

REGISTERED CHARITY NUMBER: 01110841
REGISTERED COMPANY NUMBER: 05442501

**REPORT OF THE TRUSTEES AND
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020
FOR
THE ZACCHAEUS 2000 TRUST**



THE ZACCHAEUS 2000 TRUST

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FOR THE YEAR ENDED 31 DECEMBER 2020**

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THE ZACCHAEUS 2000 TRUST

LEGAL AND ADMINISTRATIVE INFORMATION FOR THE YEAR ENDED 31 DECEMBER 2020

REFERENCE AND ADMINISTRATIVE DETAILS

Charity name

The Zacchaeus 2000 Trust (known as Z2K)

Registered Charity number

1110841

Registered Company number

05442501

Registered Office

10 Buckingham Palace Road
London
SW1W 0QP

Founding Patrons

The Rt. Revd. Robert Runcie (1996 - 2000)
Sir John Mortimer CBE QC (1996 - 2000)

Patrons

Lady Antonia Fraser DBE
HHJ Jan M A Luba Q.C
Jeremy Paxman
Dr Shuja Shafi
Sandi Toksvig
The Most Revd & Right Hon the Lord Archbishop of Canterbury Justin Welby

Auditors

Myrus Smith Chartered Accountants
Norman House
8 Burnell Road
Sutton
Surrey
SM1 4BW

Principal Bankers

CAF Bank Limited, 25 Kings Hill Avenue, Kings Hill, West Malling, Kent, ME19 4JQ
Nationwide Building Society, Kings Park Road, Moulton Park, Northampton, NN3 6NW
United Trust Bank Limited, One Ropemaker Street, London, EC2Y 9AW
Virgin Money, Jubilee House, Gosforth, Newcastle upon Tyne, NE3 4PL

THE ZACCHAEUS 2000 TRUST

CHAIR'S STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2020

2020 was an unimaginably difficult year for so many. It was a year defined by the Covid-19 pandemic, which caused devastating losses of life. The pandemic also caused serious damage to the economy and household finances. After a record fall of 20 per cent in the second quarter of 2020, economic output bounced back but still ended up nearly 10 per cent lower – the largest annual fall on record.

People already living in poverty and experiencing multiple inequalities have been hit hardest. Unemployment rose sharply and was prevented from rising further due to unprecedented government interventions. Many people found themselves being pulled into, or deeper into, poverty. The pandemic exposed the precarious state of jobs and household finances. Millions had little or no savings to fall back on when the economic shockwaves hit. The pandemic also exposed the structural weaknesses in our Social Security system, which was called upon in a way not witnessed for generations. Many people who turned to the system for the first time, and others who already depended on it prior to the pandemic were simply failed by it.

We must hope that an economic recovery comes soon. However, even when it does, we need to recognise that it will be some time before it feeds through to a recovery in the finances of households affected by the recession.

Our core mission has remained the same, but the pandemic caused us to change how we work, adopting remote working to maintain our critical services. I would like to say a huge thanks to our wonderful team who have shown great resilience and commitment in responding to the unprecedented challenges faced by the advice sector and frontline services over this year.

Adapting to both the challenges of remote working, and the new issues that our clients were facing, we are incredibly proud to have supported a total of 1,085 people with their benefits and housing issues in 2020. Our team secured over £3.3 million in financial benefit for our clients, rising to over £6.5m when future year awards are taken into account, supporting them in their efforts to access justice and secure their legal rights and entitlements.

As well as providing front-line support to people, we integrate the evidence gathered by our brilliant casework team into our policy and campaigns work, entrenching a culture which puts clients at the heart of all our work. We are an agile, courageous charity not afraid to take on powerful institutions. We don't just expose what is wrong with the system, we put forward compelling policies for fixing the harm we see, and mount campaigns to change the system.

At the start of the pandemic, the Government introduced a temporary £20 uplift in Universal Credit payments. This has been extended for a further six months in the recent Budget. We do not yet know if this much needed support will be made permanent but very much hope it will. Shockingly, this increase was not applied to the more than two million households in receipt of "legacy" benefits. We have been at the forefront of the public campaign calling on the Government to end this discrimination which has effectively created a two-tier welfare state. As well as securing the support of over 118,000 people for an online petition, we also launched our first ever "email your MP" action which saw nearly 4,000 take the action.

Also, at the end of last year we published our report 'Blunt, bureaucratic and broken: how Universal Credit is failing people in vulnerable situations', calling for a series of fundamental reforms to the design and delivery of Universal Credit. We hope policymakers recognise how Covid-19 has exposed just how inadequate our Social Security system is. A real highlight in 2020 was our client-led 'Life After Lockdown' project, which involved our clients in the design and delivery of a powerful campaign sharing their own experiences of the inadequacies of the Social Security and housing systems, and their priorities for reform.

2020 was also a year of change for Zacchaeus 2000 Trust (Z2K). We were very sad to announce, in March 2020, the passing of our Founder, Reverend Paul Nicolson. Paul was a man of religion who lived his faith fighting for social justice. We will honour his memory building on the foundations he laid.

2020 also saw the retirement of three trustees whom I would like to thank for their commitment and contribution to our work. I would like to say a particular, personal thanks to Dame Ruth Runciman, who stepped down after four years as a Trustee, for her invaluable insights, contributions and support over this time.

Our Chief Executive, Raji Hunjan stepped down in April to move to an exciting new role at the Oak Foundation. Raji did an incredible job during her time at Z2K and has left us in a good position to continue tackling the ongoing injustices faced by too many. We wish her all the very best in her new role.

We were delighted to appoint Anela Anwar as our new Chief Executive. Anela comes to us from Oxfam GB and has done an incredible job. She took over the reins early in the Covid-19 crisis and had to manage adaptation of the Charity's ways of working. If that wasn't enough, she worked with the board to make sure the Charity was operationally and financially resilient in the face of Covid-19 and began development of a new strategy. We look forward to working with Anela to realise our renewed vision. I would also like to thank our funders for their commitment and dedication to supporting those people most at risk of poverty and homelessness, which enables us to deliver our impactful work.

THE ZACCHAEUS 2000 TRUST

CHAIR'S STATEMENT - continued FOR THE YEAR ENDED 31 DECEMBER 2020

Z2K has been very fortunate to maintain the ongoing support of a range of donors and to receive additional funding to assist with the impact of the Covid-19 pandemic. We also established new relationships with corporate law firms, increasing our capacity to help clients whilst also supporting the diversification of our income streams.

While we recognise the fundraising landscape remains challenging, Z2K maintains a strong financial position and ability to respond to the anticipated increase in need for our services in the coming year as the impact of the pandemic continues to be felt and Government crisis measures on Social Security and housing are withdrawn.

The country is facing unprecedented economic hardship, leaving even more people in need of an adequate and dignified Social Security system. Now, more than ever, our work tackling poverty and injustice will be absolutely crucial to ensure that no one is ever left behind. We will redouble our efforts to deliver on our vision of a UK free from poverty, with a fairer Social Security system that provides a safety net and the ability to move on for those who are most at risk of poverty and homelessness.

I would like to pay a heartfelt thanks to the Z2K team, our funders and other supporters for their commitment and dedication to supporting people most at risk of living in poverty. We are going to need this strength and commitment in the years to come as we face greater challenges than ever before.

Michael G McAteer (Chair)

THE ZACCHAEUS 2000 TRUST

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2020

The Trustees (who are also directors of the charitable company for the purposes of the Companies Act 2006) are pleased to present their annual Trustees' Report, together with the audited financial statements for the year ending 31 December 2020, which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

PRINCIPAL ACTIVITY

The charitable company's principal activity for the year, which is ultimately the objects set out in the Articles of Association, was the prevention and relief of poverty in the UK in a manner consistent with Christian ethics; providing assistance and services to individuals in need; providing advice, education, training and assistance on any issues relating to the relief of poverty to volunteers, other charities or organisations; undertaking supporting and promulgating research into factors that contribute to poverty and ways to mitigate them.

Public Benefit

The Trustees have given due consideration to the Charity Commission's published guidance on the Public Benefit requirement under the Charities Act 2011. We have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing our aims and objectives and in planning our future activities. We believe that we have complied with this and seek to demonstrate this within this report. Our objects and funding limit the services we provide to those detailed in our charitable objectives.

A detailed review of the Charity's activities is set out further in this report.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The Zacchaeus 2000 Trust is a company limited by guarantee, established on 4 May 2005 and registered as a charity on 11 August 2005. The charitable company acquired the assets, liabilities and activities of an incorporated charitable trust by the same name on 1 January 2006. The original trust, which had similar objectives, was established on 10 February 1997.

The charity was established under a Memorandum and Articles of Association, which established the objects and powers of the charity. The Memorandum of Association was amended 19 September 2007 and 4 June 2008; a special resolution was passed 2 June 2010, deleting the Memorandum of Association of the company and adopting the amended Articles of Association as the charity's governing document.

Appointment of new trustees

The Articles of Association provide for a minimum of three trustees and no maximum. The charity currently has a complement of seven trustees. Requirements for new trustees are identified, and new trustees appointed, by the current trustees.

Trustee recruitment and induction

Trustees have been recruited through advertisement, professional, personal and member contacts. We aim to recruit people whose skills the board have identified as needed. The trustees endeavour to ensure there is a balance of skills that reflect the ethos and values of the charity. The Chair of the Board of Trustees is responsible for the induction of new trustees, which involves awareness of a trustee's responsibilities, the governing document and the work of the charity.

In line with our commitment to equal opportunities, trustees have agreed to widely advertise future vacancies to encourage applications from people from diverse backgrounds – unless there is a reason not to follow an open process. Trustees have committed to supporting people with lived experience to join the board in 2021.

New trustees undergo an orientation session to brief them on their legal obligations under charity and company law, the content of the governing documents, the committee and the decision-making processes, the business plan and recent financial performance of the charity.

Governance and organisational structure

The board of trustees meets a minimum of four times a year, which may include an annual *Away Day* where the strategic direction of the charity is discussed. The Trustees provide policy and strategic leadership and guidance to the organisation. Day-to-day management and decision making of the charity is delegated to the Chief Executive who works closely with senior and other staff to fulfil the Charity's objectives and ensure the smooth and effective running of the organisation. The board receives regular reports from the Treasurer and Chief Executive, who oversee the finances of the organisation. The Chief Executive, alongside the Senior Management Team, attends all board meetings.

THE ZACCHAEUS 2000 TRUST

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2020

STRUCTURE, GOVERNANCE AND MANAGEMENT - continued

Governance and organisational structure

All Trustees give their time voluntarily and receive no benefits from the Charity, apart from reimbursed expenses set out in Note 16 page 29 in the accounts. The Trustees serving during the year, and to the date of this report, are as follows: -

Michael Gerard McAteer	Chair
Kay Zebada Lau	Treasurer and Company Secretary
James Peter Dobel	
Siobhan Mary Garibaldi	
Emma Lough	Deputy Chair
Alexander Tulloch Macqueen	
Christopher Richard Pond	Resigned: 18 th June 2020 (served three years)
Randeep Ramesh	
Dame Ruth Runciman	Resigned: 19 th June 2020 (served four years)
Jessica Walker	Resigned: 3 rd December 2020 (served three years)

Additionally, the HR and Policy Sub-committee and the Finance and Risk Sub-committee ensure further scrutiny of policies and the finances, longer-term financial forecasts and risk respectively. The sub-committees are each made up of three trustees. The HR and Policy Sub-committee meets a minimum of two times a year, and the Finance and Risk Sub-committee meets a minimum of four times a year, to coincide with the full board meetings. The HR and Policy Sub-committee is responsible for monitoring and reviewing the policies of the charity, with a focus on staff policies and policies relating to client-facing work, to ensure they are fit for purpose and meet regulatory requirements. The Finance and Risk Sub-committee is responsible for reviewing the draft business plans and performance against plan and budget, overseeing the audit, reviewing the charity's pay structure and monitoring of the charity's risk management. The Chief Executive attends all sub-committee meetings, and both sub-committees report back to the full board and make recommendations for the board's consideration.

Management

Day-to-day management and decision making of the charity is delegated to the Chief Executive who works closely with the Senior Management Team to fulfil the charity's objectives and ensure the smooth and effective running of the organisation. The Senior Management Team is supported by a dedicated and multi-skilled staff team who are passionate about working with people on low income and achieving successful outcomes for individual clients, as well as longer-term policy change for wider communities. The Chief Executive reports to the Chair and the board.

Senior Management Team

Raji Hunjan	Chief Executive (Until 30 April 2020)
Anela Anwar	Chief Executive (From 1 June 2020)
Marc Francis	Director of Campaign and Policy
Anne Killeen	Head of Casework and Support Services

Pay policy for Senior Management Team

The Senior Management Team comprises the key management personnel of the charity in charge of directing and controlling, running and operating the charity on a day-to-day basis. The pay for senior staff is reviewed annually and trustees benchmark salaries against pay levels in other comparable charities.

Related parties and co-operation with other organisations

None of our trustees receive remuneration or other benefit from their work as trustees. The charity works with other charitable and not-for-profit organisations in the furtherance of its objectives. Any connection between a trustee or senior manager of the charity with a service user, external contractor or supplier of services is disclosed to the full board of trustees in the same way as any other contractual relationship with a related party. Furthermore, all trustees complete an annual declaration of interests form. All related party transactions are managed in accordance with the charity's conflicts of interest policy. There were no transactions this year.

Use of volunteers

The work of the organisation is also supported by a broad range of volunteers – including pro bono lawyers, trainees and law students. From time to time we also have psychology and social work students on placements, as well as long-term volunteers who are between jobs or have completed their paid working careers. This draws a more diverse range of experience and knowledge.

THE ZACCHAEUS 2000 TRUST

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2020

AIMS AND OBJECTIVES

Our vision/strapline

Fighting poverty

Our mission

To campaign for a fairer social security system that provides a safety net, and the ability to move on, for those who are most at risk of poverty and homelessness.

Strategic aims

- Fair and equal access to a social security system that treats people with dignity
- Affordable and secure housing
- The empowerment of people to participate in their communities and have their voices heard

Social objectives

- Enable people to access the benefits they are entitled to
- Amplify the voices of those on low incomes who are least heard
- Keep more people in stable and decent housing
- Improve access to social housing
- Change public perceptions of people entitled to social security

Delivery objectives

- In-depth, holistic casework that combines detailed advice and advocacy with additional support needs
- Identification of legal challenges
- Empowerment of clients through training, additional one-to-one support, engagement with our policy and campaigning work
- Using casework evidence and client stories to influence national policy
- Detailed research to influence policy
- Parliamentary lobbying
- Partnership: working with others in the sector to improve systems and services
- Partnership: working and training of corporate law firms and others to increase our capacity to help clients

OBJECTIVES

"I wouldn't have been able to survive without [support]. I'm one of the lucky ones. So many people don't get the help they need and just give up because there's no hope. I couldn't have done this by myself. Thank you so much."
– client feedback

Z2K's vision is that no individual in the UK should be living in poverty. We believe that adequate, stable income and housing are key to creating a more equal society where everyone has the chance to lead a stable and dignified life. We believe the social security system should be a tool to help people achieve this. We work with people in London to solve their social security and housing issues and we campaign to change policy that is most harmful to our clients. This integrated model of working enables us to directly help thousands of people access justice whilst also pursuing transformative change for hundreds of thousands nationally. Embedded at the heart of Z2K is our client-centred approach: working to empower individuals so they are better equipped to address their own current and future issues, and to ensure their voices and views are heard.

We work with a breadth of people across London who need access to means-tested benefits. We prioritise those who are vulnerable - at risk of homelessness and rent arrears as a result of problems with their benefits and appeals. We empower people to navigate their way through the complexities and recent changes in the benefits system and how all of this impacts on their lives and day-to-day challenges. In supporting low-income households to address their benefits and housing issues, we also attend to other issues that are causing them problems.

Our casework forms the basis of our campaigning priorities. We utilise the evidence generated from our direct casework to inform our campaigning and influencing activities, seeking to secure reform to the policies and practices that deny people the support to which they are entitled and which push them further into poverty and destitution.

THE ZACCHAEUS 2000 TRUST

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2020

ACTIVITIES, ACHIEVEMENT AND PERFORMANCE

Casework

"All the staff at Z2K were extremely helpful. They were also on the top of everything and I felt that I knew immediately what to do and say on my behalf which felt very reassuring from the first moment I telephoned them." - client feedback

"Z2K provided me with an invaluable service and I would defiantly [sic] recommend Z2K to friends." - client feedback

The Covid-19 pandemic has raised many challenges to the delivery of casework for all organisations in 2020. Despite remote working in excess of nine months, we helped 1,085 clients and opened 1,233 cases. We are proud of this achievement despite the inability to have face-to-face meetings with clients or attend outreach sessions. We increased the opening of our telephone enquiry line to six hours a day and further developed our referral pathways to ensure people who would benefit from our support could reach us. For example, we reached out to foodbanks and mutual aid societies to inform them of our services. Many of our previous clients approached us directly for support with new social security or housing issues, testament to the high-quality services we provide. To ensure our clients' needs continued to be addressed, we proactively engaged with the Department for Work and Pensions (DWP) and Her Majesty's Courts and Tribunals Service (HMCTS) early in the pandemic for guidance on process and engagement during the lockdown.

Across 2020 our casework continued to relate to systemic problems within the social security system, predominantly fundamental issues with disability benefits. We also saw an increase in the number of clients who have never accessed the social security system previously accessing our support and we expect this to increase further as Government emergency protection measures are removed. One such measure, the stay on evictions, has undoubtedly helped prevent homelessness during the height of the pandemic, however, we continued to see clients placed in unaffordable and poor quality accommodation restricted by both the local housing allowance rates and the benefit cap. We continue to challenge poor housing decisions and support clients to maintain tenancies through access to additional support and local authority schemes. Many of our clients experience acute income crises due to issues with their social security benefits and chronic financial precarity. We supported clients with their immediate crisis needs through access to hardship grants and other crisis support mechanisms. Many of our clients also experience issues related to their wellbeing and report social isolation. Wherever possible, we facilitate clients' access to other services for support with these issues. Additionally, we deliver a range of workshops to build knowledge of the benefits and housing systems, legal rights and obligations and seek to build confidence for our clients to engage with relevant authorities and navigate these systems in the future.

Our casework insights and data have made a major contribution to the joint Administrative Justice Council/Justice Welfare Reform Working Group in making recommendations for reforms to the Social Security system.

We know that 2021 will be even more challenging, especially in relation to housing matters, but we are prepared to tackle whatever is presented and to continue supporting our clients to secure their legal rights and entitlements.

Our impact & how we measure it

We are proud of the service that we provide all our clients, supporting people to secure their legal rights and entitlements, leading to improved incomes and housing outcomes.

"Z2K helped me during my very worst time in life. So im [sic] always grateful and indebted to them for all my life. Its life changing support and help they provided me in getting my correct due benefits. Thanks" - client feedback

In 2020, we supported 1,085 clients with 1,233 cases. In line with our holistic, client-centred model, we always have more cases open than clients, because most clients will have multiple cases concerning different types of benefits, housing matters and additional support needs. Our casework covers all problems with the benefits system. In 2020, a large proportion of our clients presented with problems in relation to their disability benefits, as well as difficulties with Universal Credit. Our casework team continues to assist with tribunal representation for clients who have the most complex needs and require longer-term engagement. We continue to see clients return to our service for representation at tribunals due to the short-term disability awards made within the benefit system. Homelessness prevention remains a priority for our casework. As mentioned, there were limited evictions in 2020 due to the measures introduced by Government in response to the pandemic. The work we did in relation to reducing rent arrears, challenging defective notices and challenging statutory decisions contributed towards prevention of potential homelessness for 142 clients.

During this period, we successfully obtained an increase in entitlement of over £6.5 million (£3,307,734 in-year financial benefit and £3,260,991 future year financial benefit) for our clients.

ACTIVITIES, ACHIEVEMENT AND PERFORMANCE – continued

While we have assisted clients obtain what they were legally entitled to, the stress and anxiety of the whole process caused to clients should not be underestimated. The positive benefit of our support to confidence and wellbeing has been shared by our clients: 93% of clients who responded to our survey said they felt better about life in general compared to before they came to Z2K. Furthermore, 89% of clients felt more confident after working with Z2K.

"I have hope now, I was feeling overwhelmed and hopeless." - client feedback

When clients return to us for support to challenge further negative decisions, whilst still frustrated with the system they are more confident that this injustice will be remedied with our assistance. Our work is as much about restoring dignity, and helping people to feel in control of their lives, as it is to provide advocacy:

"I have received help and a chance to access the right benefits. It feels less difficult because of Z2K." - client feedback

"Z2k helped me gain confidence and believe in myself again as DWP disregarded my evidences before and with Z2K and representation I was more confident after winning my appeal. Thank you." - client feedback

We understand the impact of advocacy and support.

"Thank you very much, in my opinion you are angel, you have saved my life, I am very happy right now, thank you so very much, that was the miracle that you did for me, and I really appreciate you and [caseworkers], you did fantastic job for me that still I can't believe it, you did great. God bless all of you." - client feedback

Tribunals Project

Despite the challenges of 2020, we continued to deliver and even managed to increase the number of pro bono lawyers participating in the project. The Tribunal Project connects pro bono lawyers to low-income individuals who are in need of tribunal representation when they are denied their sickness or disability benefits. The people who benefit are those with disabilities and/or chronic ill health; they are likely to be vulnerable or isolated and have a history of disadvantage. We worked primarily with people whose needs are most complex and their voices least heard; providing the clients with access to justice and their rights.

We developed online training and introduced Q&A sessions to ensure that participating pro bono lawyers were updated on a regular basis as to the way HMCTS were operating. Due to the pandemic, there were also significant changes to the administration of appeals. Hearings changed from in-person to remote hearings. Remote hearings started off slowly, with the number of hearings increasing towards the later part of the year. A triage system was also developed by HMCTS, allowing the Tribunal to make decisions based on the evidence put before them, without the need for a hearing, where it was clear that the DWP decision was fundamentally wrong. We saw a substantial increase in the DWP reviewing cases after appeals were lodged and proceeding to make a positive decision without the need for the appeal to go to a hearing. While we welcome this, we remain concerned for those clients who do not proceed to the appeal stage of the process due to fear of attending a tribunal hearing.

The law firms we now work with include Allen & Overy, Morrison & Foerster (UK) LLP, Hogan Lovells, Kingsley Napley LLP, Cooley (UK) LLP, Mayer Brown International LLP, Osborne Clarke LLP, Freshfields Bruckhaus Deringer LLP, and Charles Russell Speechlys LLP. Kirkland & Ellis International LLP and Shearman & Sterling (London) LLP joined us in 2020. We continue to receive enquiries from other corporate law firms to join the project. We also work closely with student volunteers from Queen Mary University and Kings College Legal Clinic.

In 2020, even though the number of hearings reduced owing to the pandemic, we still handled 264 appeals with a 92.7% success rate. This reinforces our assertion that people are put through an extensive, and remarkably unnecessary, process all so that – in the end – they can receive the benefits they were clearly entitled to. In addition to these hard outcomes, we are reminded by our clients the impact of this on their lives:

"Very good organisation helping those in desperate need of legal representation with serious health problems who otherwise who be worse [sic] off or may end up ... ending their lives without such helpful organisations to seek help in desperate times in ones life. May Lord bless them." - client feedback

THE ZACCHAEUS 2000 TRUST

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2020

ACTIVITIES, ACHIEVEMENT AND PERFORMANCE – continued

We work across a breadth of disabilities, including mental health, which gives us a unique perspective of the impact of the benefits system on our clients:

“Z2K helped me tremendously with due care and attention to my personal needs due to my ongoing medical mental and physical health disabilities in fighting my case with all details and appointing a very supportive and understanding solicitor representative etc. Their customer care and service has been extraordinary and I am very thankful and indebted and appreciative to all including C.A.B for referring me to them. Thanks” – client feedback.

Client Empowerment

We believe we support our clients to become stronger and more confident, especially in claiming their rights.

“I received a lot of help from Z2K and they helped me identify many issues I did not know I had with my benefits. They helped me get my property back, clear rent arrears and helped resolve issues with my Universal Credit. I also received wraparound support the [sic] help me budget better and was helped to obtain a grant to buy my clothes for a job interview and they also invited me to attend different workshops, where I met many different people and really enjoyed it.”
– client feedback

Alongside casework we offer emergency crisis support and longer-term advocacy to help reduce the impact of financial crisis, aiming to create lasting change. Working in partnership with South West London Law Centres (SWLLC), our Stepping Stones project supports families and individuals facing benefit and housing problems, which may be compounded by additional vulnerabilities such as poor mental health, isolation or addiction. We were able to deliver four healthy cooking workshops and also delivered a private sector tenancy awareness workshop at the beginning of 2020. We then moved the workshops online and delivered three benefits workshops. We started to see an increase in clients seeking emergency support for food, fuel and other household essentials during this time which led us to increase our provision of hardship grants, gas, electricity and foodbank vouchers. Clients were linked into debt and employment advice services which still operated remotely. 47 clients were provided with laptops, smartphones and mobile phone credit via additional funding we received to meet the growing need for technology during the pandemic. This was particularly vital for clients to access DWP systems as well as remote support services. It also supported clients with children's home schooling, enabling many to complete school and university work.

“I am finding the lockdown quite difficult...so I'm just trying to keep myself busy and getting involved with workshops like these I think that helps in terms of giving someone something to focus on for a certain time period.” - client feedback

THE ZACCHAEUS 2000 TRUST

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2020

ACTIVITIES, ACHIEVEMENT AND PERFORMANCE – continued

Policy and Campaigns Achievements

Our policy work is embedded in the experiences of our clients and the evidence from our casework defines our policy focus. We work to influence at national and local level. We prioritise the issues that impact most on our clients and seek to influence change through parliamentary processes as well as public campaigns.

As with our casework, the Covid-19 pandemic and subsequent lockdown significantly impacted on our Policy and Campaigns activity during 2020. The overriding focus on response to the pandemic amongst both the Government and Opposition Parties, as well as the media, has meant it was much harder to draw attention to issues that didn't fall within this emergency context. However, it did also mean that some Social Security issues, that were perhaps felt as unwinnable in normal times, suddenly came back to the fore.

The most obvious example was the Chancellor's very welcome decision to increase the Standard Allowance for Universal Credit (UC) by £20 a week – bringing it in line with Statutory Sick Pay. Other examples include setting the rates of Local Housing Allowance for private renters back at the 30th percentile of local rents after a four-year "freeze" and a £500 million Hardship Fund to reduce the bills of those in receipt of Council Tax Support. As a result, the team reprioritised some of our own objectives in light of the Government's decisions on Social Security.

Legacy Benefit Uplift

As the country went into lockdown at the end of March, the Chancellor announced a £20 increase in the Standard Allowance for UC – effectively unwinding the previous five-year "freeze". Shockingly, however, this increase was not applied to the more than two million households in receipt of "legacy" benefits, like Employment Support Allowance (ESA), Job Seekers Allowance (JSA) and Income Support. Those in receipt of these benefits include many of the most vulnerable disabled people and lone parents with young children. There is no logical argument that these claimants need less to live on than UC claimants.

Z2K is strongly opposed to this discrimination against these claimants as it effectively creates a two-tier welfare state. We have been amongst those leading the opposition to it both directly and through the Disability Benefits Consortium (DBC), which launched a public campaign on this in April. That campaign secured the support of over 118,000 people for a 38 Degrees online petition and was covered in *The Guardian*, *Independent*, *Mirror* and *Daily Express*, as well as numerous local newspapers. We focussed our evidence to the select committee's inquiry on DWP's response to Covid-19 on this issue and were pleased to see it was the central recommendation in the committee's final report.

Both Labour and the SNP front bench teams have challenged ministers on it regularly since then and the Government's own Social Security Advisory Committee (SSAC) wrote publicly to ministers in July stating that *"it is increasingly untenable for this group of claimants to be excluded and to continue to have a lower level of income than those in receipt of UC or Working Tax Credit"*. Z2K continues to campaign strongly on this issue both in our own name and through our leading role on the DBC. Towards the end of the year, we launched our first ever "email your MP" action, which saw nearly 4,000 take the action.

Universal Credit

With a growing number of UC claimants approaching us for advice and assistance with their claim, Z2K has now built a strong evidence base for our work in this area. This builds on the Advertising Standards Authority's judgment on our complaint at the end of 2019 that DWP's "UC uncovered" adverts in *The Metro* were "misleading" and "unsubstantiated" and must not be published again. We were able to recruit an additional Policy and Campaigns Officer to focus on this area in 2020.

The initial work included in-depth interviews with more than 20 clients in receipt of UC. That led to detailed written evidence for both the Lords Economic Affairs Select Committee and the Work and Pensions Select Committee, featuring powerful testimony from those clients themselves about the difficulties they have experienced with their UC claim. This goes far beyond the initial five-week wait emphasised by others, raising concerns about the digital barriers, conditionality, Advance Payments and Managed Payments to Landlords.

This work then formed the starting point for a research report on UC, *Blunt Bureaucratic & Broken: how UC is failing those in vulnerable situations*, which was published at the beginning of December. It was launched through a webinar, another first for Z2K, which featured moving speeches by two of the clients interviewed and Stephen Timms MP, Chair of the Work and Pensions Select Committee. Over 100 MPs, researchers, councillors, think tank and voluntary sector staff attended, with most offering positive feedback, especially about our client's contributions. We will continue to share our research findings with Parliamentarians and other key stakeholders seeking to influence key reforms of UC.

THE ZACCHAEUS 2000 TRUST

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2020

ACTIVITIES, ACHIEVEMENT AND PERFORMANCE – continued

Policy and Campaigns Achievements - continued

Disability Benefit Assessments

Z2K's principal objective over this period was originally to use the promised Health and Disability Green Paper to secure a commitment to fundamental reform of ESA and Personal Independence Payment (PIP) assessments, and the decision-making process including Mandatory Reconsideration. The pandemic caused the DWP to delay publication of the Green Paper and so there has been less opportunity for public campaigning than we expected. Additionally, the DWP suspended most assessments for three or four months at the height of the pandemic and rolled on many claimants' existing entitlement.

However, we have been preparing the ground for this campaign by meeting with other advice agencies and local disabilities organisations in those areas whose MPs we will be seeking to influence. We also had the opportunity to present evidence to the Work and Pensions Select Committee on this issue at a special one-off session in March and met both Labour and SNP spokespeople to discuss our call for fundamental reform in more detail. As part of the DBC, we have also been meeting officials drafting the Green Paper and helped contribute to a briefing note outlining the specific reforms needed.

Housing Benefit and Private Rented Sector (PRS)

In the select committee session in March, MPs also questioned our Director of Policy and Campaigns about the DWP's response to Covid-19. As well as arguing for an uplift in ESA, JSA and UC, he made the case for an end to the freeze on Local Housing Allowance rates (LHA) of Housing Benefit for tenants in the PRS and for the Benefit Cap to be suspended. We were pleased when the DWP agreed to set LHA rates back at the 30th percentile for 2020/21 and raise the overall caps, but still want them to be fixed back to the median. The select committee also endorsed our call for the suspension of the Benefit Cap, which would inevitably hit many more newly unemployed families once their nine-month "grace period" expires.

Our Tenants Voice and Campaigns Officer has been empowering some of those clients we have brokered tenancies for in the PRS in recent years to be involved in the debate about reform of the sector. From the start of the lockdown she took these group sessions online. The result was #LifeAfterLockdown - a short campaign in July - with tenants themselves describing their experience of living at the bottom end of the PRS with benefit levels that don't cover the rent. These video and audio clips were widely shared by other organisations in the sector, politicians and other supporters. The clients involved said this has given them confidence to become more involved in our future campaigns and they will be involved in the new Renters Reform Coalition being convened by the Nationwide Foundation.

"There aren't many people who have dealt with my moods and had the patience to allow me to express myself in the way I have here. The normality that we had around the project - during lockdown, made me feel like this was very important. Your belief in me let me know that I deserved to be heard." - client feedback.

VOLUNTEERS

We remain grateful to our long-term volunteers. Unfortunately, due to the Covid-19 pandemic and requirement for remote working, there have been limited opportunities for regular volunteering. We had seven in-house volunteers in 2020 of which three still remain with us, working remotely. We wish to thank the four volunteers who left in 2020 for all their work and wish them well in their future endeavours. We remain immensely grateful for the pro bono support from 11 corporate law firms who support us to represent clients appealing negative benefits decisions. The number of volunteers supporting us in a pro bono capacity increased slightly during the pandemic and we developed our training for the Tribunal's Project to be delivered digitally, which has helped to meet this increase in interest. We have also developed new ways of working with our existing pro bono volunteers, training them to help clients with form filling and completing mandatory reconsiderations. We continue to work with law students at two universities as well and we hope to continue to grow our volunteering opportunities in 2021 as we expect an increase in demand for our services.

In addition to traditional volunteering, we benefitted from other forms of pro bono support. In particular we are grateful to Ilona and James Wylie who have been working with us to create a new website, helping us to better illustrate our work and our impact. This new site will also provide clients with an improved user journey, and is due to be launched in 2021. We are extremely grateful to Ilona and James for their expertise and time in producing this new site.

THE ZACCHAEUS 2000 TRUST

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2020

ACTIVITIES, ACHIEVEMENT AND PERFORMANCE – continued

PARTNERSHIPS

In 2020 we continued our partnership with South West London Law Centres, Ace of Clubs and Katherine Low Settlement to deliver wrap-around support to clients across all these organisations via remote working. This work is funded by the Big Lottery, *Help Through Crisis* Project. We also continued to work with Westminster Citizens Advice Bureau (CAB), attending their Advice Shop outreach clinics before the Covid-19 pandemic placed these sessions on hold. Whilst no formal partnerships have been established, we experienced an increasing number of referrals from social prescribers and crisis navigators.

We continue to be active members of the London Child Poverty Alliance, 4in10 and End Child Poverty Coalition, working together to ensure a stronger voice in the sector on issues concerning child poverty. We also continue to contribute to the work of the DBC, to work with others to challenge unfairness in the benefits system. Additionally, Z2K has joined the newly-formed Renters Reform Coalition, which is bringing together those who want to see the Government urgently bring forward legislation to end the use of section 21 "no fault" evictions in the PRS as well as push for wider reforms to protect tenants. Further, we are active members of the Advice Sector panel of the Administrative Justice Council and the JUSTICE Welfare Reform Working Group.

OUR FUNDERS AND SUPPORTERS

We remain extremely grateful to our patrons for their support. We are also grateful to all individual donors, including all those who donate during the annual London Legal Walk and to those who generously donated to our Christmas appeal. The London Legal Walk usually takes place in summer and is organised by the London Legal Support Trust - supporting those in the legal community to raise funds for advice and legal help for those who otherwise cannot afford it. Unfortunately, due to the Covid-19 pandemic the legal walk was unable to take place in 2020. However, we are incredibly grateful to all those who raised vital funds by participating in the alternative challenges organised in place of the walk. We are also immensely grateful for the generosity of all those who donated to the fund established in memory of our founder, the Reverend Paul Nicolson, and of course to his family for their ongoing support.

The majority of our funding continues to be secured via trust and foundation grants, and whilst we explore ways in which to diversify our income, we also focus on identifying new funders whose strategic aims are aligned to the outcomes that we want to achieve.

We would not be able to continue our valuable work without our main grant supporters and in 2020 these were: Oak Foundation, Esmée Fairbairn Foundation, Henry Smith Charity, Nationwide Foundation, Trust for London, City Bridge Trust, John Ellerman, AB Charitable Trust, A Foundation advised by Porticus UK, Tudor Trust, Westminster Foundation, Lloyds Bank Foundation, Allen and Overy Foundation, the Nationwide Building Society and the London Community Foundation. We are also grateful for the ongoing support of The Strand Parishes Trust, the Westminster Amalgamated Trust, Hyde Park Place Estate Charity, Edward Harvist Trust, LHA London, and the London Legal Support Trust.

As mentioned previously, we have also received pro bono support from corporate law firms who have represented many of our clients at benefit appeal tribunal hearings, leading to donations to Z2K from: Charles Russell Speechlys LLP, Freshfields Bruckhaus Deringer LLP, Kingsley Napley LLP, Kirkland & Ellis International LLP, Mayer Brown International LLP, Morrison & Foerster (UK) LLP, Osborne Clarke LLP, Shearman & Sterling (London) LLP. We are also grateful to Brian Cave Leighton LLP for their ongoing support and to Cooley (UK) LLP and Hogan Lovells for their continued support of our Tribunal Project. Z2K was also introduced to Visa through our partnership with Morrison & Foerster, which has led to funding through the Benevity platform.

Z2K is registered with the Fundraising Regulator, an independent, non-statutory body that regulates fundraising across the charitable sector.



Registered with
**FUNDRAISING
REGULATOR**

THE ZACCHAEUS 2000 TRUST

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2020

FINANCIAL REVIEW

Financial statements

The financial statements, including the notes, have been prepared in compliance with the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" 2019 (FRS 102). The analysis of income and expenditure reflects the classification of activities, together with costs relating to administration.

Statement of financial activities

The Statement of financial activities is shown on page 20 with a more detailed analysis of income and expenditure within the notes to the financial statements. The total income for the year was £941,878 (2019: £680,492), with the continued support of various grant providers being the charity's main income. This large increase in income was not expected and the charity has been very fortunate to receive additional core funding to assist with the impact of the Covid-19 pandemic and the predicted increase in need for our services in the coming year. We are very grateful to our Landlords for the generous partial rent waiver which helped with the costs of our office expansion.

The total expenditure for the year was £749,972 (2019: £605,667). Expenditure has increased again over the previous year, reflecting the continuing growth and development in the charity's work. The charity has grown in terms of its staff base. Additional office space has been needed to aid this expansion and to meet Covid-19 related health and safety needs. The charity has also invested in staff IT needs, especially in terms of facilitating remote working during the pandemic. However, expenditure is below budgeted expenditure. The charity took measures early in the pandemic to prepare for potential financial shocks, for example through a temporary recruitment freeze.

Our cost of delivering charitable activities is divided into direct costs and support costs. Direct costs are those directly incurred when implementing charitable activities. Support costs are costs not directly related to a specific activity. Of our total expenditure incurred for charitable activities of £705,704, 79.2% constituted direct costs, and 20.8% support costs. Our support costs cover items including staff training and office costs, expenditure essential to the effective delivery of charitable activities.

Principal funding sources

The charity is dependent upon grants and donations from individual donors and institutions. A full list of grants and donations received is set out in note 4 to the accounts.

Balance sheet

The above result led to a surplus of £191,906 (2019: £74,825), which has resulted in a combined fund balance of £447,139 (2019: £255,233) at the year-end. This gives a free-reserves figure of £421,085, which equates to the unrestricted reserves fund balance of £422,316 less the charity's fixed assets of £1,231.

Current assets this year have increased significantly to £714,784 (2019: £483,239) due to healthier cash at bank figure of £502,913 (2019: £441,418) but also a timing difference of secured grants receivable of £170,000 this year (2019: £4,537). This primarily consists of one secured grant of £160,000 covering 2020/21 activities for which payment is pending receipt of audited 2020 accounts. An analysis of the net assets of the funds can be found in note 24, with the movements with each fund detailed in note 25 pages 32-33.

Future outlook

The Covid-19 pandemic has brought unprecedented challenges and change to not only the advice sector and frontline services but also the fundraising landscape. In 2020, the charity had to move quickly to respond to the pandemic, rapidly adapting ways of working and recalibrating fundraising activity to navigate a quickly evolving environment.

Whilst the fundraising landscape remains challenging, as funds for advice services are generally being reduced and in the context of an ever more challenging economic environment impacting giving from individuals, corporates and charitable trusts, the charity maintains a strong financial position with cash reserves at year-end of £502,913 (2019: £441,318), a combined fund balance of £447,139 (2019: £255,233), and free reserves of £421,085 (2019: £248,005) which is roughly equivalent to six months of total budgeted expenditure for 2021.

These reserves have been boosted this year by approx. £94,000 received in grants and donations specifically in the wake of the Covid-19 pandemic and will be used to ensure that our work can continue when the need increases across 2021 as the impact of the pandemic continues to be felt and Government crisis measures on social security and housing are withdrawn.

Our income tracker includes our pipeline of grant funding applications. The charity uses this to monitor our projected income against the income figures used to prepare our budgets. The trustees regularly review its contingency plans for how expenditure would be reduced in the event of significant shortfalls in projected income.

THE ZACCHAEUS 2000 TRUST

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2020

FINANCIAL REVIEW - Continued

The majority of our income comes from trust and foundation grants, and we are also working with new funders. Based on the charity's 2021 income tracker and budgets, the charity expects to generate £827,558 of income and £869,098 of expenditure, resulting in a deficit of £41,541. This predicted deficit would be covered by the additional funding the charity received in 2020 to support the expected increase in services due to the pandemic.

Investment policy and objectives

The charity's Articles of Association does not confer any specific rights or restrictions on us as trustees in respect of investing its funds. The funds received by the charity during the year under review were not sufficient to justify separate investment, other than to be placed on deposit with the charity's bankers.

Reserves policy

The trustees aim to maintain an amount on general fund equivalent to three - six months of expenditure, although this is dependent on the level of donations received. At 31 December 2020, the charity held approximately six months (2019: 4 months) of total projected annual expenditure in unrestricted free reserves figure of £421,085.

Risk management

The trustees have assessed the major risks to which the charity is exposed, in particular those relating to the governance, operation and finances of the charity as well as external factors. Risks are assessed in terms of impact and likelihood and are reviewed at least quarterly by the Finance and Risk Sub-committee, and annually by all the trustees. Going forward we have identified the following key risks and have put plans in place to mitigate:

1. **Dependency on income sources and loss of income:** We recognise that the majority of our income comes from trusts and foundations. To avoid dependency on a few donors, we have increased the range of trusts and foundations who fund us, particularly in relation to multi-year funding. Our fundraising manager has successfully worked to diversify our income streams by building relationships with corporate donors and delivering individual giving fundraising campaigns. We seek to continue this diversification work in 2021 and will develop a refreshed fundraising plan. Our reserves policy and linked financial planning, alongside a range of one-off grants and donations in response to the Covid-19 pandemic, will support the charity to meet its commitments in 2021 and continue to deliver vital advice and support services.
2. **Demonstrating impact:** We know that as a small charity with a huge ambition to challenge unfairness across the breadth of the social security system, it is important that we are clear about what we have achieved. We have structured our outcomes, evidence indicators and how we measure impact to be able to demonstrate more clearly the difference that we make. Casework staff and the senior management team regularly review and analyse data. In 2020, we recruited a new member of staff who provides further support on this important work and we have committed to a monitoring and evaluation review in 2021 with a view to further developing monitoring and evaluation methods and tools.
3. **Loss of key staff:** as a small charity, in a competitive environment, we know that we have to work hard to retain key staff. In 2020, we reviewed staff benefits and introduced an Employee Assistance Programme to support staff wellbeing, Life Insurance and Income Protection cover for all employees. We also restructured our pension contributions to a salary exchange model, calculated on basic pay rather than qualifying earnings and a matched contribution to 5%. This means an increased pension contribution to staff that does not affect their take-home pay. Z2K also committed to a generous staff pay award in 2021 despite the challenging external economic environment. In addition, we have made improvements to how we work and implemented measures to support staff communications and support whilst working remotely.
4. **Impact of Covid-19 pandemic on service delivery:** The Covid-19 pandemic has brought unprecedented challenges and change to the advice sector and frontline services. In 2020, the Charity moved quickly to respond to the pandemic, rapidly adapting ways of working to ensure we could continue to provide vital support on social security and housing matters. Whilst face-to-face interaction remains largely on hold, we extended our enquiries line and adapted our support services to engage with clients virtually. We improved our IT systems and hardware as well as our data security measures and staff training to facilitate this and have supported client digital inclusion. In addition, we have engaged in further outreach to improve referral pathways to ensure that those in most need of our support can reach us.

THE ZACCHAEUS 2000 TRUST

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2020

FINANCIAL REVIEW - Continued

PLANS FOR THE FUTURE

The Covid-19 pandemic has had a swift and seismic impact, leaving even more people in need of adequate and dignified social security and housing systems. At the point of presenting our annual accounts, we know we will need to continue to respond to problems in the benefits system following the Covid-19 pandemic and what this will mean for the welfare benefits system in the UK. The deep-seated problems with these systems have been laid bare and services like ours are experiencing an increase in demand as more and more people require support to access their legal rights and entitlements.

As we move forward, we will continue to embed our way of working which combines casework - directly helping thousands of people access justice - with policy influencing and campaigning - pursuing transformative change for hundreds of thousands nationally. We use the evidence generated from our direct casework to inform our campaigning and influencing activities, seeking to secure reform to the policies and practices that deny people the support to which they are entitled, pushing them further into poverty and destitution.

We will have a renewed focus on supporting experts-by-experience to shape our services and also take a more active leadership role in our policy and campaigning work. We will continue to find new ways of supporting our clients to speak out and directly shape our policy and campaigns as well as improve their representation at strategic and board levels.

THE ZACCHAEUS 2000 TRUST

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2020

STATEMENT OF TRUSTEES RESPONSIBILITIES

The trustees (who are also the directors of The Zacchaeus 2000 Trust for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland

Company law requires the charity's trustees to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP 2019 FRS102;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK 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 proper accounting records, which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

Statement as to Disclosure of Information to Auditors

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Auditors

Myrus Smith was appointed as the charitable company's auditors during the year and have expressed their willingness to continue in that capacity.

Small Companies

This Trustees report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

Michael G McAteer – Chair of the Board of Trustees of The Zacchaeus 2000 Trust

29 April 2021



INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE ZACCHAEUS 2000 TRUST

Opinion

We have audited the financial statements of The Zacchaeus 2000 Trust (the 'charitable company') for the year ended 31 December 2020, which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows 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 December 2020, and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis of opinion

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

Conclusions relating to going concern

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

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

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

Other information

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

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' annual report (incorporating the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' annual report has been prepared in accordance with applicable legal requirements.

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE ZACCHAEUS 2000 TRUST

Matters on which we are required to report by exception

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

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

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

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, 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 it 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud is detailed below:

- Enquiry of management and those charged with governance about actual and potential litigation or claims and the identification of non-compliance with laws and regulations.
- Reviewing minutes of meetings of those charged with governance.
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.
- Auditing the risk of management override of controls, including testing journal entries and other adjustments for appropriateness.
- Performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.
- Professional scepticism in course of the audit and with audit sampling in material audit areas.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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

**INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF
THE ZACCHAEUS 2000 TRUST**

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. 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.



Kevin Fisher BA FCA CTA (Senior Statutory Auditor)
For and on behalf of Myrus Smith
Chartered Accountants and Statutory Auditors
Norman House
8 Burnell Road
Sutton
Surrey
SM1 4BW

29 April 2021

THE ZACCHAEUS 2000 TRUST

**STATEMENT OF FINANCIAL ACTIVITIES
INCORPORATING INCOME AND EXPENDITURE ACCOUNT**

FOR THE YEAR ENDED 31 DECEMBER 2020

	Notes	Unrestricted Funds £	Restricted Funds £	2020 Total Funds £	2019 Total Funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	72,492	45,000	117,492	58,716
Charitable activities					
Grants	4	319,024	482,931	801,955	584,828
Other trading activities	5	6,647	14,766	21,413	31,814
Investments	6	1,018	-	1,018	721
Other		-	-	-	4,413
Total		399,181	542,697	941,878	680,492
EXPENDITURE ON					
Raising funds:	7	44,268	-	44,268	40,937
Charitable activities					
Activities	8	92,157	613,547	705,704	564,730
Total		136,425	613,547	749,972	605,667
NET INCOME/(EXPENDITURE)		262,756	(70,850)	191,906	74,825
Transfers between funds	25	(93,563)	93,563	-	-
NET MOVEMENT IN FUNDS		169,193	22,713	191,906	74,825
RECONCILIATION OF FUNDS					
25					
Total funds brought forward		253,123	2,110	255,233	180,408
TOTAL FUNDS CARRIED FORWARD		422,316	24,823	447,139	255,233

All activities relate to continuing operations.

THE ZACCHAEUS 2000 TRUST
Registered number: 05442501

BALANCE SHEET
AT 31 DECEMBER 2020

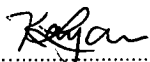
	Notes	Unrestricted Funds £	Restricted Funds £	2020 Total Funds £	2019 Total Funds £
FIXED ASSETS					
Tangible assets	20	1,231	-	1,231	5,118
		1,231	-	1,231	5,118
CURRENT ASSETS					
Debtors	21	188,932	22,939	211,871	41,921
Cash at bank and in hand		416,499	86,414	502,913	441,318
		605,431	109,353	714,784	483,239
CREDITORS					
Amounts falling due within one year	22	(184,346)	(84,530)	(268,876)	(233,124)
NET CURRENT ASSETS		421,085	24,823	445,908	250,115
TOTAL ASSETS LESS CURRENT LIABILITIES		422,316	24,823	447,139	255,233
NET ASSETS		422,316	24,823	447,139	255,233
TOTAL FUND OF THE CHARITY	24				
Unrestricted funds				422,316	253,123
Restricted funds				24,823	2,110
TOTAL FUNDS	25			447,139	255,233

These financial statements have been prepared in accordance with the special provisions of part 15 of the Companies Act 2006 relating to small companies.

Approved by the Board of Trustees on **29 April 2021** and signed on its behalf by:



Michael G McAteer (Chair) – Trustee



Kay Z Lau (Treasurer) – Trustee

THE ZACCHAEUS 2000 TRUST

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2020

	2020 £	2019 £
Cash flows from operating activities:		
Net cash provided by (in use) operating activities	<u>61,595</u>	<u>249,014</u>
	61,595	249,014
Cash flows from investing activities		
Purchase of fixed assets	<u>-</u>	<u>(3,133)</u>
Cash provided by (used in) investing activities	<u>-</u>	<u>(3,133)</u>
Change in cash and cash equivalents in the year	<u>61,595</u>	<u>245,881</u>
Cash and cash equivalents at the start of the year	<u>441,318</u>	<u>195,437</u>
Cash and cash equivalents at the end of the year	<u>502,913</u>	<u>441,318</u>

CASH FLOW NOTES

	2020 £	2019 £
Reconciliation of net movement in funds to net cash flow from operating activities		
Net income/(expenditure) for the reporting period (as per the statement of financial activities)	191,906	74,825
Adjustments for:		
Add back depreciation charge	3,887	4,155
(Increase) /decrease in debtors	(169,950)	75,552
Increase in creditors	<u>35,752</u>	<u>94,482</u>
Net cash used in operating activities	<u>61,595</u>	<u>249,014</u>

	2020 £	2019 £
Analysis of cash and cash equivalents		
Bank and cash in hand	<u>502,913</u>	<u>441,318</u>
Total cash and cash equivalents	<u>502,913</u>	<u>441,318</u>

The notes on pages 23 to 35 form part of these financial statements

THE ZACCHAEUS 2000 TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

1. ACCOUNTING POLICIES

1.1 Company status

The Zacchaeus 2000 Trust is a charitable company limited by guarantee and registered in England and Wales. The registered office and company registration number are detailed on page 1.

1.2 Basis of preparation

The Zacchaeus 2000 Trust meets the definition of a public benefit entity under FRS 102.

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 issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Accounting Practice.

The financial statements are presented in sterling, which is the functional currency of the charity.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

1.3 Preparation of the accounts on a going concern basis

The financial statements are prepared on a going concern basis under the historical cost convention. The Trustees have made this assessment taking into account the Charity's unrestricted reserves, secured funding going forward and current and planned activities.

1.4 Judgement and key sources of estimation uncertainty

In the application of the charity's accounting policies, the charity is required to make judgments, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

1.5 Fund accounting

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity and which have not been designated for specific purposes. Designated funds are unrestricted funds set aside by the trustees for specific purposes. Restricted funds are funds whose use is restricted to specific purposes according to the grant terms of the specific restrictions imposed by the donor or which have been raised for a particular purpose. The aim and use of each restricted fund is set out in the notes to the financial statements.

1.6 Income recognition

Items of income are recognised in the financial statements when all of the following criteria are met:

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

Income received in advance of a project or other specified service is deferred until the criteria for income recognition are met (see Note 23, page 31).

1.7 Expenditure recognition

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

- Costs of raising funds which comprise those costs associated with seeking donations, grants and other fundraising costs;
- Expenditure on charitable activities, which comprises the costs of running the various activities and services for the charity's beneficiaries.

THE ZACCHAEUS 2000 TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

1. ACCOUNTING POLICIES – continued

1.8 Allocation of support costs

Support costs are apportioned on the basis of staff time. Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include back office costs, finance, personnel, payroll and governance costs which support the trust's charitable activities (see notes 8,10 and 12, pages 27 and 28).

1.9 Volunteers and donated services

A certain amount of time is expended on the charity's activities, which is donated free of charge. It is not possible to quantify the value of time given and accordingly it is neither recorded as donated income nor as an expense in the accounts.

1.10 Tangible fixed assets

Tangible fixed assets for use by the charity are capitalised if they can be used for more than one year, and cost at least £1,000. They are valued at cost or else, for gifts-in-kind, at a reasonable estimate of their open market value on receipt.

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Asset Category	Annual Rate
Computers	- 33.33% on cost
Fixtures and fittings	- 25% on cost

1.11 Financial instruments

The charity only has financial instruments of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

1.12 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account, as well as cash in hand held by charity at the year end.

1.13 Debtors

Trade and other debtors are recognised at the settlement amount due. Prepayments are recognised at the invoiced cost prepaid.

1.14 Creditors and Provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

1.15 Taxation

The charity is an exempt charity within the meaning of schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010. Accordingly it is potentially exempt from taxation in respect of income and capital gains received to the extent that such income or gains are applied to exclusively charitable purposes. No provision for taxation has been made in these financial statements.

1.16 Leases

Operating lease rentals are charged to the Statement of Financial Activities on a straight line basis over the period of the lease.

1.17 Pensions

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

THE ZACCHAEUS 2000 TRUST

**NOTES TO THE FINANCIAL STATEMENTS – CONTINUED
FOR THE YEAR ENDED 31 DECEMBER 2020**

2. INCOME FROM DONATIONS AND LEGACIES

	2020 £	2019 £
Restricted		
Corporate Donations	<u>45,000</u>	<u>18,000</u>
	<u>45,000</u>	<u>18,000</u>
	£	£
Unrestricted		
Corporate Donations	<u>46,167</u>	<u>9,550</u>
Individual Donations	<u>26,325</u>	<u>31,166</u>
	<u>72,492</u>	<u>40,716</u>

3. INCOME FROM CHARITABLE ACTIVITIES

	Activity	2020 £	2019 £
Grants	Core Activities	<u>319,024</u>	<u>175,814</u>
Grants	Casework and Support Services	<u>276,246</u>	<u>269,257</u>
Grants	Policy and Campaigning	<u>200,281</u>	<u>137,500</u>
Grants	Relief of Poverty	<u>6,404</u>	<u>2,257</u>
		<u>801,955</u>	<u>584,828</u>

4. GRANTS

	2020 £	2019 £
Restricted	<u>482,931</u>	<u>409,014</u>
Unrestricted	<u>319,024</u>	<u>175,814</u>
	<u>801,955</u>	<u>584,828</u>

THE ZACCHAEUS 2000 TRUST

**NOTES TO THE FINANCIAL STATEMENTS – CONTINUED
FOR THE YEAR ENDED 31 DECEMBER 2020**

4. GRANTS – continued

	2020 £	2019 £
Restricted		
ACTs 435 - Small Grants	4,545	-
Allen & Overy Foundation	25,000	10,000
The City Bridge Trust	45,000	50,000
City of Westminster Council Ward Funding	19,844	16,639
Clapham Relief Fund - Small Grants	359	-
Clifford Chance Foundation	-	7,000
Esmee Fairbairn Foundation	50,000	37,500
Glasspool Charity Trust – Small Grants	-	957
Henry Smith Foundation	50,000	50,000
Hyde Park Place Estate Charity	5,000	3,000
John Ellerman Foundation	20,000	20,000
LHA London	15,000	25,000
Lloyds Bank Foundation	25,000	25,000
London Catalyst	1,500	1,300
Mrs Smith & Mount Trust	-	6,934
Nationwide Building Society – London Community Foundation Grant	28,747	-
Nationwide Foundation	50,000	25,000
A Foundation advised by Porticus UK	30,000	30,000
South West London Law Centres	52,936	36,525
Strand Parishes Trust	5,000	5,000
Trust for London	50,000	50,000
Westminster Amalgamated Charity	5,000	9,159
	<u>482,931</u>	<u>409,014</u>
Unrestricted		
Edward Harvist Trust	-	2,000
Esmee Fairbairn Foundation	28,700	-
Garden Court Chambers	-	2,000
LHA London	5,000	-
Lloyds Bank Foundation	14,718	-
London Community Foundation	23,306	-
London Legal Support Trust	10,000	10,000
Oak Foundation	160,000	108,250
The A B Charitable Trust	20,000	20,000
The Fitzler Lacy Trust	-	3,000
Tudor Trust	30,000	-
Westminster Connect	-	2,000
Westminster Foundation	27,300	28,564
	<u>319,024</u>	<u>175,814</u>
	<u>801,955</u>	<u>584,828</u>

THE ZACCHAEUS 2000 TRUST

**NOTES TO THE FINANCIAL STATEMENTS – CONTINUED
FOR THE YEAR ENDED 31 DECEMBER 2020**

5. OTHER TRADING ACTIVITIES

	2020	2019
	£	£
Corporate law firms contributions	8,525	14,345
Fundraising events and activities	3,287	6,482
Training and workshops	3,150	6,084
Recharges and hardship claims	6,451	4,903
	<u>21,413</u>	<u>31,814</u>

Income earned from other activities was £21,413 (2019: £31,814) of which £6,647 related to unrestricted funds (2019: £7,558) and £14,766 related to restricted funds (2019: £24,256).

6. INVESTMENT INCOME

	2020	2019
	£	£
Bank Interest - unrestricted	<u>1,018</u>	<u>721</u>
	<u>1,018</u>	<u>721</u>

The £1,018 (2019: £919) arises from money held in interest bearing deposit accounts and all relates to unrestricted funds.

7. RAISING FUNDS

	2020	2019
	£	£
Campaign expenses	-	1,371
Fundraising costs	2,725	1,541
Wages and salaries	39,865	37,159
Pension costs	1,678	866
	<u>44,268</u>	<u>40,937</u>

Of the £44,268 expenditure recognised in the year (2019: £40,937), £44,268 (2019: £39,566) was charged to unrestricted funds and £Nil (2019: £1,371) was charged to restricted funds.

8. EXPENDITURE BY CHARITABLE ACTIVITIES

		2020	2019
		£	£
Cost directly allocated	Activity		
Cost directly allocated	Core Activities	33,194	10,429
Cost directly allocated	Casework and Support Services	350,252	306,159
Cost directly allocated	Policy and Campaigning	169,097	106,544
Cost directly allocated	Relief of Poverty	6,415	2,389
		<u>558,958</u>	<u>425,521</u>
Support costs allocated	Activity		
Support costs allocated	Core Activities	58,963	29,846
Support costs allocated	Casework and Support Services	60,769	79,530
Support costs allocated	Policy and Campaigning	27,014	29,833
		<u>146,746</u>	<u>139,209</u>
		<u>705,704</u>	<u>564,730</u>

Support costs, which are costs not directly related to a specific activity, are allocated based on the proportion of staff (calculated based on staff numbers) working across the three activities as follows: Casework and Support Services 52.94% (2019: 57.14%); Policy and Campaigning 23.53% (2019: 21.43%); and Core Activities 23.53% (2019: 21.43%).

THE ZACCHAEUS 2000 TRUST

**NOTES TO THE FINANCIAL STATEMENTS – CONTINUED
FOR THE YEAR ENDED 31 DECEMBER 2020**

9. DIRECT CHARITABLE EXPENDITURE

	2020	2019
	£	£
Staff and related costs	508,171	417,153
Direct Project costs	35,352	4,073
Premises costs	1,072	1,684
Office admin costs	8,690	2,174
Professional fees and other costs	5,673	437
	<u>558,958</u>	<u>425,521</u>

10. SUPPORT COSTS

	2020	2019
	£	£
Staff and related costs	47,611	39,665
Premises costs	50,266	55,406
Office admin costs	29,395	26,896
Professional fees and other costs	10,594	11,287
Governance costs	4,993	1,800
Depreciation	3,887	4,155
	<u>146,746</u>	<u>139,209</u>

11. PROFESSIONAL FEES AND OTHER COSTS

	2020	2019
	£	£
Accountancy and Bookkeeping	9,692	8,603
AQS Monitoring Audit costs	1,500	-
Bank Charges	162	274
Consultancy costs	3,998	2,039
Subscriptions	915	808
	<u>16,267</u>	<u>11,724</u>

12. GOVERNANCE COSTS

	2020	2019
	£	£
Accounts Preparation	1,350	1,200
Audit fee	3,420	-
Independent Examiner fee	-	600
Trustees Meetings	223	-
	<u>4,993</u>	<u>1,800</u>

13. NET INCOMING/(OUTGOING) RESOURCES

Net resources are stated after charging/(crediting):

	2020	2019
	£	£
Audit fee	3,420	-
Independent Examiner	-	600
Operating lease rentals	46,758	51,236
Depreciation	<u>3,887</u>	<u>4,155</u>

THE ZACCHAEUS 2000 TRUST

**NOTES TO THE FINANCIAL STATEMENTS – CONTINUED
FOR THE YEAR ENDED 31 DECEMBER 2020**

14. STAFF COSTS

	2020	2019
	£	£
Wages and salaries	512,985	442,156
Social security costs	44,281	35,327
Pension costs	20,730	13,020
	<u>577,996</u>	<u>490,503</u>

No employee had employee benefits in excess of £60,000 (2019: 1 in the £70,000-£80,000 band).

No trustees (2019: no trustee) received re-imbursement of expenses during the year.

The key management personnel of the charity comprise of the trustees and senior managers (as detailed on page 5). The total employee benefits of the key management personnel of the charity were £151,595 (2019: £146,458).

15. STAFF NUMBERS

The average monthly number of full-time equivalent employees (including casual and part time staff) during the year was as follows:

	2020 Number	2019 Number
Senior Management Team	3	3
Direct Charitable	11	10
Administrative and Support	<u>3</u>	<u>2</u>
	<u>17</u>	<u>15</u>

16. TRUSTEES' REMUNERATION AND BENEFITS

The charity trustees were not paid or received any other benefits from employment with the charity in the year (2019: £Nil). During the year, no trustees were reimbursed for disbursements (2019 £Nil) in respect of fundraising and other related expenses.

No charity trustee received payment for professional or other services supplied to the charity (2019: £nil).

17. PENSION COSTS

The charity has a defined contribution pension scheme, which all employees are entitled to join. The charity contributes 4% and the employees contributed a minimum of 4% and employees may make further additional voluntary contributions.

During the year ended 31 December 2020, the charity's total contributions amounted to £20,730 (2019: £13,020).

The trustees are satisfied that any foreseeable change in employer's contributions can be budgeted for without detriment to the charity's on-going activities

18. TRANSACTIONS AND RELATED PARTIES

There were no material related party transactions during the year.

THE ZACCHAEUS 2000 TRUST

**NOTES TO THE FINANCIAL STATEMENTS – CONTINUED
FOR THE YEAR ENDED 31 DECEMBER 2020**

19. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

The key components from the prior year figures (2019) are analysed below by fund:

	Unrestricted £	Restricted £	Total £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	40,716	18,000	58,716
Charitable activities			
Grants	175,814	409,014	584,828
Other trading activities	7,558	24,256	31,814
Investments	721	-	721
Other	3,030	1,383	4,413
Total Income	227,839	452,653	680,492
EXPENDITURE ON			
Raising funds:	39,566	1,371	40,937
Charitable activities			
Core Activities	40,275	524,455	564,730
Total	79,841	525,826	605,667
NET INCOME/(EXPENDITURE)	147,998	(73,173)	74,825
Transfers between funds	(74,424)	74,424	-
NET MOVEMENT IN FUNDS FOR THE YEAR	73,574	1,251	74,825

THE ZACCHAEUS 2000 TRUST

**NOTES TO THE FINANCIAL STATEMENTS – CONTINUED
FOR THE YEAR ENDED 31 DECEMBER 2020**

20. TANGIBLE FIXED ASSETS

	IT Office Equipment £	Furniture & fittings £	Totals £
COST OR VALUATION			
At 1 January 2020	31,633	1,731	33,364
Additions	-	-	-
Disposals or scrapped	(1,680)	(327)	(2,007)
At 31 December 2020	<u>29,953</u>	<u>1,404</u>	<u>31,357</u>
DEPRECIATION			
At 1 January 2020	26,889	1,357	28,246
Charge for year	3,699	188	3,887
Disposals or scrapped	(1,680)	(327)	(2,007)
At 31 December 2020	<u>28,908</u>	<u>1,218</u>	<u>30,126</u>
NET BOOK VALUE			
At 31 December 2020	<u>1,045</u>	<u>186</u>	<u>1,231</u>
At 31 December 2019	<u>4,744</u>	<u>374</u>	<u>5,118</u>

21. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020 £	2019 £
Grants receivable	170,000	4,537
Other debtors	17,500	21,332
Prepaid expenses	<u>24,371</u>	<u>16,052</u>
	<u>211,871</u>	<u>41,921</u>

22. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020 £	2019 £
Trade creditors	15,023	2,639
Social security and other taxation	14,095	12,384
Other creditors	29,878	29,707
Deferred income	204,388	184,639
Accrued expenses and deferred income	<u>5,492</u>	<u>3,755</u>
	<u>268,876</u>	<u>233,124</u>

23. DEFERRED INCOME

	2020 £	2019 £
Opening deferred income	184,639	109,111
Amounts deferred in the year	593,738	660,356
Released to income	<u>(573,989)</u>	<u>(584,828)</u>
Closing deferred income	<u>204,388</u>	<u>184,639</u>

THE ZACCHAEUS 2000 TRUST

**NOTES TO THE FINANCIAL STATEMENTS – CONTINUED
FOR THE YEAR ENDED 31 DECEMBER 2020**

24. ANALYSIS OF NET ASSETS BETWEEN FUNDS

Current year information for the net assets between funds:

	Unrestricted Funds £	Restricted Funds £	2020 Total Funds £	2019 Total Funds £
Fixed assets	1,231	-	1,231	5,118
Current assets	605,431	109,353	714,784	483,239
Current liabilities	(184,346)	(84,530)	(268,876)	(233,124)
	<u>422,316</u>	<u>24,823</u>	<u>447,139</u>	<u>255,233</u>

Comparative year information for the net assets between funds:

	Unrestricted Funds £	Restricted Funds £	2019 Total Funds £	2018 Total Funds £
Fixed assets	5,118	-	5,118	6,140
Current assets	430,250	52,989	483,239	312,910
Current liabilities	(182,245)	(50,879)	(233,124)	(138,642)
	<u>253,123</u>	<u>2,110</u>	<u>255,233</u>	<u>180,408</u>

25. MOVEMENT IN FUNDS – current year

	At 1/1/20 £	Net movement in funds £	Transfers between funds £	At 31/12/20 £
Unrestricted funds:				
General Fund	253,123	262,756	(93,563)	422,316
	253,123	262,756	(93,563)	422,316
Restricted funds				
Relief of Poverty Fund	2,110	(11)	-	2,099
Casework and Support Services	-	(75,009)	87,069	12,060
Policy and Campaigning	-	4,170	6,494	10,664
	2,110	(70,850)	93,563	24,823
TOTAL FUNDS	<u>255,233</u>	<u>191,906</u>	<u>-</u>	<u>447,139</u>
	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted fund				
General fund	399,181	(136,425)	-	262,756
	399,181	(136,425)	-	262,756
Restricted funds:				
Relief of Poverty Fund	6,404	(6,415)	-	(11)
Casework and Support Services	336,012	(411,021)	-	(75,009)
Policy and Campaigning	200,281	(196,111)	-	4,170
	542,697	(613,547)	-	(70,850)
TOTAL FUNDS	<u>941,878</u>	<u>(749,972)</u>	<u>-</u>	<u>191,906</u>

THE ZACCHAEUS 2000 TRUST

NOTES TO THE FINANCIAL STATEMENTS – CONTINUED
FOR THE YEAR ENDED 31 DECEMBER 2020

25. MOVEMENT IN FUNDS – prior year

	At 1/1/19 £	Net movement in funds £	Transfers between funds £	At 31/12/19 £
Unrestricted funds:				
General Fund	<u>179,549</u>	<u>147,998</u>	<u>(74,424)</u>	<u>253,123</u>
	179,549	147,998	(74,424)	253,123
Restricted funds				
Relief of Poverty Fund	859	1,251	-	2,110
Casework and Support Services	-	(74,176)	74,176	-
Policy and Campaigning	-	(248)	248	-
	859	(73,173)	74,424	2,110
TOTAL FUNDS	<u>180,408</u>	<u>74,825</u>	<u>-</u>	<u>255,233</u>
	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted fund				
General fund	<u>227,839</u>	<u>(79,841)</u>	-	<u>147,998</u>
	227,839	(79,841)	-	147,998
Restricted funds:				
Relief of Poverty Fund	3,640	(2,389)	-	1,251
Casework and Support Services	311,513	(385,689)	-	(74,176)
Policy and Campaigning	<u>137,500</u>	<u>(137,748)</u>	-	<u>(248)</u>
	452,653	(525,826)	-	(73,173)
TOTAL FUNDS	<u>680,492</u>	<u>(605,667)</u>	<u>-</u>	<u>74,825</u>

THE ZACCHAEUS 2000 TRUST

NOTES TO THE FINANCIAL STATEMENTS – CONTINUED FOR THE YEAR ENDED 31 DECEMBER 2020

26. FUND DESCRIPTION

Unrestricted funds

The charity holds unrestricted funds for its general expenditure and some of the grant funding received is to support the core activities of the charity. The transfer of £93,563 from the general fund to the various restricted funds is to support the various charitable activities that the charity undertakes.

Grants were received this year from Esmee Fairbairn Foundation, LHA London, Lloyds Bank Foundation, London Community Foundation, London Legal Support Trust Funds, Oak Foundation, The A B Charitable Trust, Tudor Trust, and Westminster Foundation for general core costs and to assist with the continuing Covid-19 crisis.

Restricted funds:

The Relief of Poverty fund comprises donations received from individuals and organisations, along with grant funding from London Catalyst, ACTs 435 and the Clapham Relief Fund. The funds are used to defray the debts of the poorest and most vulnerable members of society. Direct donations to individuals are also occasionally made to relieve poverty.

The Casework and Support Services fund incorporates four areas of our charitable work – General Casework, Tribunal Project, PRAS and Wrap Around Support. Grants and donations received specifically for these services enable our staff to support the prevention of poverty and homelessness by providing advice and representation for people regarding their social security and housing issues. The Tribunals project specifically supports clients appeal negative benefits decisions at the Social Security Tribunal with representation from pro bono lawyers. The Private Rented Sector Access Scheme (PRAS) seeks to broker and support tenancies between landlords and single homeless people, and the Wrap Around project, gives additional support to help clients address broader challenges and address acute income crises.

The Policy and Campaigning fund consists of grants and donations received which enable the charity to continue its campaigns calling for immediate change to policies that are actively harming our clients in their everyday lives. Our policy work is embedded in the experiences of our clients and the evidence from our casework defines our policy focus. We work to influence at national and local level and we prioritise the issues that impact most on our clients. The funding assists our work to reform the systems and policies that create injustice and drive poverty and homelessness through parliamentary engagement & influencing, as well as public campaigns. All our work is practical, evidence based and aimed at enabling our clients to lead stable and dignified lives free from poverty.

Grant funding was received again this year from various grant funders (detailed in note 4 to the accounts) to help fund various staffing posts within the specific projects which the charity undertakes, including funding from the Allen & Overy Foundation, The City Bridge Trust, City of Westminster Council Ward Funding, Esmee Fairbairn Foundation, Henry Smith Charity, Hyde Park Place Estate Charity, John Ellerman Foundation, LHA London, Lloyds Bank Foundation, Nationwide Foundation, A Foundation advised by Porticus UK, South West London Law Centres, Strand Parishes Trust, Trust for London and Westminster Amalgamated Charity.

New grant funding was received this year from Nationwide Building Society through the London Community Foundation grant programme.

27. OPERATING LEASE COMMITMENTS

Total future minimum lease payments for non-cancellable operating leases are as follows:

	2020 £	2019 £
Expiring:		
Within one year	73,579	51,236
Between one and five years	-	-
More than five years	-	-
	<u>73,579</u>	<u>51,236</u>

28. CAPITAL COMMITMENTS

The Charity has authorised and contracted for expenditure of £Nil. The Charity has authorised but not contracted for expenditure of £Nil in its capital budget for the upcoming year.

THE ZACCHAEUS 2000 TRUST

**NOTES TO THE FINANCIAL STATEMENTS – CONTINUED
FOR THE YEAR ENDED 31 DECEMBER 2020**

29. CONTINGENT ASSETS

Total grant funding awarded as at 31 December 2020 but not yet received and recognised as income due to the recognition criteria not being met amounts to £991,167.

30. CONTINGENT LIABILITIES

Due to an ongoing and unresolved legal claim raised in 2019, the charity is exposed to a contingent loss in the range of £8,800 to £26,300. However, the legal advice given to the charity is that the claim is more than likely to resolve in its favour.

31. LEGAL STATUS OF THE CHARITY

The Zacchaeus 2000 Trust is a private company (Company No: 05442501) incorporated in Great Britain and registered in England and Wales. The charitable company is limited by guarantee and has no share capital. In the event of the Charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the Charity. The address of the registered office is given in the Legal and Administrative Information on page 1.