

REGISTERED CHARITY NUMBER: 01110841
REGISTERED COMPANY NUMBER: 05442501

**REPORT OF THE TRUSTEES AND
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018
FOR
THE ZACCHAEUS 2000 TRUST**

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THE ZACCHAEUS 2000 TRUST

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FOR THE YEAR ENDED 31 DECEMBER 2018**

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THE ZACCHAEUS 2000 TRUST

LEGAL AND ADMINISTRATIVE INFORMATION FOR THE YEAR ENDED 31 DECEMBER 2018

REFERENCE AND ADMINISTRATIVE DETAILS

Charity name

The Zacchaeus 2000 Trust

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

Sir Henry Brooke Q.C. (passed away January 2018)
Lady Antonia Fraser DBE
Lady Victoria Getty (stepped down January 2019)
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

Independent Examiner

Mark Blackwell ACMA
For and behalf of M H R Consultancy Limited
Chartered Management Accountants
Minster House, 126a High Street
Whitton, Twickenham, Middlesex
TW2 7LL

Principal Bankers

CAF Bank Limited, 25 Kings Hill Avenue, Kings Mill, Kent, ME19 4LQ
Nationwide Building Society, Nationwide House, Pipers Way, Swindon, SN38 1NW
United Trust Bank, 80 Haymarket, London, SW1Y 4TE
Virgin Money, Jubilee House, Gosforth, Newcastle upon Tyne, NE3 4PL

THE ZACCHAEUS 2000 TRUST

CHAIR'S STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2018

2018 was a really important year for us at Z2K. Raji Hunjan, our CEO, and I felt it was the right time to take stock of all that we had achieved, the services we provide, review our goals, and develop our business plans. To help us with this exercise, we received external help from the Pilot Light initiative as well as consultancy from the Good Things Foundation, paid for by our funder, Lloyds Bank Foundation. All staff and trustees engaged in the process, and many external stakeholders and clients also fed in through a survey.

At the core of our future plans remains a commitment to direct casework. Our clients, their voices and experiences, are at the heart of everything we do. This critical work allows us to create an evidence base, which helps us decide our campaigning priorities and build powerful campaigns.

There is no question our casework and campaigns are needed. Today, more than one in five of our UK population is living in poverty. In London alone, over 2 million people are classed as living in poverty; far too many are trapped in this cycle, are socially isolated and are struggling to navigate an increasingly complex welfare benefits system.

In the face of a very difficult environment, we are stepping up our campaigning work alongside our commitment to working with people who are facing complex challenges meeting their basic income and housing needs.

We know we need to do even more to meet the urgent challenges facing people who access the benefits system, and to do that we need to continue to grow and to strengthen our voice. We will look to increase our income through diversifying our income streams, and widening our network of supporters and potential collaborators.

None of this can happen without the people who make Z2K what it is. I would like to thank Raji Hunjan and our wonderful team of staff and volunteers at Z2K. I am so proud of, and inspired by, the quality of their work, dedication to our cause, and sheer determination to help people fight for their rights and fix a broken social security system.

On a sad note, I would like to pay a special tribute to two supporters and friends who we lost this year. Our patron, Henry Brooke QC, and our long-term trustee and volunteer, Maeve Sullivan, both passed away in February 2018.

Finally, I would also like to express my gratitude to our funders and supporters who provide us with the resources to undertake our much needed work; in particular, new funders who have supported us in 2018, including the Equalities and Human Rights Commission, John Ellerman Foundation and Henry Smith Foundation. Their generosity allows us to campaign for fairness and justice in a social security system that enables people to move on with their lives.

I look forward to Raji and the team building on the successes of 2018 and making 2019 an even bigger success for Z2K and our clients.



Michael G McAteer (Chair)

THE ZACCHAEUS 2000 TRUST

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2018

The trustees present their report and the unaudited financial statements of the charity for the year ended 31 December 2018. The trustees have adopted the provisions of Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities 2015" (FRS102) in preparing the annual report and financial statements of the charity.

TRUSTEES

All trustees give their time voluntarily and receive no benefits from the charity apart from reimbursed expenses set out in note 14. The trustees serving during the year and to the date of this report were as follows:

Michael Gerard McAteer – Chair
Kay Zebada Lau– Treasurer and Company Secretary
James Peter Dobel
Siobhan Mary Garibaldi
Emma Lough – Deputy Chair
Christopher Richard Pond
Randeep Ramesh
Dame Ruth Runciman
Jessica Walker

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.

The company is limited by guarantee and has no share capital. The liability of members is limited to £1 per member in the event of a winding up.

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 nine 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, which reflects 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 agreed in 2018 to ensure all trustee vacancies are widely advertised to encourage applications from people from diverse backgrounds, unless there is a reason not to follow an open process.

New trustees undergo an orientation session to be briefed 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.

THE ZACCHAEUS 2000 TRUST

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2018

STRUCTURE, GOVERNANCE AND MANAGEMENT - continued

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 board is responsible for governing the affairs of The Zacchaeus 2000 Trust. The board agrees the strategic direction to ensure the organisation fulfils its objectives. It takes overall responsibility for ensuring that the financial, legal and contractual obligations of the charity are met and that there are satisfactory systems and controls in place. The board receives regular reports from the treasurer and chief executive, who oversee the finances of the organisation. The chief executive attends all board meetings.

Additionally, the HR and policies sub-committee and the finance and risk sub-committee provide 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 policies 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 policies 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 full 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

Raji Hunjan – Chief Executive

Marc Francis – Director of Campaigns & Policy

Anne Killeen – Head of Casework & Support Services

Lilian Lee – Office Manager until September 2018

After the resignation of the office manager the trustees reviewed the casework manager role, which was changed to head of casework and support services to enable the post holder to line manage more of the team. As a result of this review, the office manager position was removed from the senior management team, reducing the senior management team to three.

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 of the 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 such 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. We also have psychology and social work students on placements, as well as long-term volunteers who are in-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 2018

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

1. Fair and equal access to a social security system that helps people move on
2. Affordable and secure housing
3. The empowerment of people to participate in their communities

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
- House single clients who are in receipt of benefits in the private rented sector, where there is no duty owed
- 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

Public benefit

We reviewed the Charity Commission's guidance on public benefit when reviewing our aims and objectives and in planning our activities. We believe that we have complied with this and seek to demonstrate this within this report.

THE ZACCHAEUS 2000 TRUST

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2018

OBJECTIVES

We believe the social security system should be a tool to help people move out of poverty and into a stable, dignified life.

We work with people in London to solve their housing and welfare issues - we campaign to change policy that is most harmful to our clients.

"Z2K's independence, its campaigning approach, its London focus and mission to tackle poverty through justice. It gets to this by targeting the root cause of poverty and working with people to overcome this. They use this experience to campaign for change in the system"

- External Stakeholder Perception

We work with low-income households across London, prioritising those who are at risk of homelessness, rent arrears and/or have problems with their benefits and appeals. We empower people to navigate their way through the complexities and recent changes in the benefits system, combined with the scheduled introduction of Universal Credit, and how all of this impacts on their lives and day-to-day challenges.

"Without Z2K my voice and that of my disabled son would not be heard"

- Client feedback

"Z2K offer a really great service, and the staff are very professional and supportive"

- Client feedback

"Most helpful organisation I have experienced"

- Client feedback

"The wealth of knowledge of my various caseworkers has been invaluable in a very confusing and complicated system"

- Client feedback

In supporting low-income households to address their benefits issues, we also assist with other stressors that are causing them problems, such as: financial management and income maximisation, concerns about their tenancies, mental well-being and the confidence to engage with relevant authorities. The people we help are typically at crisis point because they are either homeless, at risk of homelessness or vulnerably housed, which often gives a sense of urgency to our work - particularly for people in social housing who are at risk of losing long-term, secure tenancies.

This then forms the basis of our campaigning priorities - to reduce the level of stress the benefits system causes our clients, as well as the risk of homelessness.

ACTIVITIES, ACHIEVEMENT AND PERFORMANCE

Given that we are based in Westminster, approximately 75% of our clients continue to be from Westminster borough. We currently have three outreach sessions across the borough – Beethoven Centre in Queens Park; Church St Library, Paddington; Churchill Gardens Estate, Pimlico. In addition we receive telephone enquiries, repeat clients, word of mouth and have referral links with many local organisations, MPs and Councillors.

"I would like to take this opportunity to thank Z2K for all their support and help. I am extremely grateful."

- Client feedback

"Without Z2K my mental health would have deteriorated."

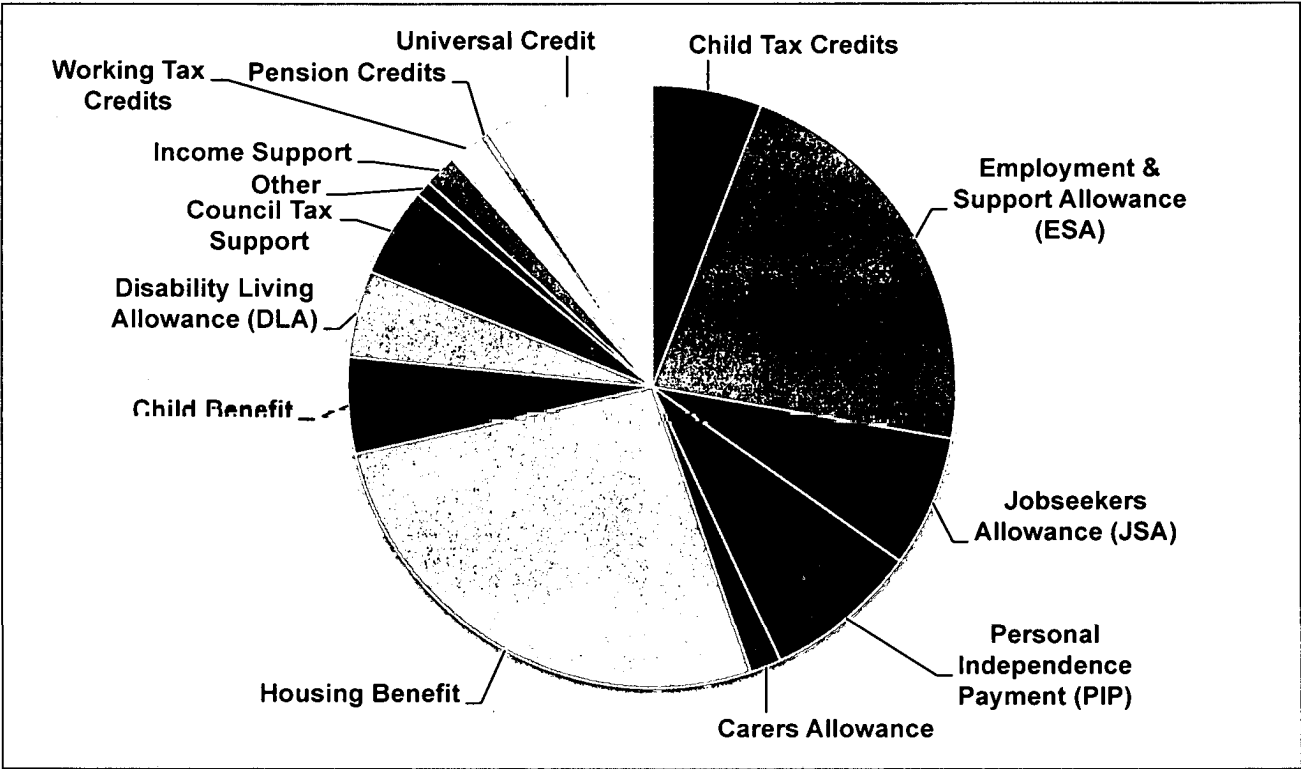
- Client feedback

Our impact and how we measure it

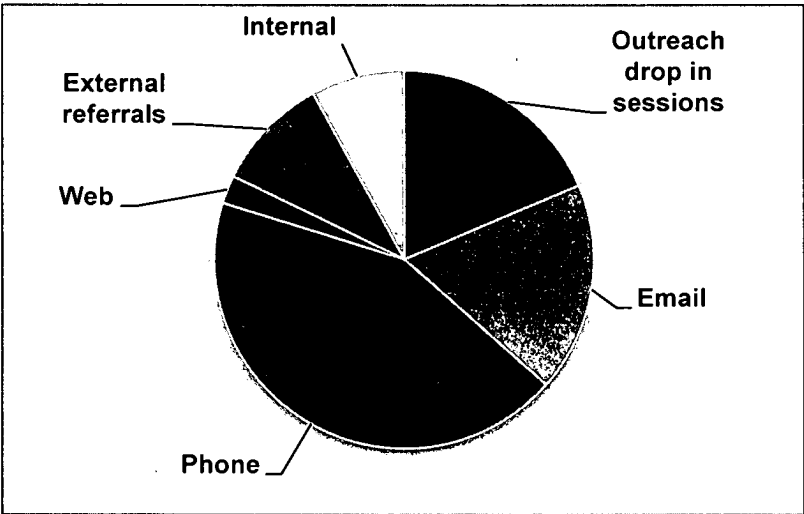
In 2018 we helped 1,142 Londoners – an 8% increase on the previous year. This figure cuts across all the different service delivery projects, including people for whom we may give advice only. We would like to point out that in line with our holistic, client-centred model, we always have more cases open than clients, because most clients will have multiple cases concerning different types of benefits, housing matters and additional support needs. With this in mind, the number of cases we had open in 2018 was 1,648. The total financial benefit to our clients was just over £3 million, compared to £2 million in 2017.

ACTIVITIES, ACHIEVEMENT AND PERFORMANCE - Continued

All beneficiaries are low-income adults, who are on, or entitled to, means-tested benefits. All are considered vulnerable and in need of support. The below summarises the type of benefits our clients receive. Please note, the majority of our clients receive more than one benefit.



There are a variety of ways in which individuals access our service. Where it states external referrals, this is where we receive referrals from other charities; organisations and MPs. Internal referrals refer to a client finishing under one project, but being referred to another. For example, a client may be involved with the tribunal appeals project, and after they have won their appeal, may attend Z2K workshops for their mental health.



THE ZACCHAEUS 2000 TRUST

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2018

ACTIVITIES, ACHIEVEMENT AND PERFORMANCE - continued

We also use the evidence from our core services to influence change in the system. Our policy and campaign achievements for 2018 include:

- We launched the *Access Denied* report, which made the following recommendations to improve the disability benefits system:
 1. The Government must urgently improve the way existing assessments are carried out. In particular that decisions are made on detailed medical evidence, collected from health professionals who know the client and the condition well
 2. That there is fundamental change to the Mandatory Reconsideration process which was previously introduced to review and correct flawed assessments. MR decision makers must have sufficient training and expertise to be able to conduct a full case review. If this cannot be achieved, then the MR stage should be abolished, as it is not working
 3. In the absence of fundamental reform of the system, the government should ensure that funding is available to advice agencies to take cases to appeal and ensure representation for clients who otherwise feel unable to attend tribunal
- We gave written and oral evidence to the Work and Pensions Select Committee regarding the benefit cap. We continue to oppose the cap on principle, but are particularly concerned about its application to people who are not expected to work – for example those claiming Employment Support Allowance. This message was heard clearly by select committee members and we continue to push this message in our campaigning.
- We helped secure the support of hundreds of Hackney's unemployed residents in a campaign against the proposed cuts to council tax support for its 27,000 working-age claimants. As a result, the mayor agreed to scale back the cut and even established a £100,000 hardship fund for claimants struggling with their bill.

"The service was excellent; it made a difference to feel I had somebody on my side. I'm still dealing with other things, but it's better to be on ESA, when you have so many appointments, it takes a lot out of you."

– Client feedback

Volunteers

In 2018 we also reviewed our volunteering opportunities, evolving these to meet the growing/ever-changing needs of the clients that we work with. We continue to have social workers on placement, as well as regular volunteers who work with us in our offices. In 2018, we had one social work student as well as two psychology students on placement; in addition we had around 15 volunteers working from our offices to help increase our capacity to help more people. We have found that the inclusion of psychology students as well as social work students has helped us to strengthen our desire to work with clients in an empowering way – with patience and empathy to ensure clients feel listened to and valued:

"I feel that I have learnt that there is always a way to solve problems and find a solution, thanks to Z2K"

– Client feedback

"I haven't much confidence and my mental and physical difficulties are very variable. The slightest stress or pressure, I am very fragile and dealing with Z2K helped me feel hope – a positive feeling and boost to my confidence"

– Client feedback

Our main volunteering focus in 2018 has been to increase our capacity to take more disability cases to tribunal, and as such we have secured new partnerships with corporate law firms as well as legal departments within universities. In addition to working with Hogan Lovells and Kingsley Napley, we are now also in partnership with law firms Mayer Brown, Cooley LLP, Morrison & Foerster, Vinson & Elkins and Allen & Overy. We are also now recruiting law students from Kings College, Queen Mary's University and BPP College of Law. Overall we have increased our capacity to take a minimum of 500 cases to tribunal on an annual basis. Our package of support to the corporate law firms and legal clinics includes comprehensive training, including e-learning materials.

The above has been achieved in part because of successes in 2018 with fundraising for our tribunals work. With secured funding from the Equalities and Human Rights Commission, alongside Porticus and Access to Justice Foundation, we have been able to employ a tribunals co-ordinator, whose role is to increase the number of cases we take to court.

THE ZACCHAEUS 2000 TRUST

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2018

ACTIVITIES, ACHIEVEMENT AND PERFORMANCE - continued

Partnerships

In 2018 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. This work is funded by the Big Lottery, Help Through Crisis Project.

We continue to be active members of the London Child Poverty Alliance, 4in10 and End Child Poverty Alliance, 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 Disability Benefits Consortium, to work with others to challenge unfairness in the benefits system.

In 2018, we became members of the Trust for London Housing Campaigners Group, facilitated by the Social Change Agency. Together we are exploring social housing, homelessness, estate regeneration and the private rented sector.

Also in 2018, Raji Hunjan sat as a commissioner on the Shelter Commission on the Future of Social Housing. The commission came together in the aftermath of the Grenfell disaster to build a vision for the future of social housing. The commission recommended a renewal of social housing, with a 20-year programme to deliver 3.1 million more social homes. It also called for a stronger voice for tenants, and a new regulator working across social and private renting to protect residents and enforce standards.

Client workshops

We introduced the delivery of workshops to clients to empower them to take more control of their situation. This included money management and CV writing workshops. In addition we started two new initiatives with external providers to help our clients talk about their experiences in more creative and innovative ways.

We launched a new project in partnership with Ice&Fire arts company, using the creative arts to tell stories of people on disability benefits. This is a year-long project involving ten of our clients, and will complete by November 2019.

We also arranged photography workshops led by photographer James Hopkirk to work with our clients to use photography as a tool for expressing experiences of living on benefits. This work will also conclude in 2019.

Relief of poverty

In addition to working with people to achieve their goals relating to their benefits and housing issues, we also offer emergency relief of poverty in relation to their short-term challenges. We issue foodbank vouchers so that people can access provisions locally – both Westminster Chapel and North Paddington foodbanks. In addition, we hold small pots of funding from the London Catalyst Fund and via our Big Lottery Help Through Crisis funding, through which we can issue clients with emergency funds for provisions such as electricity and travel. We also support clients to access grants from funders such as Glasspool and Vicars Relief Fund for essential household items. We believe this work is a necessary part of helping clients to cope in the short term and giving them the strength and confidence to address the harder challenges that they face. We are grateful to all funders who are supportive of this work.

Training of lawyers and volunteers

We trained over 100 lawyers and, in addition, another 30 law students from Kings University, UCL, Queen Mary and BPP. Post training, at least 50 volunteers took on cases. The training was very well received:

"Really thorough training. Lots of info but gone through at a pace where I can pick it up and enhance with the written training pack"
– Lawyer feedback

THE ZACCHAEUS 2000 TRUST

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2018

WHAT OUR CLIENTS SAY

Working against a backdrop of growing challenges for those on low incomes, we see the acute need for our services. Many of our clients have been affected by negative welfare reforms and benefit cuts; looking ahead, the rollout of Universal Credit threatens to increase rent arrears and evictions. In Westminster and neighbouring boroughs there are pockets of deprivation where individuals simply cannot access advice. We have responded by providing outreach services in North Westminster and Pimlico's Churchill Gardens Estate, where we have worked patiently with the community to build individual resilience and support people to tackle oncoming challenges.

"The service was excellent; it made a difference to feel I had somebody on my side. I'm still dealing with other things, but it's better to be on ESA, when you have so many appointments, it takes a lot out of you."

– Client feedback

We send client surveys by post after we have closed a client's case, asking for their feedback and recommendations for the service. This insight allows us to improve our services and overall client experience. The feedback shows the difference our work has made to individuals:

96% of clients would recommend Z2K to family and friends

82% of clients involved in benefit-related matters experience improvements in their finances

75% said their housing situation had improved

75% of respondents reported that working with Z2K had helped to reduce their stress levels

77% said the charity had had a positive impact on their happiness

RENEWAL OF AQS KITEMARK

Underpinning our casework is an infrastructure that enables us to provide a confidential and efficient service. This is reflected in our AQS Kitemark and we were delighted that in September 2018, following an external audit, this was renewed for another two years. The independent assessor was enthusiastic in his praise:

"There are an impressive number of good practices across every heading A-G of the AQS Standard (an achievement in itself), where (Zacchaeus 2000 Trust) the organisation has exceeded the requirements of the AQSv2 to a significant extent. This is a most encouraging sign as the organisation, like so many in the third sector continues to navigate its way through funding challenges on the one hand and an increase in demand for its services on the other. Good practices identified can be summarised as follows:

- *Distinctive set of core values*
- *Effective working relationships with other agencies and alternative third party providers*
- *Detailed risk register supplemented by an annual risk assessment to identify new risks and assess the impact of mitigating actions on those existing*
- *Comprehensive staff handbook*
- *Use of a competency framework to determine staff knowledge and capabilities in relation to the provision of welfare benefits advice and support*
- *Upgrading of the telephone system to enable direct dialling*
- *Well-maintained files on the Salesforce case management system*
- *Strong emphasis on client confidentiality in policy, procedure and practice*
- *Paucity of complaints indicative of the commitment and professionalism of staff and volunteers to meeting clients' needs "*

In line with the introduction of GDPR, we reviewed all our policies and working practices to ensure our compliance. We undertook external training as organised by Law Works, and also the Small Charities Coalition. This enabled us to conduct a full audit of all our work, and develop new policies where necessary. We used the findings of this audit to also review our ICT and online sharing procedures. As a result, we invested in an upgrade to our data sharing equipment including the installation of a shared server and a move to high speed broadband.

THE ZACCHAEUS 2000 TRUST

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2018

OUR FUNDERS AND SUPPORTERS

We remain extremely grateful to our patrons for their support. We are also grateful to other individual donors, including all those who donate during the London Legal Walk. This event takes place in May/June every year, 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. For two years running we have raised the most money amongst participating voluntary sector organisations.

In 2018, we experienced the sad passing away of one of our previous trustees, Maeve Sullivan. She had served as the vice chair of the board of trustees and company secretary until 2017. She will be remembered as a passionate and loyal supporter of the work of Zacchaeus 2000 Trust. As part of the memorial arrangements, her family asked for donations to be made to Z2K. We are extremely grateful to the family for suggesting this and pass our thanks to all donors.

We have also received pro bono support from corporate law firms who have represented many of our clients at disability tribunals – these are Hogan Lovells, Kingsley Napley, Morrison & Foerster, Vinson & Elkins, Cooley LLP, Mayer Brown and Allen & Overy.

We would not be able to continue our valuable work without our main grant supporters, and in 2018 these were Oak Foundation, Tudor Trust, Trust for London, City Bridge Trust, John Ellerman, Henry Smith Foundation, Esmée Fairbairn Foundation, Comic Relief, The Rank Foundation, The A B Charitable Trust, Equalities and Human Rights Commission, London Legal Support Trust, Porticus UK, Lloyds Bank Foundation, Northmoor Trust, South West London Law Centres, Westminster Foundation, Strand Parishes Trust and the Westminster Amalgamated Charity.

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.

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" 2015 (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 16, with a more detailed analysis of income and expenditure within the notes to the financial statements. The total income for the year was £601,129 (2017: £459,046), with the support of various grant providers being the charity's main income.

The total expenditure for the year was £590,836 (2017: £518,385). Expenditure has increased again over the previous year, reflecting the continuing growth and development in the trust's work. The trustees hope that this general trend will continue into the next financial year but fundraising is becoming ever more challenging as funds for advice services are generally being reduced.

Our cost of delivering charitable activities is sub-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 £590,480, 75.6% constituted direct costs, and 24.4% support costs. Our support costs cover items including staff training, AQS monitoring audit 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 £10,293 (2017: Deficit: £59,339), which has resulted in a combined fund balance of £180,408 (2017: £170,115) at the year-end. An analysis of the funds can be found in note 21, with the movements with each fund detailed in note 22.

THE ZACCHAEUS 2000 TRUST

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2018

FINANCIAL REVIEW - Continued

Future outlook

Whilst the fundraising landscape is becoming ever more challenging as funds for advice services are generally being reduced, the charity maintains a strong financial position with cash reserves at year-end of £195,437 (2017: £236,647). Furthermore, the trustees have approved a robust plan for the generation of funds to enable the full delivery of our 2018 strategy.

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 majority of our income comes from trust and foundation grants, and we are also working with new funders. We have also recruited a fundraiser in January 2019, with a view to diversifying our income sources. Based on the charity's 2019 income tracker and budgets, the charity expects to generate £690,798 of income and £690,113 of expenditure, resulting in a small surplus of £686 and a year-end reserve balance roughly equivalent to three months of expenditure.

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 months of expenditure, although this is dependent on the level of donations received. At 31 December 2018, the charity held approximately three months of expenditure (2017: 3 months) of total projected annual expenditure in unrestricted free reserves.

Risk management

The trustees have assessed the major risks to which the charity is exposed, in particular those relating to the operation and finances of the charity. 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. Diversification of income streams: we recognise that the bulk of our income comes from trusts and foundations. To avoid dependency on a few donors, we have already increased the range of trusts and foundations who fund us, particularly in relation to multi-year funding. We have now appointed a fundraising manager, and are working to diversify our income streams by seeking new relationships with corporate donors, and organising fundraising events.
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.
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 2018 we reviewed our staff terms and conditions in conversation with all staff and made improvements to how we work. Going forward we are reviewing additional benefits to help us retain staff.

THE ZACCHAEUS 2000 TRUST

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2018

PLANS FOR THE FUTURE

As we move forward and continue to develop, we will embed our way of working, which combines casework advice with policy. The focus of our policy and campaigning work is based on the evidence we uncover through our casework. We will also continue to find new ways of encouraging our clients to speak out and support them to contribute to our policy and campaigns.

Our specific projects and target numbers

Casework advice

Our casework is expected to reach around 900 people a year. This will be reviewed on an annual basis. Our casework combines cases which deal with one-off matters, usually by a pro bono lawyer; and cases where we work more holistically and in-depth with clients who are particularly vulnerable and have complicated benefits issues.

- I. Westminster outreach: as we are based in the borough of Westminster, we offer detailed casework to residents in Westminster who are having problems with their benefits – usually when benefits have been stopped.
- II. Tribunals: we work across London to offer tribunal representation to those claiming disability benefits, using pro bono lawyers and volunteers.
- III. Housing casework primarily where legal aid is not available: across London, but mainly Westminster and surrounding boroughs.

Support services

In addition to casework advice in addressing immediate needs, we also work with people to help them address the broader challenges that work to keep them in poverty:

- I. Next Door – Private Rented Sector Access Scheme: through this project we place single, homeless people in accommodation let by private landlords. We work primarily with Westminster clients – although they are usually housed outside the borough - but will work to extend this project to other boroughs. We also plan to extend this project to provide greater post-tenancy support to help tenants to continue to live independently and within their means.
- II. Stepping Stones – Wrap Around Support: with Lottery funding we are working with South London Law Centres to help people to identify their personal and social challenges, and to source external support to address these challenges. Lottery funding is restricted to the boroughs of Westminster, Wandsworth, Lambeth and Merton.
- III. Workshops: to help people address wider issues such as money management, mental wellbeing and tenancy management.

Policy and campaigning

Policy issues relating to social security and housing are wide, and we want to remain responsive to the wider context and be flexible and equipped to respond to emerging issues.

In 2019/2020 we plan to prioritise the following policy areas:

- I. Universal Credit: we are particularly concerned about the increased risk of our clients falling into arrears and facing eviction under UC. This will mean working with others in the sector, looking specifically at issues such as direct payments to landlords. This will lead to a report that we will use as the basis of our campaigns.
- II. Disability Benefits: building on the successful launch of our report, *Access Denied*, we will continue to encourage individual MPs and others to put pressure on the government to address the faults associated with applying for disability benefits – mainly assessment and mandatory reconsideration.
- III. Homelessness: We will challenge London's boroughs to improve the quality of decision-making so that families and vulnerable single, people don't slip through the legal safety net, and also provide decent quality self-contained temporary accommodation near home areas.

In addition to the above, we will continue to actively contribute to the following policy areas:

- IV. At local authority level, we will continue to encourage mayors and councillors to reduce the council tax charges they impose on disabled and unemployed households and not to use bailiffs to recover the arrears of those who fall behind with their payments. Working with partners in the Taking Control campaign, we will press the Ministry of Justice to make further changes to the bailiff regulations, including the introduction of an independent regulator.

THE ZACCHAEUS 2000 TRUST

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2018

PLANS FOR THE FUTURE

In addition, the Policy & Campaigns Team secured a financial benefit of £850,000 to disabled and unemployed people in Hackney, through the campaign there against the administration's proposed cuts to Council Tax Support. This is was made up of £750,000 from reducing the increase in the minimum payment from 20 per cent to 17 per cent, plus a £100,000 Hardship Fund for claimants struggling to pay their bill.

STATEMENT OF TRUSTEES RESPONSIBILITIES

The charity trustees (who are also the directors of Zacchaeus 2000 Trust Ltd for the purposes of company law) are responsible for preparing a trustees' annual report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the charity trustees to prepare financial statements for each 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 group for that period. In preparing the 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 2015 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 charity 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 charity 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.

This report has been prepared in accordance with the provisions in Part 15 of the Companies Act 2006 applicable to companies subject to the small company's regime.

Trustees Report on pages 2 to 14 has been approved by the trustees and signed on their behalf by:



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

7 June 2019

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

I report on the accounts for the year ended 31 December 2018 set out on pages 16 to 30.

Responsibilities and basis of report

As the charity's trustees of the charitable company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 (the '2011 Act'). In carrying out my examination I have followed the directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.


Independent examiner's report

Since the charitable company's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of Chartered Institute of Management Accountants, which is one of the listed bodies.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

1. Accounting records were not kept in respect of the charity as required by section 386 of the 2006 Act; or
2. The financial statements do not accord with those records; or
3. The financial statements do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination; or
4. The financial statements have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.



Mark Blackwell ACMA
M H R Consultancy Limited
Chartered Management Accountants
Minster House
126a High Street, Whitton
Twickenham
Middlesex
TW2 7LL

7 June 2019

THE ZACCHAEUS 2000 TRUST

STATEMENT OF FINANCIAL ACTIVITIES
INCORPORATING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2018

	Notes	Unrestricted Funds £	Restricted Funds £	2018 Total Funds £	2017 Total Funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	13,051	-	13,051	10,567
Charitable activities					
Grants	4	150,234	409,883	560,117	412,561
Other trading activities	5	6,061	16,971	23,032	30,012
Investments	6	919	-	919	2,753
Other		4,010	-	4,010	3,153
Total		174,275	426,854	601,129	459,046
EXPENDITURE ON					
Raising funds:	7	-	356	356	1,441
Charitable activities					
Activities	9	27,915	562,565	590,480	516,944
Total		27,915	562,921	590,836	518,385
NET INCOME/(EXPENDITURE)		146,360	(136,067)	10,293	(59,339)
Transfers between funds	23	(123,951)	123,951	-	-
NET MOVEMENT IN FUNDS		22,409	(12,116)	10,293	(59,339)
RECONCILIATION OF FUNDS					
23					
Total funds brought forward		157,140	12,975	170,115	229,454
TOTAL FUNDS CARRIED FORWARD		179,549	859	180,408	170,115

All activities relate to continuing operations.

THE ZACCHAEUS 2000 TRUST
Registered number: 05442501

BALANCE SHEET
AT 31 DECEMBER 2018

	Notes	Unrestricted Funds £	Restricted Funds £	2018 Total Funds £	2017 Total Funds £
FIXED ASSETS					
Tangible assets	18	6,140	-	6,140	3,328
		6,140	-	6,140	3,328
CURRENT ASSETS					
Debtors	19	113,808	3,665	117,473	115,109
Cash at bank and in hand		151,134	44,303	195,437	236,647
		264,942	47,968	312,910	351,756
CREDITORS					
Amounts falling due within one year	20	(91,533)	(47,109)	(138,642)	(184,969)
NET CURRENT ASSETS		173,409	859	174,268	166,787
TOTAL ASSETS LESS CURRENT LIABILITIES		179,549	859	180,408	170,115
NET ASSETS		179,549	859	180,408	170,115
CHARITY FUNDS	23				
Unrestricted funds				179,549	157,140
Restricted funds				859	12,975
TOTAL FUNDS				180,408	170,115

The trustees consider that the company is entitled to exemption from the requirement to have an audit under the provisions of section 477 of the Companies Act 2006 ("the Act") and members have not required the charitable company to obtain an audit for the year in question in accordance with section 476 of the Act.

The trustees acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The financial statements were approved by the Board of Trustees on **7 June 2019** and were 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 2018**

	2018 £	2017 £
Cash flows from operating activities:		
Net cash provided by (in use) operating activities	<u>(33,251)</u>	<u>(148,964)</u>
	(33,251)	(148,964)
Cash flows from investing activities		
Purchase of fixed assets	<u>(7,959)</u>	<u>(1,559)</u>
Cash provided by (used in) investing activities	<u>(7,959)</u>	<u>(1,559)</u>
Change in cash and cash equivalents in the year	<u>(41,210)</u>	<u>(150,523)</u>
Cash and cash equivalents at the start of the year	<u>236,647</u>	<u>387,170</u>
Cash and cash equivalents at the end of the year	<u>195,437</u>	<u>236,647</u>

CASH FLOW NOTES

	2018 £	2017 £
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)	10,293	(59,339)
Adjustments for:		
Add back depreciation charge	5,147	3,721
(Increase) /decrease in debtors	(2,364)	(102,575)
(Decrease) /increase in creditors	<u>(46,327)</u>	<u>9,229</u>
Net cash used in operating activities	<u>(33,251)</u>	<u>(148,964)</u>

	2018 £	2017 £
Analysis of cash and cash equivalents		
Cash in hand	<u>195,437</u>	<u>236,647</u>
Total cash and cash equivalents	<u>195,437</u>	<u>236,647</u>

THE ZACCHAEUS 2000 TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

1. ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

The charity constitutes a public benefit entity as defined by 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 (FRS 102) (SORP FRS102) issued on 16 July 2014, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, and UK Generally Accepted Practice as it applies from 1 January 2015.

The address of the registered office is given in the reference and administrative details on page 2. The nature of the charity's operations and its principal activities are set out in the trustees' report.

The Zacchaeus 2000 Trust meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

The financial statements are prepared on a going concern basis under the historical cost convention. The financial statements are prepared 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.

1.2 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.

1.3 Fund accounting

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity.

Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes. When such designations are made by the trustees, the aim and use of each designated fund will be set out in the notes to the financial statements.

Restricted funds are funds whose use is restricted to specific purposes according to the grant terms of the specific restrictions imposed by the donor. The aim and use of each restricted fund is set out in the notes to the financial statements. Restricted donations are available for the charity's use only in accordance with the terms under which, and for the purposes which, the funds were donated to the charity.

1.4 Income recognition

All incoming resources are included on the Statement of Financial Activities when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy. Legacies entitlement is taken as the earlier of the date on which either: the charity is aware that the probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the charity that the distribution is made, or when a distribution is received from the estate.

Fundraising activities include events and trading activities and are reported gross in the Statement of Financial Activities, before any related costs are deducted from the gross proceeds.

Donations, grants and other income are included as income when received. Interest includes all amounts received to 31 December 2018.

1.5 Expenditure recognition

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. 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 of the obligation can be measured reliably. All expenses including support costs and governance costs are allocated to the applicable expenditure headings having regard to the nature of the expenditure.

THE ZACCHAEUS 2000 TRUST

NOTES TO THE FINANCIAL STATEMENTS – CONTINUED FOR THE YEAR ENDED 31 DECEMBER 2018

1. ACCOUNTING POLICIES – continued

1.6 Going concern

The financial statements have been prepared on a going concern basis, as the trustees believe that no material uncertainties exist. The trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements and consider these sufficient for the charity to be able to continue as a going concern.

1.7 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.

1.8 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 £500. 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

1.9 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.

1.10 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.

1.11 Debtors

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

1.12 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.

1.13 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.

THE ZACCHAEUS 2000 TRUST

NOTES TO THE FINANCIAL STATEMENTS – CONTINUED
FOR THE YEAR ENDED 31 DECEMBER 2018

2. INCOME FROM DONATIONS AND LEGACIES

	2018 £	2017 £
Restricted		
Anonymous donor	-	1,000
	<u>-</u>	<u>1,000</u>
Unrestricted		
Hogan Lovells International LLP	3,000	3,000
Bryan Cave Leighton Paisner LLP	625	500
Belpech Trust Winter Fuel	500	500
Others	8,926	5,567
	<u>13,051</u>	<u>9,567</u>

3. INCOME FROM CHARITABLE ACTIVITIES

	Activity	2018 £	2017 £
Grants	Core Activities	153,734	123,968
Grants	Casework and Support Services	278,066	226,823
Grants	Policy and Campaigning	126,667	60,000
Grants	Relief of Poverty	1,650	1,770
		<u>560,117</u>	<u>412,561</u>

4. GRANTS

	2018 £	2017 £
Restricted	409,883	297,093
Unrestricted	<u>150,234</u>	<u>115,468</u>
	<u>560,117</u>	<u>412,561</u>

THE ZACCHAEUS 2000 TRUST

NOTES TO THE FINANCIAL STATEMENTS – CONTINUED
FOR THE YEAR ENDED 31 DECEMBER 2018

4. GRANTS – continued

	2018 £	2017 £
Restricted		
Access to Justice	10,000	-
Allen & Overy	5,000	-
City Bridge Trust	-	8,592
City of Westminster Council Ward Funding	-	9,600
Comic Relief	21,659	36,501
Edward Harvist Trust	-	1,500
Equalities and Human Rights Commission	57,502	-
Esmée Fairbairn Foundation	50,000	50,000
Glasspool	350	-
Henry Smith Foundation	50,000	-
John Ellerman	30,000	-
Lloyds Bank Foundation	25,000	-
London Catalyst	1,300	1,500
London Legal Support Trust	3,500	-
Mrs Smith & Mount Trust	-	5,000
Northmoor Trust	20,000	-
Porticus UK	23,000	24,000
South West London Law Centres	31,905	21,630
Strand Parishes Trust	5,000	5,000
The A B Charitable Trust	-	10,000
The London Community Foundation – Living Communities Fund	-	5,000
The Methodist Church – Fund for Human Need	-	120
The Ogilvie Charities	-	150
The Rank Foundation	20,000	23,000
Trust for London	41,667	60,000
Tudor Trust	2,500	27,500
Westminster Amalgamated Charity	6,500	8,000
Westminster Foundation	5,000	-
	409,883	297,093
	2018 £	2017 £
Unrestricted		
Hyde Park Place Estate Charity	-	3,000
Law Society Charity	5,000	-
London Legal Support Trust	10,000	13,000
Oak Foundation	91,000	91,000
The A B Charitable Trust	15,000	-
Westminster Foundation	29,234	8,468
	150,234	115,468

5. OTHER TRADING ACTIVITIES

	2018 £	2017 £
Fundraising events and activities	5,961	18,419
Training income	8,352	4,930
Other	8,719	6,663
	23,032	30,012

THE ZACCHAEUS 2000 TRUST

**NOTES TO THE FINANCIAL STATEMENTS – CONTINUED
FOR THE YEAR ENDED 31 DECEMBER 2018**

6. INVESTMENT INCOME		2018	2017
		£	£
Bank Interest		<u>919</u>	<u>2,753</u>
		<u>919</u>	<u>2,753</u>
7. RAISING FUNDS		2018	2017
		£	£
Campaign expenses		<u>356</u>	<u>1,441</u>
		<u>356</u>	<u>1,441</u>
8. EXPENDITURE BY CHARITABLE ACTIVITIES		2018	2017
	Activity	£	£
Cost directly allocated	Core Activities	9,847	1,960
Cost directly allocated	Casework and Support Services	334,202	345,484
Cost directly allocated	Policy and Campaigning	98,891	72,033
Cost directly allocated	Relief of Poverty	<u>3,752</u>	<u>911</u>
		<u>446,692</u>	<u>420,388</u>
	Activity	2018	2017
		£	£
Support costs allocated	Core Activities	21,568	38,623
Support costs allocated	Casework and Support Services	86,273	43,450
Support costs allocated	Policy and Campaigning	<u>35,947</u>	<u>14,483</u>
		<u>143,788</u>	<u>96,556</u>

Support costs, which are costs not directly related to a specific activity, are principally allocated on a usage basis as follows: Casework and Support Services 60%; Policy and Campaigning 25%. The remaining 15% will be within the Core Activities of the charity.

THE ZACCHAEUS 2000 TRUST

**NOTES TO THE FINANCIAL STATEMENTS – CONTINUED
FOR THE YEAR ENDED 31 DECEMBER 2018**

9. CHARITABLE ACTIVITIES COSTS

	2018	2017
	£	£
Wages and salaries	452,009	420,916
Pension costs	5,418	3,719
Donations and grants payable	2,623	911
Staff training	7,133	1,569
Project volunteer costs	746	1,447
Project evaluation costs	-	1,300
Consultants costs	3,989	-
Recruitment	2,666	2,143
Office costs including rent and insurance	62,668	45,084
Travelling and subsistence	1,142	1,101
Communication and IT	21,380	9,725
Postage, printing and stationery	3,975	4,674
Subscriptions	1,175	2,027
Repairs and equipment hire	7,932	8,423
Accountancy and bookkeeping	10,966	10,107
AQS Monitoring Audit	1,380	-
Trustees expenses	131	77
Depreciation	5,147	3,721
	<u>590,480</u>	<u>516,944</u>

10. NET INCOME/(EXPENDITURE)

This is stated after charging:

	2018	2017
	£	£
Depreciation of tangible fixed assets:	<u>5,147</u>	<u>3,721</u>
	<u>5,147</u>	<u>3,721</u>

11. INDEPENDENT EXAMINER'S REMUNERATION

The Independent Examiner's remuneration amounts to a fee of £600 (2017: £600)

12. STAFF COSTS

	2018	2017
	£	£
Wages and salaries	414,172	395,979
Social security costs	37,837	24,937
Pension costs	5,418	3,719
	<u>457,427</u>	<u>424,635</u>

One employee had employee benefits in excess of £60,000 (2017: nil).

No trustees (2017: 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 4). The total employee benefits of the key management personnel of the charity were £155,462 (2017: £152,189).

THE ZACCHAEUS 2000 TRUST

NOTES TO THE FINANCIAL STATEMENTS – CONTINUED
FOR THE YEAR ENDED 31 DECEMBER 2018

13 STAFF NUMBERS

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

	2018 Number	2017 Number
Senior Management Team	4	4
Direct Charitable	9	8
Administrative and Support	<u>3</u>	<u>3</u>
	<u>16</u>	<u>15</u>

14. TRUSTEES' REMUNERATION AND BENEFITS

The charity trustees were not paid or received any other benefits from employment with the charity in the year (2017: £Nil). During the year, no trustees were reimbursed for disbursements (2017: £Nil) in respect of fundraising and other related expenses.

No charity trustee received payment for professional or other services supplied to the charity (2017: £nil).

15. PENSION COSTS

The charity has a defined contribution pension scheme, which all employees are entitled to join. The charity contributes 2% and the employees contributed a minimum of 1% and employees may make further additional voluntary contributions.

During the year ended 31 December 2018, the charity's total contributions amounted to £5,418 (2017: £3,719).

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.

16. 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 2018**

17. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

The key components from the prior year figures (2017) are analysed below by fund:

	Unrestricted £	Restricted £	Total £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	9,567	1,000	10,567
Charitable activities			
Grants	115,468	297,093	412,561
Other Income	-	-	-
Other trading activities	23,519	6,493	30,012
Investments	2,753	-	2,753
Other	3,153	-	3,153
Total Income	154,460	304,586	459,046
EXPENDITURE ON			
Raising funds:	-	1,441	1,441
Charitable activities			
Core Activities	32,083	484,861	516,944
Total	32,083	486,302	518,385
NET INCOME/(EXPENDITURE)	122,377	(181,716)	(59,339)
Transfers between funds	(179,253)	179,253	-
NET MOVEMENT IN FUNDS FOR THE YEAR	(56,876)	(2,463)	(59,339)

THE ZACCHAEUS 2000 TRUST

NOTES TO THE FINANCIAL STATEMENTS – CONTINUED
FOR THE YEAR ENDED 31 DECEMBER 2018

18. TANGIBLE FIXED ASSETS

	IT Office Equipment £	Furniture & fittings £	Totals £
COST OR VALUATION			
At 1 January 2018	29,417	1,731	31,148
Additions	7,959	-	7,959
Disposals or scrapped	-	-	-
At 31 December 2018	<u>37,376</u>	<u>1,731</u>	<u>39,107</u>
DEPRECIATION			
At 1 January 2018	27,085	735	27,820
Charge for year	4,714	433	5,147
Disposals or scrapped	-	-	-
At 31 December 2018	<u>31,799</u>	<u>1,168</u>	<u>32,967</u>
NET BOOK VALUE			
At 31 December 2018	<u>5,577</u>	<u>563</u>	<u>6,140</u>
At 31 December 2017	<u>2,332</u>	<u>996</u>	<u>3,328</u>

19. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2018 £	2017 £
Grants receivable	91,000	91,000
Other debtors	11,451	5,691
Prepaid expenses and accrued income	<u>15,022</u>	<u>18,418</u>
	<u>117,473</u>	<u>115,109</u>

20. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2018 £	2017 £
Trade creditors	1,891	27,383
Social security and other taxation	9,808	8,214
Other creditors	13,584	27,324
Accrued expenses and deferred income	<u>113,359</u>	<u>122,048</u>
	<u>138,642</u>	<u>184,969</u>

21. DEFERRED INCOME

	2018 £	2017 £
Opening deferred income	119,090	125,090
Grants received in the year	550,138	406,560
Released to income	<u>(560,117)</u>	<u>(412,561)</u>
Closing deferred income	<u>109,111</u>	<u>119,089</u>

THE ZACCHAEUS 2000 TRUST

NOTES TO THE FINANCIAL STATEMENTS – CONTINUED
FOR THE YEAR ENDED 31 DECEMBER 2018

22. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted Funds £	Restricted Funds £	2018 Total Funds £	2017 Total Funds £
Fixed assets	6,140	-	6,140	3,328
Current assets	264,942	47,968	312,910	351,756
Current liabilities	(91,533)	(47,109)	(138,642)	(184,969)
	<u>179,549</u>	<u>859</u>	<u>180,408</u>	<u>170,115</u>

23. MOVEMENT IN FUNDS

	At 1/1/18 £	Net movement in funds £	Transfers between funds £	At 31/12/18 £
Unrestricted funds:				
General Fund	<u>157,140</u>	<u>146,360</u>	<u>(123,951)</u>	<u>179,549</u>
	157,140	146,360	(123,951)	179,549
Restricted funds				
Relief of Poverty Fund	1,859	(1,000)	-	859
Casework and Support Services	11,116	(126,540)	105,424	-
Policy and Campaigning	-	(8,527)	8,527	-
	<u>12,975</u>	<u>(136,057)</u>	<u>123,951</u>	<u>859</u>
	12,975	(136,057)	123,951	859
TOTAL FUNDS	<u>170,115</u>	<u>10,293</u>	<u>-</u>	<u>180,408</u>
	170,115	10,293	-	180,408
	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted fund				
General fund	<u>174,275</u>	<u>(27,915)</u>	<u>-</u>	<u>146,360</u>
	174,275	(27,915)	-	146,360
Restricted funds:				
Core Specific	3,500	(3,500)	-	-
Relief of Poverty Fund	2,752	(3,752)	-	(1,000)
Casework and Support Services	293,935	(420,475)	-	(126,540)
Policy and Campaigning	<u>126,667</u>	<u>(135,194)</u>	<u>-</u>	<u>(8,527)</u>
	<u>426,854</u>	<u>(562,921)</u>	<u>-</u>	<u>(136,057)</u>
	426,854	(562,921)	-	(136,057)
TOTAL FUNDS	<u>601,129</u>	<u>(590,836)</u>	<u>-</u>	<u>10,293</u>
	601,129	(590,836)	-	10,293

THE ZACCHAEUS 2000 TRUST

NOTES TO THE FINANCIAL STATEMENTS – CONTINUED FOR THE YEAR ENDED 31 DECEMBER 2018

24. 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 £117,017 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 Law Society Charity, London Legal Support Trust Funds, Oak Foundation, The A B Charitable Trust and Westminster Foundation for general core costs.

Restricted funds:

The Relief of Poverty fund comprises donations received from individuals and organisations. 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.

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 Comic Relief, Esmée Fairbairn Foundation, Henry Smith Charity, Lloyds Bank Foundation, Northmoor Trust, Porticus UK, South West London Law Centres, Strand Parishes Trust, The Rank Foundation, Westminster Foundation, Trust for London, Tudor Trust and Westminster Amalgamated Charity.

New grants funding was received this year from Access to Justice, Allen & Overy, the Equalities and Human Rights Commission (EHRC), John Ellerman Foundation to assist with our tribunals and disability benefits work and Porticus UK funding our No Evictions Under Universal Credit Project.

25. OPERATING LEASE COMMITMENTS

At 31 December 2018 the total of the charity's future lease commitments under none-cancellable operating leases was:

	2018	2017
	£	£
Amounts payable:		
Between 1 and 5 years	<u>51,236</u>	<u>51,236</u>
	<u>51,236</u>	<u>51,236</u>