our professional advice.
- Continue to focus on developing a wider supporter audience for CPAG, as a step towards harnessing a bigger cohort of regular individual givers.
- Continue to build on delivering key outcomes required by trust and foundation funders and aim to grow income from this important funding group.

## Plans for Future

The Trustees have approved a programme of work for the coming year building on last year's work focusing on four overarching objectives:

### Objective 1 – end child poverty

- Achieve all-party support for a comprehensive strategy to prevent and end child poverty across the UK.

Specifically we will:

- Promote our blueprint for a UK child poverty strategy and campaign to make it a top public and all-party political priority.
- Incorporate the voices of 'experts by experience' into our work.
- Produce evidence-based, solutions-focused research and policy propositions.
- Deliver agenda-setting, communications and campaigns to highlight the causes of and solutions to child poverty, highlighting in-work poverty.

### Objective 2 – secure futures for children and families

- Achieve political support for a renewed vision for social security.

Specifically we will:

- Develop our evidence-informed vision for social security reform, embedding CPAG principles and a rights-based perspective.
- Based on evidence, work to mitigate the harsh impact of the current system.
- Advance our campaigning objectives through strategic use of high profile legal test cases.
- Use our social security expertise to promote and protect the rights of children and families and to maximise family incomes across the UK.
- Develop our second-tier advice services and online welfare rights portal.

### Objective 3 – sustain and build our sector leading products and services

- Sustain and develop our high quality welfare rights content, training and membership by exploiting new technology in order to design new products, market effectively, grow income and gain new supporters.

Specifically we will:

- Secure our income across the full range of our products and services.
- Deliver an effective sales and marketing strategy across all our products and services.
- Drive online developments across the organisation and in all our activities.
- Develop a content-based, curatorial approach to our products and website, communications and engagement.

### Objective 4 – stay financially secure, maintain modern infrastructure and manage effectively

- Stay positive, forward-looking, adaptable and capable, in an attractive work environment with well-managed staff and sufficient resources.

Specifically we will:

- Deliver a financial surplus each year supported by sound financial management.
- Diversify our fundraised income to meet challenging targets and to increase unrestricted income, including growing and engaging our supporter base.
- Work with our Trustees to achieve the highest standards of governance in line with regulatory requirements.
- Attract, develop and support a capable, high quality, talented and diverse staff team to deliver our objectives, including due emphasis on safeguarding.
- Ensure we use the requisite technology, including excellent data management, GDPR compliance and communications.

## Structure, governance and management

Status	Child Poverty Action Group ("the CPAG") is a charitable company limited by guarantee.	
Governing document	The charitable company was established under a Memorandum of Association which established the objects and powers of the charitable company and is governed under its Articles of Association.	
Company number	1993854	
Charity number	Registered with the Charity Commission for England and Wales registration number 294841, and with the Office of the Scottish Charity Regulator registration number SC039339	
Registered office and operational address	30 Micawber Street London N1 7ST	
Email	office@cpag.org.uk	
Website	cpag.org.uk	
Honorary officers	Alan Buckle Kim Catcheside Mark O'Kelly	Chair Vice Chair Treasurer
Chief Executive	Alison Garnham	
Company Secretary	Chineze Okonkwo-Onyilo	
Bankers	NatWest Bank plc Islington Angel Branch 2/3 Upper Street London N1 0PH	
Solicitors	Russell-Cooke 2 Putney Hill London SW15 6AB	
Auditors	Haysmacintyre LLP 10 Queen Street Place London EC4R 1AG	

Trustees who served during the year and thereafter were as follows:

Alan Buckle	Chair
Gaynor Humphreys	Vice Chair - Until 17 October 2019
Kim Catcheside	Vice Chair from 10 December 2019
Alan Thackrey	Until 10 December 2019
Mark O'Kelly	Treasurer
Tony Orhnial	Until 17 October 2019
Jonathan Bradshaw	Until 17 October 2019
Alan Marsh	
Diane Sechi	
Fiona Forsyth	
Anne Baxendale	
Steve Bassam (co-opted)	
Tim Waters	
Torsten Bell	From 10 December 2019
Jane Millar	From 10 December 2019
Satwat Rehman	From 10 December 2019
Stephen Watmough	From 10 December 2019

### Constitution

The charity is a company limited by guarantee without shares and governed by its Memorandum and Articles of Association. The guarantee of each member of the company is limited to £1.

Trustees are appointed by the Board for a term of three years and may be re-appointed for up to a maximum of nine years. The mix of skills and experience represented on the Board of Trustees needs to be appropriate to the aims and objectives of the charity, and the current and longer-term challenges it faces, and trustees are selected for appointment with a view to maintaining that balance. Additional trustees may be co-opted by the Board for a period of 12 months and may be re-appointed for a further two 12 month terms.

### Membership

Members of the charity guarantee to contribute an amount not exceeding £1 to the assets of the charity in the event of winding up. The total number of such guarantees at 31 March 2020 was 1,180 (2019: 895). The Trustees are members of the charity but this entitles them only to the same voting rights as other members. The Trustees have no beneficial interest in the charity.

### CPAG in Scotland

In addition to its main office in London, CPAG maintains an office in Glasgow to enable the charity to maximise its input to Scottish policy-makers, its reach to advisers working in Scotland and to ensure devolved experience is fed into UK-wide child poverty activity. Over the year CPAG in Scotland continued to be a key voice on child poverty issues in Scotland, widening its policy influencing activity (working in partnership wherever possible) and developing and growing its second-tier welfare rights services.

### Related parties

The charity owns a subsidiary company, CPAG Limited, which is dormant. Other than transactions with Trustees disclosed in note 3 and the remuneration of Key Management Personnel disclosed in note 5, there are no related party transactions requiring disclosure in these accounts.

### Training of Trustees

Training of Trustees is supported by an ongoing programme of presentations to the Board on CPAG's policy and rights work, and on charity finance, law and practice. In addition, individual Trustees attend ad hoc external training events as appropriate.

### Volunteers

Trustees and other committee members give their time not just in attending meetings, but in contributing their expertise and advice more generally to CPAG's work. We are grateful to those who worked for us in a voluntary capacity and others who, during the year, contributed articles or text to our publications without charging.

### Senior staff payment policy

The pay of senior staff comprising the CEO and senior management team is reviewed annually and normally increased with inflation. The charity uses a pay scale devised for CPAG after benchmarking against median salaries in the sector.

### Organisational structure and the decision making process

The Trustees are responsible for the strategic direction of the charity, and for monitoring its performance and effectiveness. They are supported by a number of subcommittees, whose responsibilities are set out by the Board. Committees do not have decision-making powers, except where specifically authorised by the Board in relation to individual decisions, but act in an advisory capacity to staff and to the Board of Trustees.

The operational responsibilities of the charity are delegated via a "Scheme of Delegation" to the Chief Executive, who in turn delegates various duties to senior staff.

### Governance

Trustees are responsible for ensuring the highest standards of governance are attained and regularly consider how the Board can be strengthened.

### Risk statement

During the year, Trustees continued to identify risks potentially affecting all parts of CPAG's activities and assessed them in terms of likelihood and impact using the qualitative analysis methodology. In formulating the strategy, the Board of Trustees continue to give particular attention to potential reputational, financial and operational risks involved in managing the organisation. This formed part of the subject of discussion at Board meetings and measures to address the risks have been identified and steps taken to ensure that these are adequate. As an enterprising and creative organisation, CPAG does not seek to avoid all risks. The Trustees' policy is to understand the risks we are taking and to ensure that appropriate steps are taken to control and mitigate them. A table below lists major risks to which the charity is exposed, as identified by us, and demonstrates that they have been reviewed and systems have been established to mitigate those risks alongside strategic priorities. These risks remain the same as they were in financial year ended 31 March 2019, with the exception that we have managed through the COVID-19 crisis in 2020.



Strategic priority	Risk	Mitigating actions
Continue to be the leading experts on social security and child poverty	Given greater media interest in charities and increased exposure to public comment through social media activity of our advocacy and policy work, there is a risk that our reputation, credibility or market share as the leading independent experts on social security and child poverty for media, policy stakeholders and advice workers, members and the public may be challenged.	<ul style="list-style-type: none"> <li>• Comment and focus only where we are expert and have evidence.</li> <li>• Established, clear approval processes for press releases and policy briefings, balanced with need for quick media response.</li> <li>• Established lines of accountability for sign off of all external documents and comments.</li> </ul>
Grow income and reserves sustainably	Given our reliance on funders and publications income, and the economic pressures facing our financial supporters and customers, there is a risk that continued reductions in levels of sales of publications or training, or sudden cancellation of grants may lead to inability to sustain our vital policy and advocacy work and inability to build unrestricted income which enable us to post a surplus and build reserves to the required levels.	<ul style="list-style-type: none"> <li>• Sales and income reports generated and regularly reviewed to enable agility and timely corrective action.</li> <li>• Close monitoring of grant funded projects to ensure that funding conditions are met within timescales given.</li> <li>• Improve our CRM and website to enable us to develop fundraising in areas other than trusts and foundations including legacies programme, individual donations and corporates.</li> <li>• Continue to develop new creative offerings to our publications, training and membership customers.</li> <li>• Continue to use more effective debt chasing procedures.</li> </ul>
We continue to invest in our digital infrastructure	Our objective to move towards a digital provision and service continues with investment from funding and core where appropriate.	<ul style="list-style-type: none"> <li>• The digital team lead by the Director of Business meet regularly to ensure aims and objectives are met and we continue to work on our digital strategy.</li> <li>• A Board committee monitors digital developments.</li> </ul>
Larger projects	Given our ambitions to grow our impact there is a risk that, as we expand, we fail to successfully deliver on even larger projects.	<ul style="list-style-type: none"> <li>• Hire the best staff CPAG can attract.</li> <li>• Constant monitoring of activities and resources within large projects.</li> <li>• Including the projects as part of our risk assessment process which involves Trustees and SMT working together.</li> </ul>
COVID-19 risk	Senior Management team and SRA Trustees have been meeting on a monthly basis since March 2020 to mitigate the risk from COVID-19, and a series of mitigating actions are being implemented.	<ul style="list-style-type: none"> <li>• Staff health and wellbeing being a priority for CPAG, remote working was already being implemented prior to Government lockdown.</li> <li>• Upgrade of IT infrastructure such as laptops have been procured for all staff. Also, to avoid the risk of overload on the server via VPN, we have implemented Office 365.</li> <li>• Financial impact: the budget and plan for 2020-21 has been substantively revised to anticipate a significant loss of training income during the first six months. The following mitigating plans are being implemented:</li> <li>• New products in the form of webinars and online training</li> </ul>

COVID-19 risk (continued)	<p>are currently being developed and delivered in order to generate income lost from onsite training.</p> <ul style="list-style-type: none"><li>• Extra push in the sales of subscriptions to AskCPAG to individual subscribers and large bulk corporate sales.</li><li>• All unfunded new recruitment was frozen until further notice.</li></ul>
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## Financial Review

Total income for the year decreased by £228,772 to £3,893,135 (2019: £4,121,907) compared to the previous year. The decrease in income is largely attributed to a decrease in donation income £277,964 (2019: £696,902) and legacies £5,701 (2019: £155,121). A significant one off donation of £500,000 was received in 2019 from Northmoor Trust. The decrease also includes a provision of £68,325 for doubtful debt.

Income from charitable activities increased by 9.7 per cent to £3,557,945 (2019: £3,242,422). This is as a result of the financial support we continue to receive from our principal funders. Principal funders for the charity during the year, as for previous year, were trusts and foundations, Scottish government and donations. The support of our donors and funders continues to be fundamental for the success of our vital policy, rights and advocacy work.

Total expenditure increased by 17.6 per cent in the year to £4,210,438 (2019: £3,577,723). There were cost increases across our 'business as usual' expenditure attributable to publications, training, membership and information, policy, research and campaigning activities.

Staff costs remain our biggest single cost, comprising 58 per cent (2019: 58 per cent) of costs at £2,423,978 (2019: £2,064,671) in total.

Support costs in the year came to £1,001,289 versus an equivalent of £953,253 in the previous year which is mainly as a result of increase in staff cost within the financial year.

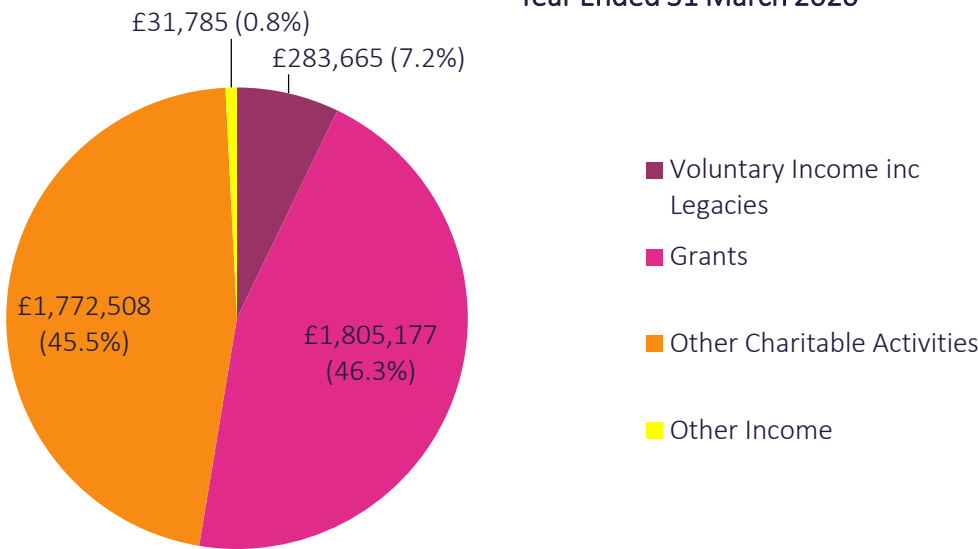
92.9 per cent of our expenditure was on charitable activities. This means that for every £1 spent, 92.9p was on our work in policy and advocacy, welfare rights including our Early Warning System and educational activities.

Overall as a result of the decrease in income and increase in expenditure, the charity generated a deficit of £318,092 (2019: surplus £543,630), which decreased charitable funds to £2,226,368 (2019: £2,544,460). Of these, £22,573 (2019: £108,264) are restricted to specific ongoing projects and will be expended in future years. £2,203,795 (2019: £2,436,196) are held in unrestricted reserves at the year-end of which £2,088,034 have been designated by the trustees.

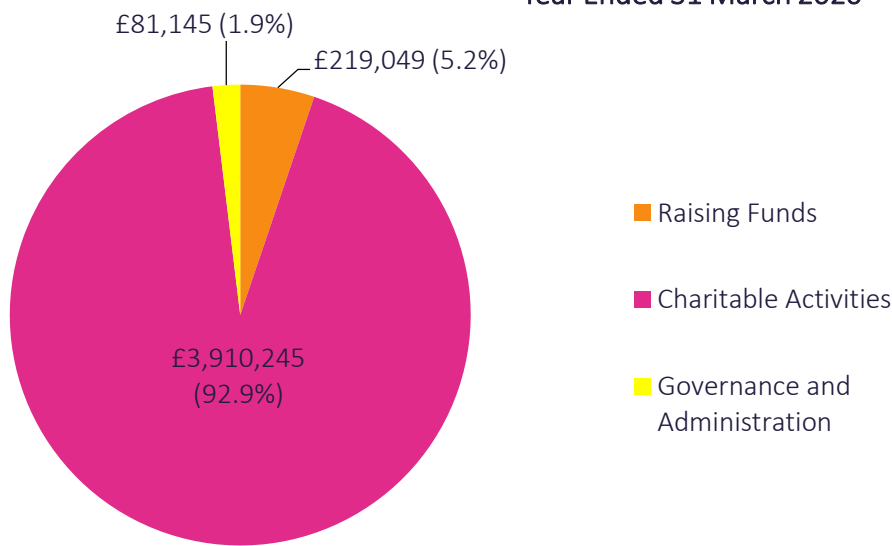
Designated funds increased from £2,068,009 to £2,088,034 mainly due to additions to fixed assets. Depreciation for the year was as expected and in line with our accounting policies of fixed assets. There was no change in the composition of the designated funds during the year and these are described in Note 14 to the financial statements.

Income and Expenditure

Where Money Comes From  
Year Ended 31 March 2020



Where Money Goes  
Year Ended 31 March 2020



Thank you to organisations and individuals who choose to support CPAG’s work through time and valuable skills, campaigning, regular, one-off and legacy donations.  
For every £1 of our expenditure in 2019/20, 92.9p was spent on our charitable activities

## Reserves policy and going concern

The Trustees have a policy to hold sufficient unrestricted reserves in order to provide working capital in the event of any unexpected shortfall in income or additional expenses which equates to approximately 2 months' planned expenditure or £671,552. At the end of the financial year, after allowing for designated funds (note 14), the general funds for these purposes was £115,761 which represents 10 days' expenditure and is below the trustees stated reserves policy by £555,791. An additional £185,000 is held in designated funds. The Trustees could agree to make this available for general use if needed.

Having considered the future income, expenditure, cash-flow and our premises, which the charity owns and which has a net book value of £1.6m; the Trustees are confident that, with the continued support from our donors, funders and the on-going investment into the charity's human resources as well as IT infrastructure, the financial condition of the charity will continue to improve. Since 31 March 2020, fundraising and our new digital and online services have ensured that reserves have not diminished further.

The Trustees are working closely with the Senior Management Team to monitor the levels of reserves and to ensure that the improvements are made over the coming years. There are grounds for optimism regarding improvements in the short term.

## Investment policy

The Trustees have powers set out in the Memorandum and Articles of Association that allow them to invest surplus funds after receiving advice from a financial expert and include the power to delegate the management of investments to a financial expert. An investment of £ 511,296 was maintained in an Interest-bearing notice account as at year end.

The Trustees continue to strive to increase the charity's income and to use its resources to maximum effect in combating child poverty, balancing the need to maximise the impact of our activities with the need to maintain financial security.

## Responsibilities of the trustees

The Trustees, who are also the directors 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 (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England & Wales requires the Trustees/Directors 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 incoming resources and application of resources of the charity for that period. In preparing these financial statements, the Trustees are required to:

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles in the Charities SORP;
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable accounting standards 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 business.

The Trustees are responsible for keeping adequate accounting records which are sufficient to show and explain the transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006. They 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.

So far as each of the Directors/Trustees is aware at the time the report is approved:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- each Director/Trustee has 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 this information.

### Auditors

Haysmacintyre were appointed auditors at the annual general meeting on 1 December 2018. They were re-appointed during the year and have indicated their willingness to continue in that capacity

Approved by the Trustees on 30 November 2020 and signed on their behalf by

A handwritten signature in blue ink, appearing to read 'Alan Buckle', with a small horizontal line underneath.

Alan Buckle  
Chair



We have audited the financial statements of Child Poverty Action Group for the year-ended 31 March 2020 which comprise Statement of Financial Activities, the balance Sheet, the Cash Flow Statements and 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 charitable company's affairs as at 31 March 2020 and of the charitable company's net movement in funds, including the 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 and the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 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.

#### Responsibilities of trustees for the financial statements

As explained more fully in the trustees' responsibilities statement set out on pages 25-26, the trustees (who are also the directors of the charitable company for the purposes of company 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 trustees 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 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 trustees 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

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.

### Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

### Other information

The trustees are responsible for the other information. The other information comprises the information included in the Trustees' Report. 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.

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.

### 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 Trustees' Report (which includes the directors' report prepared for the purposes of company law) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report included within the Trustees' 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 charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report (which incorporates the directors' report).

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

- adequate accounting records have not been kept by the charitable company; or
- the charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or

- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to take advantage of the small companies' exemptions from the requirement to prepare a strategic report.

#### 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, section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the charitable company'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 charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Murtaza Jessa (Senior Statutory Auditor)  
For and on behalf of Haysmacintyre LLP, Statutory Auditors

10 Queen Street Place  
London, EC4R 1AG

23 December 2020

Statement of financial activities – current year  
(incorporating an income and expenditure account)  
Year ended 31 March 2020

	Notes	Unrestricted £	Restricted £	2020 £
<b>Income from:</b>				
Donations	2	277,964	-	277,964
Legacies	2	5,701	-	5,701
Activities for generating funds				
Rent and room hire		19,740	-	19,740
Charitable activities:				
Publications		734,721	79,395	814,116
Welfare rights and test cases		216,415	776,564	992,979
Training	7	613,216	160,428	773,644
Membership		66,339	-	66,339
Information, research and campaigning		122,077	788,790	910,867
Investments		6,044	-	6,044
Other		25,741	-	25,741
<b>Total</b>		<b>2,087,958</b>	<b>1,805,177</b>	<b>3,893,135</b>
<b>Expenditure on:</b>				
Raising funds		219,049	-	219,049
Charitable activities:				
Publications		673,865	79,395	753,260
Welfare rights and test cases		333,635	860,631	1,194,266
Training		359,323	160,428	519,751
Membership		122,952	-	122,952
Information, research and campaigning		610,746	790,414	1,401,160
<b>Total</b>	4	<b>2,319,570</b>	<b>1,890,868</b>	<b>4,210,438</b>
<b>Net expenditure before Investment losses</b>		<b>(231,612)</b>	<b>(85,691)</b>	<b>(317,303)</b>
Gross transfers between funds		-	-	-
<b>Net expenditure</b>	3	<b>(231,612)</b>	<b>(85,691)</b>	<b>(317,303)</b>
Unrealised Investment losses	9	(789)	-	(789)
<b>Net movement in funds</b>		<b>(232,401)</b>	<b>(85,691)</b>	<b>(318,092)</b>
Total funds brought forward		2,436,196	108,264	2,544,460
<b>Total funds carried forward</b>		<b>2,203,795</b>	<b>22,573</b>	<b>2,226,368</b>

Statement of financial activities – prior year  
(incorporating an income and expenditure account)  
Year ended 31 March 2019

	Notes	Unrestricted £	Restricted £	2019 £
<b>Income from:</b>				
Donations	2	696,902	-	696,902
Legacies	2	155,121	-	155,121
Activities for generating funds				
Rent and room hire		20,989	-	20,989
Charitable activities:				
Publications		726,152	74,428	800,580
Welfare rights and test cases		232,648	747,184	979,832
Training	7	659,606	187,392	846,998
Membership		75,830	-	75,830
Information, research and campaigning		38,891	500,291	539,182
Investments		831	-	831
Other		5,642	-	5,642
<b>Total</b>		<b>2,612,612</b>	<b>1,509,295</b>	<b>4,121,907</b>
<b>Expenditure on:</b>				
Raising funds		265,635	-	265,635
Charitable activities:				
Publications		539,410	74,428	613,838
Welfare rights and test cases		746,900	660,489	1,407,389
Training		305,320	187,392	492,712
Membership		103,919	-	103,919
Information, research and campaigning		188,106	506,124	694,230
<b>Total</b>	4	<b>2,149,290</b>	<b>1,428,433</b>	<b>3,577,723</b>
<b>Net Income before investment losses</b>		<b>463,322</b>	<b>80,862</b>	<b>544,184</b>
Gross transfers between funds		-	-	-
<b>Net income/(expenditure)</b>	3	<b>463,322</b>	<b>80,862</b>	<b>544,184</b>
Unrealised Investment losses	9	(554)	-	(554)
<b>Net movement in funds</b>		<b>462,768</b>	<b>80,862</b>	<b>543,630</b>
Total funds brought forward		1,973,428	27,402	2,000,830
<b>Total funds carried forward</b>		<b>2,436,196</b>	<b>108,264</b>	<b>2,544,460</b>

Company number 01993854

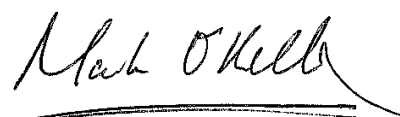
Balance sheet as at 31 March 2020

	Notes	2020		2019	
		£	£	£	£
<b>FIXED ASSETS</b>					
Tangible fixed assets	8		1,863,034		1,843,009
Investments	9		512,281		357,926
			<u>2,375,315</u>		<u>2,200,935</u>
<b>CURRENT ASSETS</b>					
Stock	10	100,029		107,184	
Debtors	11	874,218		738,082	
Cash and Short term deposits		303,563		227,128	
		<u>1,277,810</u>		<u>1,072,394</u>	
<b>CREDITORS: amounts falling due within one year</b>	12	(1,426,757)		(728,869)	
<b>NET CURRENT (LIABILITIES) / ASSETS</b>			<u>(148,947)</u>		<u>343,525</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<u>2,226,368</u>		<u>2,544,460</u>
<b>CREDITORS: amounts falling due after one year</b>			-		-
<b>NET ASSETS</b>	13		<u><u>2,226,368</u></u>		<u><u>2,544,460</u></u>
<b>FUNDS</b>					
Restricted funds			22,573		108,264
Unrestricted funds:					
Designated funds			2,088,034		2,068,009
General funds			115,761		368,187
<b>TOTAL CHARITY FUNDS</b>	14		<u><u>2,226,368</u></u>		<u><u>2,544,460</u></u>

The financial statements were approved and authorised for issue by the Trustees on 30 November 2020 and were signed below on its behalf by:



Alan Buckle  
Chair



Mark O'Kelly  
Treasurer

## Cash flow statement

Year ended 31 March 2020

	2020 £	2019 £
<b>Cashflows from operating activities</b>		
Net cash provided by operating activities (see note below)	355,650	501,997
<b>Cash flows from investing activities</b>		
Investment income received	6,044	831
Purchase of property, plant and equipment	(130,115)	(75,961)
Purchase of investments	(155,144)	(300,995)
Net cash (used in)/provided by investing activities	(279,215)	(376,125)
Change in cash and cash equivalents in the year	76,435	125,872
Cash and cash equivalents at the start of the year	227,128	101,256
<b><i>Cash and cash equivalents at the end of the year</i></b>	<b>303,563</b>	<b>227,128</b>
<b><i>Note: reconciliation of net expenditure to net cash used by operating activities</i></b>		
Net (expenditure)/income for the year	(318,092)	543,630
Adjustments for:		
Depreciation	110,090	96,839
Investment (losses)/gains	789	554
Investment income	(6,044)	(831)
Decrease/(increase) in stock	7,155	(3,681)
Increase in debtors	(136,136)	(98,310)
Increase/(decrease) in creditors	697,888	(36,204)
<b>Net provided by operating activities</b>	<b>355,650</b>	<b>501,997</b>



## 1. Accounting policies

The principal accounting policies adopted, judgements and key of estimation for uncertainty in the preparation of the financial statement are as follows:

### Basis of preparation

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

CPAG meets the definition of a public benefit under FRS102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting note(s).

### Donations

Donations are received by way of donations and gifts and are included in full in the Statement of Financial Activities (SoFA) when receivable.

### Legacies

Legacies are accounted for on a receivable basis. Legacies notified but not received are included in the financial statements if it is probable that they will be received and the value can be quantified.

### Grants

Grants are credited to the statement of financial activities when received or receivable whichever is earlier. Where unconditional entitlement to grants receivable is dependent upon fulfilment of conditions within the charity's control, the incoming resources are recognised when there is sufficient evidence that conditions will be met. Where there is uncertainty as to whether the charity can meet such conditions the incoming resource is deferred.

### Earned Income

Income generated from the supply of goods or services is included in the statement of financial activities in the period in which the supply is made, net of VAT where applicable.

### Restricted funds

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund.

### Unrestricted funds

Unrestricted funds are donations and other incoming resources received or generated for the charitable purposes.

### Designated funds

Designated funds are unrestricted funds earmarked by the Trustees for particular purposes.

### Expenditure for raising funds

Expenditure for raising funds relates to the costs incurred by the charitable company in inducing third parties to make voluntary contributions to it, as well as the cost of any activities with a fundraising purpose.

Where information about the aims, objectives and projects of the charity is provided to potential beneficiaries, the costs associated with this publicity are allocated to charitable expenditure.

Where such information about the aims, objectives and projects of the charity is also provided to potential donors, activity costs are apportioned between fundraising and charitable activities on a proportional basis.

### Expenditure

Expenditure is recognised in the period in which it is incurred. Expenditure includes attributable VAT which cannot be recovered.

Expenditure is allocated to the particular activity where the cost relates directly to that activity. The cost of overall direction and administration of each activity, comprising the salary and overhead costs of the central function, is apportioned on the basis of staff time.

### Going Concern

The accounts are prepared on a going concern basis. Having considered the forecast income, expenditure and cash flow of the charity and the financing available, the Trustees are satisfied that this basis is appropriate and that there is no material uncertainty in connection with the charitable company's ability to continue to operate for the foreseeable future and a minimum period of twelve months from the approval of the accounts.

### Support costs

Support costs are re-allocated to each of the activities on the basis of estimated staff time attributable to each activity. This has resulted in the following percentage allocations

	2020	2019
Publications	9%	11%
Welfare Rights and Test Cases	26%	30%
Training	9%	18%
Membership	4%	4%
Information, Research and Campaigning	46%	24%
Fundraising and Publicity	5%	11%
Governance	1%	2%

Governance costs are the costs associated with the governance arrangements of the charity. These costs are associated with constitutional and statutory requirements and include any costs associated with the strategic management of the charity's activities.

### Depreciation

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:

Leasehold buildings	50 years
Fixtures, furniture and equipment	10 years
Office machines, CRM & Website	5 years
Computers including software	4 years

### Investments

Investments have been stated at market value at the date of the Balance Sheet. The gains and losses of each period are taken to the statement of financial activities.

### Short term deposits

Short-term deposits are defined as cash balances which cannot be withdrawn within 24 hours without notice and without penalty.

### Stocks

Stocks are stated at the lower of cost and net realisable value. In general, cost is determined on a first in first out basis and includes transport and handling costs. Net realisable value is the price at which stocks can be sold in the normal course of business after allowing for the costs of realisation. Provision is made where necessary for obsolete, slow moving and defective stocks.

### Pension costs

The charity operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the charity in an independently administered fund. The pension cost charge represents contributions payable under the scheme by the charity to the fund. The charity has no liability under the scheme other than for the payment of those contributions.

### Rentals under operating leases

Rentals payable under operating leases, where substantially all the risks and rewards of ownership remain with the lessor, are charged to the Statement of Financial Activities on a straight line basis over the minimum lease term.

### Critical judgments and estimation uncertainty

The principal area of judgment and estimation uncertainty relates to the determination of provisions against bad and doubtful debts.

## 2. Voluntary income

### Current year

	Unrestricted £	Restricted £	2020 £
Donations	277,964	-	277,964
Legacies	5,701	-	5,701
	<u>283,665</u>	<u>-</u>	<u>283,665</u>

### Prior year

	Unrestricted £	Restricted £	2019 £
Donations	696,902	-	696,902
Legacies	155,121	-	155,121
	<u>852,023</u>	<u>-</u>	<u>852,023</u>

### 3. Net income

	2020 £	2019 £
This is stated after charging:		
Depreciation	110,090	96,839
Operating lease rentals:		
Property	40,896	40,716
Equipment	23,664	18,846
Auditors remuneration:		
Audit	25,500	15,183
Trustees' remuneration:		
Costs paid for trustees	-	-
Trustees' reimbursed expenses	-	-
	<u>          </u>	<u>          </u>

Trustees' reimbursed expenses of £NIL (2019: £NIL) represents the reimbursement of travel and subsistence costs of 0 Trustees (2019: 0 Trustees) relating to attendance at meetings of the Trustees and other committees. During the year, Trustees made donations to the charity totalling £4,020.

### 4. Expenditure

#### Current year

	Support Costs £	Direct Costs £	2020 £
<b>Costs of generating funds</b>			
Raising funds	46,797	172,252	219,049
<b>Charitable activities</b>			
Publications	92,053	661,207	753,260
Welfare rights	267,674	926,592	1,194,266
Training	92,287	427,464	519,751
Membership	41,654	81,298	122,952
Information, research and campaigning	460,824	940,336	1,401,160
<b>Total expenditure</b>	<u>1,001,289</u>	<u>3,209,149</u>	<u>4,210,438</u>

Prior year

	Support Costs £	Direct Costs £	2019 £
<b>Costs of generating funds</b>			
Raising funds	104,139	161,496	265,635
<b>Charitable activities</b>			
Publications	94,690	671,644	766,334
Welfare rights	294,326	784,418	1,078,744
Training	85,787	486,591	572,378
Membership	49,169	75,701	124,870
Information, research and campaigning	325,142	444,620	769,762
<b>Total resources expenditure</b>	<b>953,253</b>	<b>2,624,470</b>	<b>3,577,723</b>

5. Staff costs and emoluments

	2020 £	2019 £
Salaries and wages	2,074,350	1,764,974
Social security costs	214,530	180,964
Pension contributions	116,601	98,001
	<b>2,405,481</b>	<b>2,043,939</b>
Agency staff costs	18,497	20,732
<b>Total staff costs</b>	<b>2,423,978</b>	<b>2,064,671</b>

The number of employees who earned £60,000 or more (including benefits in kind) during the year was as follows:

	2020	2019
£70,001 - £80,000	1	1

The pay of senior staff is reviewed annually and normally increased with inflation. The charity uses pay scale devised for CPAG after benchmarking against median salaries in the sector. The key management personnel of the charity comprise the Chief Executive Officer, Director of Finance and Resources, Director of Business, Director of CPAG in Scotland and Director of Policy, Rights and Advocacy. The total employee benefits of the key management personnel of the charity were £342,928 (2019: £343,810).

The average weekly headcount during the year was 67 (2019: 62) and the average weekly number of employees (full-time equivalent) during the year was as follows:

	2020 Number	2019 Number
Welfare rights and test cases	15	12
Information, research and campaigning	19	10
Fundraising and publicity	3	5
Training	5	5
Membership	2	2
Publications	5	5
Governance	1	1
Support activities	6	6
	<u>56</u>	<u>46</u>

## 6. Taxation

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

## 7. Training

Net training income will continue to be ring-fenced and only used to continue or enhance the charity's educational supplies.

## 8. Tangible fixed assets

	Leasehold Buildings £	Fixtures, Furniture & Equipment £	Computers and Software £	Total £
<b>Cost</b>				
At 01/04/2019	1,766,146	98,750	434,169	2,299,065
Additions in year	-	8,475	121,640	130,115
Disposals in year	-	-	-	-
At 31 March 2020	<u>1,766,146</u>	<u>107,225</u>	<u>555,809</u>	<u>2,429,180</u>
<b>Depreciation</b>				
At 01/04/2019	144,650	48,948	262,458	456,056
Charge for 2019/20	35,536	8,927	65,627	110,090
Disposals in year	-	-	-	-
At 31 March 2020	<u>180,187</u>	<u>57,874</u>	<u>328,085</u>	<u>566,146</u>
<b>Net Book Value</b>				
At 31 March 2020	<u>1,585,960</u>	<u>49,350</u>	<u>227,724</u>	<u>1,863,034</u>
At 31 March 2019	<u>1,621,496</u>	<u>49,802</u>	<u>171,711</u>	<u>1,843,009</u>

## 9. Investments

	2020 £	2019 £
Market value at the start of the year	357,926	57,484
Amount deposited in the year	155,144	300,996
Unrealised (loss)	(789)	(554)
	<u>512,281</u>	<u>357,926</u>
Market value at the end of the year	512,281	357,926
	<u>513,265</u>	<u>359,700</u>
<b>Investments comprise:</b>		
Close Brothers Group Plc	511,296	356,153
Shares listed on the LSE	983	1,771
Investment in trading subsidiary	2	2
	<u>512,281</u>	<u>357,926</u>

The deposit of £511,296 in Notice accounts is managed by Close Brothers Group Plc. Trading subsidiary is CPAG Ltd and LSE stands for the London Stock Exchange. The shares represent 500 ordinary shares held in Banco Santander Hispano Central.

## 10. Stock

	2020 £	2019 £
Work in progress	95,154	86,504
Publications for resale	4,875	20,680
	<u>100,029</u>	<u>107,184</u>

## 11. Debtors

	2020 £	2019 £
Trade debtors	326,061	258,966
Other debtors	17,377	102,619
Prepayments	164,793	116,865
Accrued income	365,987	259,632
	<u>874,218</u>	<u>738,082</u>



## 12. Creditors: amounts falling due within one year

	2020 £	2019 £
Trade creditors	292,152	169,401
Taxation and social security	79,371	53,599
Other creditors	56,473	87,038
Accruals and Deferred Income	998,761	418,831
	<u>1,426,757</u>	<u>728,869</u>

## 13. Analysis of net assets

### Between funds – current

	Restricted £	Designated		General £	Total £
		Fixed assets £	Other £		
Tangible fixed assets	-	1,863,034	-	-	1,863,034
Fixed asset investments	-	-	512,281	-	512,281
Net current assets	22,573	-	(287,281)	115,761	(148,947)
	<u>22,573</u>	<u>-</u>	<u>(287,281)</u>	<u>115,761</u>	<u>(148,947)</u>
<b>Net assets at the end of the year 2020</b>	<b>22,573</b>	<b>1,863,034</b>	<b>225,000</b>	<b>115,761</b>	<b>2,226,368</b>
	<u><u>22,573</u></u>	<u><u>1,863,034</u></u>	<u><u>225,000</u></u>	<u><u>115,761</u></u>	<u><u>2,226,368</u></u>

### Between funds – prior

	Restricted £	Designated		General £	Total £
		Fixed assets £	Other £		
Tangible fixed assets	-	1,843,009	-	-	1,843,009
Fixed asset investments	-	-	357,926	-	357,926
Net current assets	108,264	-	(132,925)	368,187	343,525
	<u>108,264</u>	<u>-</u>	<u>(132,925)</u>	<u>368,187</u>	<u>343,525</u>
<b>Net assets at the end of the year 2019</b>	<b>108,264</b>	<b>1,843,009</b>	<b>225,001</b>	<b>368,187</b>	<b>2,544,460</b>
	<u><u>108,264</u></u>	<u><u>1,843,009</u></u>	<u><u>225,001</u></u>	<u><u>368,187</u></u>	<u><u>2,544,460</u></u>

## 14. Movement in funds

### Current year

	At start of the year £	Income £	Expenditure & unrealised losses £	Transfers £	At end of the year £
<b>Restricted funds</b>					
Scottish Government - second tier welfare rights service	-	610,000	(610,000)	-	-
City Bridge Trust – Universal Credit London	2,216	48,750	(50,966)	-	-
Scottish Government – Cost of the School Day Project	-	75,371	(75,371)	-	-
Oak Foundation – Early Warning System	-	86,319	(86,319)	-	-
The Legal Education Foundation (TLEF) Justice First Fellowship	-	50,521	(50,521)	-	-
TLEF – AskCPAG	64,634	12,152	(76,786)	-	-
TLEF – increasing legal knowledge and capability	11,100	51,542	(62,642)	-	-
TLEF – improving public law education and capacity of non-legal professionals	-	18,749	(18,749)	-	-
TLEF – Computer Says No	-	46,382	(33,768)	-	12,614
Trust for London	-	89,500	(85,065)	-	4,435
Scottish Government through a CYPFEIF and ALEC Fund grant	-	133,000	(133,000)	-	-
NHS Greater Glasgow and Clyde	-	16,835	(16,835)	-	-
Barrow Cadbury Fund	420	35,000	(35,420)	-	-
Oxfam GB – National Lottery Community Fund – Menu for Change	12,591	28,288	(40,879)	-	-
Esmée Fairbairn Foundation	-	78,823	(78,823)	-	-
UCL	-	2,251	(2,251)	-	-
Allen & Overy Foundation	-	5,000	(5,000)	-	-
TUUT Charitable Trust	8,500	-	(8,500)	-	-
Feeding Britain	420	26,500	(26,213)	-	707
Gwyneth Forrester Trust	-	27,000	(27,000)	-	-
The Strategic Legal Fund – vulnerable EU migrants project	-	6,237	(6,237)	-	-
Strategic Legal Fund - child tax credits and refugees project	-	8,674	(8,674)	-	-
Access to Justice Foundation	-	12,500	(12,500)	-	-
Comic Relief – Universal Credit project	-	35,796	(35,361)	-	435
National Lottery Community Fund – Cost of the School Day development project	-	11,853	(11,853)	-	-
National Lottery Community Fund – UK Cost of the School Day project	-	231,987	(231,987)	-	-

	At start of the year £	Income £	Expenditure & unrealised losses £	Transfers £	At end of the year £
Esmée Fairbairn Foundation – Citizens Jury	-	10,536	(10,536)	-	-
Barclays – Your Work Your Way	-	16,049	(15,169)	-	880
Grants for Advice Line Glasgow	-	21,342	(21,342)	-	-
Glasgow City Council for Participatory Budget work in Calton Ward	-	1,970	(1,970)	-	-
Other grants	8,383	6,250	(11,132)	-	3,501
<b>Total restricted funds</b>	<b>108,264</b>	<b>1,805,177</b>	<b>(1,890,868)</b>	<b>-</b>	<b>22,573</b>
<i><u>Designated funds</u></i>					
Tangible fixed assets	1,843,009	-	(110,089)	130,114	1,863,034
Capital Reserve	40,000	-	-	-	40,000
Development Fund	100,000	-	-	-	100,000
Redundancy /Leave	85,000	-	-	-	85,000
<i>Total designated funds</i>	<i>2,068,009</i>	<i>-</i>	<i>(110,089)</i>	<i>130,114</i>	<i>2,088,034</i>
<i>General funds</i>	<i>368,187</i>	<i>2,087,958</i>	<i>(2,210,270)</i>	<i>(130,114)</i>	<i>115,761</i>
<b>Total unrestricted funds</b>	<b>2,436,196</b>	<b>2,087,958</b>	<b>(2,320,359)</b>	<b>-</b>	<b>2,203,795</b>
<b>Total Funds</b>	<b>2,544,460</b>	<b>3,893,135</b>	<b>(4,211,227)</b>	<b>-</b>	<b>2,226,368</b>

Prior year

	At start of the year £	Incoming resources £	Outgoing resources & unrealised losses £	Transfers £	At end of the year £
<b>Restricted funds</b>					
Scottish Government (Second tier advice)	-	610,000	(610,000)	-	-
City Bridge Trust	-	32,500	(30,284)	-	2,216
NHS Greater Glasgow - CoSD	-	31,429	(31,429)	-	-
Oak Foundation	-	85,332	(85,332)	-	-
Justice First Fellowship	-	8,813	(8,813)	-	-
Legal Education Foundation	-	150,779	(86,145)	-	64,634
LEF – Upper Tribunal & Judicial Review	-	51,544	(40,444)	-	11,100
Trust For London	4,447	68,000	(72,447)	-	-
BigFund/(CYPFEIF/LloydsTSB Foundation for Scotland)	-	133,000	(133,000)	-	-
GCPH/NHSGGC for School Day	-	35,000	(35,000)	-	-
Barrow Cadbury Trust	-	36,125	(35,705)	-	420
Oxfam (Menu for Change)	14,573	59,066	(61,048)	-	12,591
Esmée Fairbairn	-	78,984	(78,984)	-	-
Sheffield University	-	4,121	(4,121)	-	-
Allen & Overy	-	10,000	(10,000)	-	-
TUUT	-	10,000	(1,500)	-	8,500
Big Lottery – Feeding Britain	-	4,417	(3,997)	-	420
Leeds University	-	20,795	(20,795)	-	-
Esmée Fairbairn – Fair by Design	-	16,750	(16,750)	-	-
Big Lottery – CoSD National	-	37,928	(37,928)	-	-
UCL	-	5,714	(5,714)	-	-
Grants for Advice Line Glasgow	-	13,998	(13,998)	-	-
Other grants	8,382	5,000	(4,999)	-	8,383
<b>Total restricted funds</b>	<b>27,402</b>	<b>1,509,295</b>	<b>(1,428,433)</b>	<b>-</b>	<b>108,264</b>
<b><u>Designated funds</u></b>					
Tangible fixed assets	1,863,887	-	(96,839)	75,961	1,843,009
Capital Reserve	2,725	-	-	37,275	40,000
Development Fund	18,126	-	-	81,874	100,000
Redundancy /Leave	14,644	-	-	70,356	85,000
<b>Total designated funds</b>	<b>1,899,382</b>	<b>-</b>	<b>(96,839)</b>	<b>265,466</b>	<b>2,068,009</b>
<b>General funds</b>	<b>74,046</b>	<b>2,612,612</b>	<b>(2,053,005)</b>	<b>(265,466)</b>	<b>368,187</b>
<b>Total unrestricted funds</b>	<b>1,973,428</b>	<b>2,612,612</b>	<b>(2,149,844)</b>	<b>-</b>	<b>2,436,196</b>
<b>Total Funds</b>	<b>2,000,830</b>	<b>4,121,907</b>	<b>(3,578,277)</b>	<b>-</b>	<b>2,544,460</b>

## Purposes of Restricted Reserves

Scottish Government – second tier welfare rights advice service	This service is to help front-line advisers in Scotland to ensure that the people they advise receive the benefits and tax credits to which they are entitled. The funding covers casework support, training, network support and the dissemination of information. It includes a project aimed at advisers working with students. Funding to cover casework support and information for frontline advisers and support staff in Scotland advising people affected by welfare reform or dealing with benefit problems.
City Bridge Trust – Universal Credit London	Second of two-year grant for a London Universal Credit advice worker, to build the capacity of advisers and frontline staff in London to deliver high quality advice on universal credit by providing training and second-tier advice by phone and email.
Scottish Government – Cost of the School Day project	Funding from Scottish Attainment Challenge - Pupil Equity Funding - is to CPAG in Scotland in order to deliver national Cost of the School Day project development activity. The funding is for the salary costs and overheads for a part time Cost of the School Day Project Manager.
Oak Foundation – Early Warning System	Third of a four-year grant for an Early Warning System (EWS) covering England and Wales that will collect an evidence base from front-line advisers (within CPAG's own services or partner agencies), concerning the efficacy of the UK welfare system and its impact on those who have low income.
The Legal Education Foundation Justice First Fellowship	Second year of a two-year grant for a trainee solicitor.
The Legal Education Foundation – AskCPAG	Funding to develop a new, subscription-access digital services platform for advisers to navigate the social security system.
The Legal Education Foundation – increasing legal knowledge and capability	Project to increase legal knowledge and capability among non-legal professionals to challenge unlawful decisions.
The Legal Education Foundation – improving public law education and capacity of non-legal professionals	First year of a two-year grant improving public law education and the capacity of non-legal professionals to challenge unlawful benefits decisions.
The Legal Education Foundation – Computer Says No	First of a three-year grant to enable access to justice in the face of the digitalisation of universal credit.
Trust for London	Second of a two-year grant towards campaigning work to support Londoners during the roll out of universal credit and other aspects of welfare reform.
Scottish Government through a CYPFEIF and ALEC Fund grant	Infrastructure funding of Early Warning System and associated activity to inform local and national policy and service planning.
NHS Greater Glasgow and Clyde (NHSGGC)	Funding for the Glasgow child poverty action co-ordinator.
Barrow Cadbury Fund	Second year of a 29-month grant towards Early Warning System 2018-21.
Oxfam GB – National Lottery Community Fund – Menu for Change	Third of a three-year project to develop, test and promote alternative models of intervention, based on dignity and rights, for people experiencing food insecurity. The project also piloted and promoted early intervention measures to prevent food insecurity from occurring.

Esmée Fairbairn Foundation	Second of a three-year grant towards enabling CPAG to build public and political support and pressure for strengthening social security provision. Grants Plus support enabled CPAG to undertake a Citizen's Jury, as part of its strategic work on Secure Futures for Children and Families.
University College London Institute of Education	Towards cost of joint publication of "Living Hand to Mouth" by researchers at the Thomas Coram Research Unit, UCL Institute of Education shining a spotlight on what children say about food and how they manage their everyday lives around food.
Allen & Overy Foundation	Grant to develop further content for AskCPAG to assist advisers to navigate the social security system.
The TUUT Charitable Trust	Grant to develop further content for Ask CPAG.
Feeding Britain – Pathways out of poverty	Second of a two-year project to ensure people in food crisis can access quality advice and case advocacy.
Gwyneth Forrester Trust	Funding for a crisis project to provide advice on social security benefits to people using food banks.
The Strategic Legal Fund	Two grants for specific legal projects focused on vulnerable EU migrants, and child tax credits and refugees.
Access to Justice Foundation	Grant towards the Upper Tribunal project.
Comic Relief – Universal Credit project	First of a three-year grant to equip the advice sector and frontline workers with the knowledge and tools needed on this once-in-a-generation change to social security – 'universal credit' - so financial entitlements are maximised for families living in poverty.
National Lottery Community Fund	To complete the development of plans and then extend the roll out of the Cost of the School Day model to other sites in the UK.
Barclays Bank plc	First year of a four-year grant for a project, 'Your Work, Your Way', that aims to tackle in-work poverty by developing a new approach to supporting second earners in low income families into employment and progression in work.
Other Grants	These include one-off grants received during the year towards our advice service and policy work.

### Purposes of Designated Reserves

Tangible Fixed assets Reserves	Reserve relates to the net book value of tangible fixed assets at the end of the financial year.
Capital Reserve (Databases & IT Infrastructure)	Reserve to fund the cost of the charity's planned overhaul of our IT and communications hardware and software infrastructure. This includes upgrading our servers and databases to one fit for CPAG's purposes in the foreseeable future.
Development fund Reserve	Reserve to fund a tax/benefit modelling, research and new IT systems critical to the heart of our business model to enhance the online shopping experience and e-commerce facilities, our finance function and to aid efficient working.
Redundancy/Annual leave reserve	Reserve to finance possible redundancies and contractual holiday entitlements of staff including up to 10 days carried forward from the previous year.

## 15. Operating lease commitments

The charity had total commitments at the year-end under operating leases as follows:

	Property		Equipment	
	2020	2019	2020	2019
	£	£	£	£
Within 1 year	38,508	49,034	23,809	21,535
1 – 5 years	154,033	196,136	32,545	86,140
	<u>192,542</u>	<u>245,170</u>	<u>56,354</u>	<u>107,675</u>

The property lease is for the office of CPAG in Scotland. The lease is on an annual continuous basis.

## 16. Related party transactions

Other than the transactions with trustees disclosed in note 3 and the remuneration of the Key Management Personnel disclosed in note 5, there are no related party transactions requiring disclosure in these accounts.