Child Poverty Action Group
(A Company Limited by Guarantee)

Report and Financial Statements
Year Ended 31 March 2025

Company Registration number 1993854

Contents

The charity's aims

Objects of the charity

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

Our vision

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

Our theory of change:

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

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

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

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

Our strategic objectives are:

Objective 1 – strengthen public commitment to end child poverty

Objective 2 – ensure government adoption of evidence-based policy solutions to child poverty

Objective 3 – use our expertise to maximise family incomes and reduce child poverty

Objective 4 – continue to be a sustainable charity

Objective 5 – be a great place to work

Key activities, achievements and performance in 2024-2025

Delivering public benefit

The charity's Trustees have had due regard to the Charity Commission and OSCR guidance in relation to delivering public benefit, and particularly in relation to benefiting a section of the public and to fee charging activities. CPAG's work is specifically aimed at benefiting the 4.5 million children in the UK growing up in poverty, and their families. Some of the second-tier support we provide through publications, subscriptions and training to frontline advisers is charged for with different levels of charge levied depending on the nature of the organisation. In addition, some published material is provided on a heavily subsidised basis to individuals in receipt of state benefits.

Child poverty in the UK in 2024

Child poverty in 2023/24 stood at 4.5 million, a devastating record high. The two-child limit to benefit payments is a key driver. But Scottish government interventions that CPAG has been instrumental in securing, not least the introduction and increases to the value of the Scottish child payment, are having a substantive effect – with a four percentage point reduction in child poverty in Scotland in 2023/24.

Positive changes for children and families this year

- A new child poverty taskforce will publish a UK-wide child poverty strategy in 2025.
- The Scottish government announced it will effectively abolish the two-child limit in Scotland from 2026.
- Free school meals extended to all families getting universal credit in England.
- Expansion of maintained sector nurseries in England.
- A fairer level of deductions will allow households claiming universal credit to pay back debts at a lower rate.
- The UK government has made further investment in the household support fund and discretionary housing payments.
- More people will benefit from carer's allowance after a change to the earnings threshold.
- The UK government is investing in employment support.

CPAG in numbers

4 percentage point reduction in child poverty in Scotland

10 percentage point reduction in the rate of deductions people can have taken from universal credit

15,000 children will be lifted out of poverty in Scotland when the two-child limit is mitigated

30,000 people supported through our helpline for advisers

Spotlight on our work engaging with politicians and policymakers

This year saw the election of a new government at Westminster. In the pre-election period, we focused on keeping child poverty high on the agenda through generating media coverage. We also met with key MPs and advisers of different political parties. Significantly, the Labour party committed to deliver an ambitious child poverty strategy in its manifesto. In the run up to the election, the two-child limit in particular was high profile, getting coverage in debates. In one debate, there was pressure on the two main parties after all the other candidates came out against the two-child limit.

The new UK government announced a new Child Poverty Unit and Child Poverty Taskforce within 10 days of the election, inviting CPAG to meet ministers and then to engage in evidence gathering for the Taskforce. We ran two roundtables on income for ministers and officials – one on income from social security and one on income from employment. We published a report alongside Save the Children – 'Building Blocks' – informed by these roundtables as well as interviews with 40 experts about how the child poverty strategy should be implemented and the policies it should contain. We launched the research at a private roundtable, hosted by our funders Impact on Urban Health. Alison McGovern MP, minister for employment, was in attendance. We held events for officials in the Child Poverty Unit to inform and influence their work. We continue to have regular engagement with ministers, advisers and officials as part of efforts to secure a meaningful child poverty strategy.

We have also played a significant role in ensuring the sector is as aligned as possible, holding the line on the importance of abolishing the two-child limit and benefit cap, the need for investment in social security more generally, the need to expand free school meals eligibility, and highlighting too the importance of specifying targets in the strategy. Our activities have included regularly convening sector CEOs to agree collective actions, and supporting the work of the End Child Poverty coalition.

Changing Realities meeting secretary of state for education Bridget Phillipson to discuss poverty and special educational needs, March 2025. Photo: Paul Shields

We have also supported Changing Realities – a collaboration between parents and carers on a low income, the University of York and CPAG – with structured engagement with the Taskforce. This has included supporting parents to meet ministers and secretaries of state. In November 2024, 12 participants shared their powerful testimony about what needs to change and why at a meeting at 10 Downing Street with ministers and senior civil servants, a symbolically powerful moment. A special adviser commented: 'normally the people who get through these doors have whole teams of public affairs and paid officials lobbying for them; but you have done it yourselves, with grit, determination and all the while facing the daily harm that poverty causes.'

Changing Realities outside No 10, November 2024. Photo: Alex Holland

We have worked to promote what is working in the devolved contexts, publishing a State of the Nations report on what can be learned, and running an event in the House of Lords on the benefit of cash responses to poverty as exemplified by the Scottish child payment. We have also engaged at a local level within England, such as with individual councils, the Mayor of the North East and the Mayor of London. In London, we contributed to the evaluation of the first year of the universal primary free school meals programme, highlighting the many benefits of this approach, leading to a decision by the Mayor of London to further commit funding to this programme.

We continue to focus our work on influencing the UK-wide child poverty strategy ahead of its publication in autumn 2025.

In Scotland, we have focused on the restoration of the overall value of children's benefits (with specific focus on the role of the Scottish child payment). We have engaged directly with the first minister and cabinet secretary on several occasions, as well as with the leader of Scottish Labour and senior spokespeople in other opposition parties, and with special advisers in order to ensure child poverty remains a top priority. The first minister has said child poverty is his 'first priority'. The recent child poverty figures show child poverty is falling in Scotland. The Scottish government has pledged to mitigate the two-child limit by 2026. We have worked to ensure a Scotland perspective informs the new UK government's child poverty thinking.

In Wales, we presented at the Welsh government's Child Poverty Conference, met with its Child Poverty Strategy external advisory group, and regularly attend the Child Poverty Strategy External Reference Group with officials. The future generations commissioner has called on the Welsh government to expand universal free school meals to children in secondary schools. Plaid Cymru has pledged a child payment similar to the Scottish child payment if elected. Our senior education policy officer has been appointed chair of the children's commissioner for Wales' advisory group.

Delivering our objectives

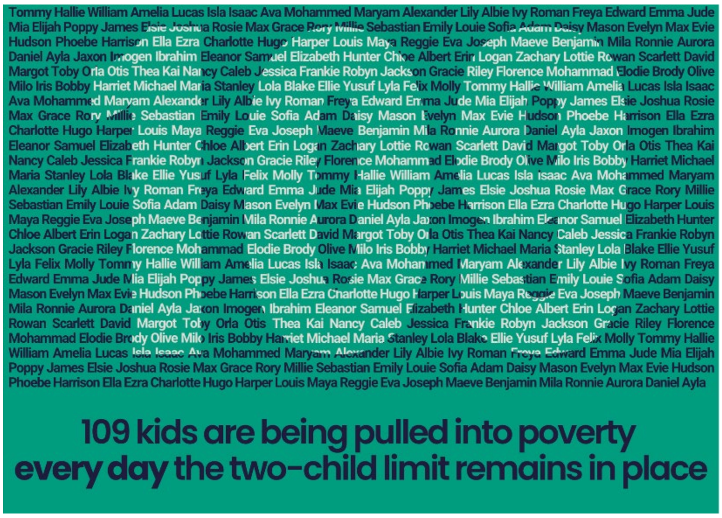
Objective 1 – strengthen public commitment to end child poverty

Campaigning on the two-child limit

We maintained focus throughout the year on our priority ask for the child poverty strategy – the abolition of the two-child limit. The policy is the biggest driver of rising child poverty, so removing it (and the benefit cap, see below) is vital to start to reduce child poverty. We worked to keep the policy, and child poverty more widely, prominent throughout the general election campaign. For example, the two-child limit became a topic of debate in the ITV Election Debate, with the Liberal Democrats, Green Party, Plaid Cymru and Reform UK calling for it to be scrapped.

A billboard calling for an end to the two-child limit, Labour party conference, September 2024 Photo: Mark Gowlett @ MMG

We have used moments like the anniversary of the policy, party conferences and the autumn budget to draw public attention to the impact of the policy on children, and have worked closely with others including the End Child Poverty Coalition and Save the Children for maximum effect.



A campaigning postcard on the two-child limit.

We have generated new insight on the impact of the policy on child poverty, with our analysis showing that 109 children a day are being pulled into poverty by this policy alone. We undertook interviews with families affected, publishing these in a report (*Things will only get worse*) to highlight the harms of the policy and why the new government needs to scrap it or be left with a legacy of worsening child poverty.

In addition to our public campaigning, we have been advocating strongly behind the scenes, meeting MPs, mayoral teams, and other political figures to advocate for our position and why it's a priority issue.

After sustained pressure from CPAG in Scotland and others, the Scottish government committed to mitigate the effects of the two-child limit as far as possible by 2026.

A stunt to draw attention to the two-child limit anniversary led by End Child Poverty, April 2024. Photo: Jonathan Hyams

Working with people with lived experience
In addition to supporting its structured engagement with the Child Poverty Taskforce, we have worked with Changing Realities on several projects. The *Hope Starts Here* campaign sets out how children are a huge source of hope, but many are held back and denied opportunities. Participants also developed a Programme for Government setting out what they want to see from the new government. We have helped recruit more than 40 new participants in Scotland. We have supported participants to address the media, take part in campaign opportunities and speak at various events, including a Treasury select committee evidence session on the importance of cash and at a roundtable with MSPs on the Scottish child payment, and a roundtable at the House of Lords for the Family Finances project (see Social security in Scotland below).

Our London Youth Panel has expanded with 12 new members. Members have met with the Low Pay Commission, helping secure a higher minimum wage for younger workers. The UK will move towards a single minimum wage for all adults. Members made a submission to the Department for Education's Curriculum and Assessment Review. A panellist also spoke at Labour party conference, and one contributed to the 'reverse select committee' parliamentary event, questioning members of the work and pensions and education committees on tackling child poverty.

A campaigning moment to draw attention to the child poverty statistics led by CPAG with End Child Poverty, March 2025. Photo: Kate Stanworth

Objective 2 – ensure government adoption of evidence-based policy solutions to child poverty

We draw on our extensive evidence base to advocate for solutions to child poverty. This includes our Early Warning System (see more under objective 3 below), and our work with those with lived experience. Our evidence feeds into our policy reports and briefings for politicians and parliamentary committees.

Universal credit
The Labour manifesto promised a review of universal credit to look at changes that could be made within the existing framework. Drawing on our welfare rights and policy expertise we published a new report, *Universal credit: a three-step plan*, to set out priorities that would make the most difference for families. Some require investment, but some are cost neutral. The recommendations are on adequacy, the design and function of universal credit, and universal credit's relationship to work. The newly appointed minister for social security and disability Stephen Timms spoke at our welfare rights conference in September.

In its first Budget, the UK government reformed deductions in line with what we have long called for – reducing the rate to 15 per cent of the standard allowance in universal credit.

In addition to our work on the two-child limit (described above), we have continued to highlight the impact of the benefit cap, and the need to scrap both policies. This includes our work with academics on the Benefit Changes and Larger Families project, highlighting the very real consequences for families of these policies. We also worked with Shelter and Women's Aid on a report: Why scrapping the household benefit cap is vital for families, children and survivors of abuse.

We concluded our project on 'managed migration' to universal credit this year and published the final report, Managed Migration 7. Managed migration is the process whereby people move from older benefits like income support and tax credits to universal credit. Thanks to support from the abrdn Financial Fairness Trust, we identified the key issues affecting claimants going through managed migration, and advocated for change to the process. We briefed MPs on the impact the transition was likely to have on their constituents.

Disability benefits

The UK government set out a series of changes to sickness and disability benefits, some of which are being consulted on, and others which are not. The non-consulted changes are in a Bill introduced to parliament in June 2025. They initially included large cuts to sickness and disability benefit rates and tightened eligibility criteria which would have resulted in a net reduction in social security expenditure of £5 billion a year by 2029/30. We pointed out that this would have been the biggest cut to sickness and disability benefits in a generation, pushing 50,000 children into poverty, and reducing living standards for many more. Our analysis, which generated significant concern among MPs, showed that the £5 billion cut by 2029/30 masked the long-term impact of the changes.

We briefed MPs throughout the debates. Many of the changes in the Bill were removed due to MPs applying pressure on the government. There will now be a review of personal independence payment (PIP) before any changes are made to the benefit. The review will be conducted with disabled people and organisations and is due to report in autumn 2026.

However, the halving of the UC health element for the vast majority of people claiming it for the first time after April 2026 remains. The UC health element provides financial support to people with an incapacity to work. We estimate this will push an additional 100,000 children into poverty in the long run, as well as reducing living standards for many more.

We have also briefed MPs and other organisations on the proposed changes focused on the design of the social security system. Some of these have the potential to improve the system, but some will entrench the flaws in the current system. We continue to work with other organisations to ensure any reform improves the circumstances of people who rely on our social security system.

Social security in Scotland

Our *Strengthening Social Security in Scotland* project, funded by The Robertson Trust is identifying why families are missing out on the Scottish child payment and other Scottish national and local family payments, highlighting where the payments are creating financial uncertainty for families. This includes conducting research with frontline advisers, parents and carers. We frequently meet officials and politicians to inform how devolved parts of the social security system operate and are involved in the Scottish Campaign on Social Security to bring the sector together on priorities for change.

We are working with the University of York and the LSE as policy partners in the *Family Finance*s project to better understand the impact of the Scottish child payment and ensure policy lessons are heard at Holyrood and Westminster.

Our Early Warning System evidence and expertise informed the development and amendment of the Social Security (Scotland) Amendment Bill, securing significant redrafting, amendment and changes to guidance that improve the effectiveness of the Scottish social security system. It also secured changes to the Scottish welfare fund.

Other reforms to support in the social security system
We have been involved in highlighting the carer's allowance scandal, caused by the cliff edge cut-off if earnings exceed a certain level. Many of those affected have inadvertently fallen foul of this and been required to pay back substantial amounts. The UK government has committed to a review into this. It has also changed the carer's allowance earnings threshold, which will allow carers to work up to 16 hours a week at the minimum wage. In previous years, the earnings threshold for carer's allowance hasn't kept track with minimum wage increases. This has resulted in carers having to either reduce their hours, or be subject to overpayments of carer's allowance that have then been clawed back, in some cases resulting in prosecution. The government has also invested in the household support fund.

As well as advocating for the changes to the way the system works, we push for changes to how it is talked about. While this has improved in some areas, we know that much of the rhetoric remains stigmatising, and adds to the challenge we're up against. Alongside Changing Realities, we are pushing for the government to talk about support for families in more positive ways.

Free school meals
Our authoritative analysis and relentless campaigning on free school meals continued this year, contributing to the announcement in June 2025 that free school meals would be expanded in September 2026 to all children in families in England receiving universal credit.

We looked at free school meals and who misses out in Yorkshire and the Humber and published new analysis on free school meal provision across the four nations. We also examined the level of debt families are incurring for school meals in primary schools across England.

We added to our evidence base further through the lived experience evaluation we undertook on the roll out of universal primary free school meals in London. Among our findings was that the policy is easing the pressure on family budgets, with families living on low incomes benefiting the most.

> *'My mum tells me she can spend money on trips and more things at school as she noticed the [dinner] money stopped coming from her account.'*
>
> Year 5 pupil who receives universal primary free school meals in London

In addition to pushing for more children to benefit from free school meals, we have contributed to campaigning efforts calling for national auto-enrolment onto the scheme. The Education Select Committee recommended auto-enrolment be included in the Children's Wellbeing and Schools Bill citing our oral evidence to the Committee.

In Wales, we supported Public Health Wales to meet with schools to discuss School Food Standards which are being updated. CPAG is also on the steering group for the Welsh government's evaluation of the universal primary free school meals policy.

The cost of a child
Our annual *Cost of a Child* analysis in 2024 found that many households continue to face a shortfall in meeting the minimum acceptable standard of living. Rising costs and real-terms social security cuts mean that even couple families with two children where both parents work full time for the minimum wage are £138 a week short of what they need for a no-frills but dignified living standard. These families can meet only 82 per cent of their costs. In 2008 they could cover 93 per cent of costs. A single

parent working full time for the minimum wage is now £192 short each week, meeting only 69 per cent of the family's costs, compared to 97 per cent in 2008. In Scotland this lone parent family does a bit better, covering 79 per cent of the cost of a child, and the couple family can cover 90 per cent.

Education

The Cost of the School Day in Scotland continues to support schools and local authorities to remove or reduce financial barriers to education, including through the *Cost of the School Day Voice network*. The network now has members in more than 320 schools. In March we organised an event for members of the network to meet the cabinet secretary for education and skills to share findings from their 'Big Question' on how lack of money affects their education, with particular focus on food, school trips, and what helps them feel ready to learn.

Cost of the School Day Voice network members

In Wales, our *Cost of the School Day – Every voice heard* project (funded by the National Lottery Community Fund) helps schools and local authorities to identify and overcome cost barriers to education, so that all pupils can have the same school experience. We have introduced Youth Voice Champion groups in three schools. Young people are advocating for the changes they want to see.

This year we have also established *Youth Voice Champions* in London, with participants completing an eight-week programme and feeding back to their school leaders on cost barriers to education. This was part of our Young Leaders project funded by the National Lottery Community Fund.

We have worked extensively on the Children's Wellbeing and School's Bill, providing oral evidence to the Public Bill Committee and the Education Select Committee. The Bill makes positive changes to tackle school uniform costs and to introduce free breakfast clubs in primary schools in England, which began to be rolled out in April 2025. While highlighting that much more is needed to reduce child poverty, we welcomed these changes as recognition that the cost of the school day remains prohibitive for too many families.

We have also shared our evidence of what works and best practice with teachers including through an ongoing partnership with the NEU and events with the Confederation of School Trusts. We have reached early-career teachers through to headteachers. Subjects covered include poverty and education, tackling poverty in the classroom, free school meals and stigma.

We continue to convene the Education Anti-Poverty Coalition, formed of school governors, head teachers, teachers, PTAs and others working in schools to campaign on the impact of child poverty on education, and for action that gets to the root cause: insufficient family income. This work has included a joint budget submission and a letter to the secretary of state for education calling for the abolition of the two-child limit.

Strength in working with others
As well as working with others in the education sector, we collaborate with a range of organisations. We host the End Child Poverty coalition, which publishes local child poverty statistics annually. We have supported the coalition to engage on the child poverty strategy, working together to advocate for our collective red lines. We also co-ordinate End Child Poverty activity in Scotland, ensuring that consistent shared messages on action needed reaches policy makers. And we collaborate with organisations outside the children's and anti-poverty sector, for example we published a briefing with RNIB and Age UK on 'mandatory reconsideration' in universal credit.

Objective 3 – use our expertise to maximise family incomes and reduce child poverty

Advice and evidence
We continue to deliver our highly-valued second-tier service for advisers who support the public with issues around their benefits, and the demand has been significant. Available by phone and email, our free expert social security advice lines are open five days a week for frontline workers, which sometimes includes MPs' caseworkers, helping people get the social security support they need. Our advisers responded to 7,703 cases helping an estimated 30,000 people this year

We run a bespoke service for Trussell, and responded to 860 social security advice queries from advisers working in food banks as well as providing training. We coach advisers with appeals and more complex cases, reviewing and editing mandatory reconsideration and appeal paperwork, and advising on representation.

What we hear through our advice services feeds into our Early Warning System, giving us a better understanding of how changes to the social security system, including the roll-out of universal credit, are affecting the lives of children and families. Advisers and claimants directly tell us about the problems they are experiencing, many of which are systemic and affecting lots of other people. We published a briefing on parents' experiences of universal credit this year. The intelligence from our Early Warning System informs much of our policy, research and campaigns work (see above), and also feeds into the advice we give frontline staff through our training, publications and advice service to ensure we are upskilling advisers about how to best navigate the system for the families they support.

CPAG's Welfare Rights website provides information, advice and tools for advisers. There were 629,621 engaged sessions by users of the Welfare Rights website this year. We provide free access to information and tools, as well as subscriptions for handbooks and some tools. We currently have 3,850 subscribers.

We have added to the website: Debt Advice Handbook Scotland (first edition); Benefits for Migrants Handbook (15th edition); Benefits for Students in Scotland Handbook (2024/25); Children's Handbook Scotland (2024/25); Fuel Rights Handbook (21st edition); and Maximising Income checklist. We updated content in our most well-used resources: Welfare Benefits and Tax Credits Handbook and Debt Advice Handbook, as well as content in our Benefits for Migrants Handbook.

We expanded online tools for welfare rights advisers to identify the correct legal position for their clients and produce tailored letters and appeal submissions. With repurposed content from our book *Winning Your Benefit Appeal*, we created a website section on appeals. We now have 14 downloadable appeal submission templates (free to access) and one appeal submission tool (for subscribers).

Legal work
We continue to undertake test cases to make improvements to the social security system as well as help make the case for wider reform. We've had important wins for clients in the Court of Appeal and Upper Tribunal on a range of issue including support for disabled carers, and our clients were granted permission to proceed with their judicial review to the two-child limit, non-consensual conception exemption ordering requirement.

CPAG has been granted core participant status in modules 8 and 9 of the Covid Inquiry, which look at the treatment of children in the pandemic and the government's economic response. In our submissions, we draw attention to the consequences of the poor level of support offered to families through the social security system.

We provide second-tier support to advisers through our Upper Tribunal and judicial review specialist advice services thanks to funding from The Legal Education Foundation and the Access to Justice Foundation and the National Lottery Community Fund's Improving Lives Through Advice programme. We use our expert level advice to promote legal acumen and expertise in the sector, developing advisers' skills for their ongoing work. Our judicial review project worker assisted 166 advisers from 138 organisations, providing advice in 210 cases. We advised on 92 Upper Tribunal cases.

Training
In 2024/25, our training and events programme continued to play a vital role in supporting advisers across the UK with up-to-date, expert, practical guidance on the social security system.

In England, Wales and Northern Ireland we delivered a total of 102 courses on our public programme, both online and face-to-face, reaching 1,125 participants. These sessions covered a broad range of topics, from universal credit and disability benefits to specialist issues affecting migrants and pension-age claimants. We delivered several courses aimed at expert advisers and solicitors on topics such as use of judicial review in benefits case work, appealing to the Upper Tribunal and drafting skills. We also delivered 98 in-house training courses, tailored to the needs of specific organisations and teams. These sessions reached approximately 1,500 advisers.

We also ran a series of larger events, including three webinars attended by 449 people, and two in-person conferences in Manchester and London, which together welcomed 290 welfare rights advisers, offering high-impact learning and networking opportunities on the most topical and fast-moving issues.

In Scotland we delivered 129 training courses and events to 1,916 participants on all aspects of the UK, Scottish and locally delivered benefits systems and the often-complex interactions between them.

We developed 14 eLearning courses at non-specialist level and 7 at adviser level, completed by 3,012 advisers and support workers.

Ninety-nine per cent of respondents rated our training courses as excellent or good for learning impact; 94 per cent rated our conferences in London and Manchester excellent/very good; and 99 per cent of respondents rated the Glasgow conference excellent/good.

Objective 4 – continue to be a sustainable charity

Fundraising
CPAG relies on the passion and generosity of all our supporters to tackle child poverty in the UK. It is only with the support of our funders and donors that we can challenge unfair policies and demand better support for children and young people, and ensure that our trusted and expert information, training and advice to frontline workers helps families get the financial help they need.

Fundraising during the year to end March 2025 raised donations and legacies totalling £1,251,770 (2024: £963,164) and restricted grants income of £2,421,675 (2024: £2,293,273).

We would like to thank the following trusts and foundations for core, unrestricted grants: Oak Foundation (£1m over five years); Esmée Fairbairn Foundation (£400,000 over five years); Pears Foundation (£110,000 over two years); Indigo Trust (£82,750 over three years); The David King Charitable Trust (£2,500); The Grace Trust (£2,000) and Golden Charitable Trust (£1,000).

We would like to thank the Scottish government for continued support of our second-tier welfare rights advice, information and training services, and our Cost of the School Day project, and also the Corra Foundation for funding towards our Early Warning System and policy work in Scotland.

Thanks to the following for the significant restricted project grants: Access to Justice Foundation and the National Lottery Community Fund through the Improving Lives Through Advice programme; the Legal Education Foundation for our Access to Justice in the Social Security System projects; and

Trussell for the Food Bank Income Maximisation Service, as well as the Ending the need for foodbanks: income maximisation and cash first project.

We received other restricted grants from a number of trusts to whom we are grateful including: abrdn Financial Fairness Trust (project on difficulties faced by claimants migrating onto universal credit); Clothworkers Foundation (Fuel Rights Handbook); Digital Freedom Fund (Access to Justice in a Digital Means-Tested Universal Credit System); National Lottery Community Fund (Cost of the School Day project in Wales and our Young Leaders Project in England); Robertson Trust (Strengthening Social Security in Scotland project); TUUT Charitable Trust and National Education Union (poverty and education project); Paul Hamlyn Foundation (End Child Poverty Coalition Youth Ambassador Scheme); Scottish Children's Lottery Trust (Youth-led conference on Tackling Poverty in Education); Waterloo Foundation (towards a Cost of the School Day practitioner in Wales); York University (Changing Realities, Benefit Changes and Larger Families, Devolved Social Security and Family Finances projects); Evan Cornish Foundation, and The Lawson Trust (for our advice line); and many others including those who prefer not to be named.

We are grateful to more than 1,811 individuals (2024: 2,053) who, collectively, donated over £221k (2024: £226K) and to 29,501 supporters (2024: 26,877) who contributed to our efforts in other ways to prevent and end child poverty. We would particularly like to thank everyone who donated to our Big Give Anchor Match Fund Appeal.

A huge thanks to the following companies for donations, choosing CPAG as their charity of the year and/or staff fundraising: Human Made Machine; Equin Ltd; People Alchemy Ltd; Saison Technology; Bryan Cave Leighton Paisner; Paper Bird Publishing; Gardner Halliday; Open Online Agents; Interlink Ltd; and many more.

We would like to extend our gratitude to Herbert Smith Freehills Kramer LLP and Norton Rose Fulbright LLP for their significant pro bono legal services during the year. The support from Norton Rose Fulbright was provided as part of their wider strategic partnership with Save the Children, one of our co-core participants in Module 8 of the Covid-19 Inquiry.

We are extremely grateful to all the individuals and organisations who raised over £22k (2024:£29k) through a huge variety of imaginative fundraising challenges and tireless effort including: George who took on 30 challenges in 30 days in aid of the 30 per cent of children living in poverty; Grant who climbed the equivalent of 10 Munros; Sheffield Students Union Medics who organised an orchestra fundraising event; Aman and the Scottish Passenger Agents Association who raised money at their SPAA summer ball; Gary and the team at EQA Accountants who took on the Kiltwalk; Alison and Isaac who took on the Brighton Marathon; and Hal who conquered the London Marathon and many more. More fundraising heroes can be found on our website.

We would like to remember the following with gratitude, from whose estates we received legacies: the late Nell Georgina Keddie, Audrey Gladys Bell and Helen Anne Dent. We would also like to thank friends and family who have given in memory of loved ones to support our work.

CPAG is committed to open, honest and respectful fundraising, and we comply with the regulatory standards for fundraising. Registered with the Fundraising Regulator, we are committed to our Fundraising Promise and adherence to the Code of Fundraising Practice. Our fundraising team are members of the Chartered Institute of Fundraising. CPAG's fundraising is monitored regularly by the senior management team and Trustees. CPAG does not employ third party suppliers to raise funds. For those who fundraise on our behalf, we ensure that the correct safeguards are in place including agreements with 'commercial participators' or corporate partners.

Registered with FR FUNDRAISING REGULATOR

At CPAG, we are also committed to data privacy including compliance with the GDPR, which is a positive step in the way people are contacted and vulnerable people protected. Our fundraising activities are designed to ensure we protect privacy, and we have systems in place to enable us to fulfil the wishes of those supporters who do not want to receive appeals. Our website outlines our complaints policy for the public. We received no complaints in 2024/25. CPAG is signed up to the Fundraising Preference Service to enable individuals to opt out from receiving fundraising communications from us. We received no such requests from this service last year.

Digital advances

This year, we launched a package of enhancements to our online shop, including abandoned cart reminders, 'customers also bought' suggested products, related training course suggestions and multiple images for products. We successfully automated the Citizens Advice order form. We also added some new functionality so conference attendees can book their workshops online.

We completed the first phase of the funded work to support advisers doing appeals work with a new section on PIP appeals and a transformed experience for advisers using our tools and templates.

There is now an API in place between our Sugar database and Xero financial software for payments, allowing the two pieces of software to talk to each other. Customers who are sent invoices can now pay by card via a Stripe payment link rather than having to call and pay over the phone.

The digital team arranged for web editors to attend an in-house 'writing for the web' course and ran training for new starters and weekly drop-in sessions.

In terms of analytics, we continue to get strong traffic to our homepage, and to 'Effects of poverty', which is one of our most popular pages, as well as 'Poverty: facts and figures'. On CPAG Welfare Rights, the Welfare Benefits Handbook is by far the most viewed handbook. The Debt Advice Handbook is also well used, as is the Disability Rights Handbook.

We are now Cyber Essentials Plus certified and have ongoing cyber security training across the organisation. We also migrated our database for the advice line from an old server to a new cloud-based server.

We worked with our website support agency to do a piece of pre-discovery work for the new publishing platform, mapping out the different stages of the project and arriving at a potential solution ready for testing.

We have implemented a new cookie manager which allows us to have a single opt-in across our different sub domains.

Objective 5 – be a great place to work

Recruiting and supporting our staff
We are proud to continue our partnership with the LSE Mitchell Family Internship Programme for a second year. As part of this partnership, we have recruited a policy and research intern from the London School of Economics and Political Science from June 2025.

We conducted our annual staff survey, achieving a 68 per cent response rate. Among the eight areas surveyed across our Glasgow and London offices, the highest agreement scores, each above 75 per cent, were in 'my job', 'motivation', and 'management'. Notably, 100 per cent of staff reported feeling proud to work for CPAG

Overall employee engagement remains strong at 89 per cent, combining the two highest levels of engagement, with no staff reporting as disengaged. These results are consistent with our 2023 findings.

Equity, diversity and inclusion
We continue to embed equity, diversity and inclusion (EDI) across our organisation through a comprehensive policy audit and internal training.

Since our last annual report, we have launched a new Staff of Colour Network, complementing our existing LGBTQ+ Network and the Disability and Neurodiversity Network.

Our EDI action plan remains on track, with 49 of 68 actions completed. The EDI Steering Group continues to monitor progress. We have also begun reviewing the EDI plan for 2025–2027, actively involving a wide range of stakeholders, including staff, the Youth Panel, youth ambassadors, and network chairs. The finalised plan will be presented at a 2025 all-staff meeting.

In addition, EDI objectives are now embedded into all appraisals and personal development plans, starting from the new year. Encouragingly, 96 per cent of staff agree that CPAG values individual differences.

Plans for the future

The Trustees have approved a programme of future work.

We have four cross-cutting priorities:
- achieve comprehensive cross-government strategies to end child poverty across the UK
- achieve political support for a renewed vision for social security – secure futures
- promote equity, diversity and inclusion both within CPAG and through our work
- put children and families with children at the centre of all that we do

We have five specific strategic objectives for the next three years:

Objective 1 – strengthen public commitment to end child poverty
Specifically we will:

1.1. Invest in a strong, media-focused campaign on child poverty and the need to address it.
1.2. Focus relentlessly on showing the impact of child poverty on children across the UK.

1.3. Focus on: abolition of two-child policy and benefit cap, restoring children's benefits and expansion of free school meals.
1.4. Centre the voices of children and families to drive the conversation on child poverty and its solutions.
1.5. Attract and mobilise supporters to promote our campaign and charitable mission across the UK.

Objective 2 – ensure government adoption of evidence-based policy solutions to child poverty
Specifically we will:

2.1. Develop research showing the impact of child poverty and the most effective solutions.
2.2. Make a compelling and forward-looking case for evidence-based solutions to the most pressing issues, including reform of social security.
2.3. Deliver expert projects to develop solutions around work, home and school.
2.4. Lead and collaborate with partners to engage policy-makers and promote our evidence-based solutions.

Objective 3 – use our expertise to maximise family incomes and reduce child poverty
Specifically we will:

3.1. Maximise incomes through the best, most accessible, welfare rights advice and information.
3.2. Ensure frontline advisers are equipped to deal with pressing issues, such as the cost of living, digitisation and managed migration.
3.3. Continue to win change and fight discrimination through work on appeals and strategic litigation.
3.4. Use our early warning system evidence to expose weaknesses in social security and advocate for change.
3.5. Scrutinise social security developments UK-wide including the most effective use of devolved administrations' powers.

Objective 4 – continue to be a sustainable charity
Specifically we will:

4.1. Sustain income, control expenditure and maintain a healthy level of reserves.
4.2. Grow unrestricted income, specifically individual giving, legacy fundraising and core grant income.
4.3. Invest in the best analytics, technology and digital presence to stay ahead.
4.4. Continue to drive innovation on content, sales and marketing.
4.5. Maintain and develop business and funder partnerships.
4.6. Continue to engage with supporters and their donor journey.

Objective 5 –be a great place to work
Specifically we will:

5.1. Attract, develop and support a highly talented staff team.
5.2. Look after the wellbeing of all staff.
5.3. Embed a culture of equity, diversity and inclusion through a policy audit and internal training.
5.4. Pay attention to environmental sustainability by implementing practical learnings from our eco-audit.

Structure, governance and management

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

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

Alicia Tew	From 5 December 2024
Alison Inglis-Jones	Until 20 January 2025
Ann McVie	
Anne-Marie Canning MBE	From 5 December 2024
Clarissa Corbisiero	
Esther Kuku	
Jane Millar	
Kitty Stewart	
Mark Cooke	
Satwat Rehman	
Simon Thompson	
Stephen Watmough	
Torsten Bell	Until 5 June 2024

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

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

Membership
Members of the charity guarantee to contribute an amount not exceeding £1 to the assets of the charity in the event of winding up. The total number of such guarantees at 31 March 2025 was 892 (2024: 1,100). The Trustees are members of the charity, but this entitles them only to the same voting rights as other members. The Trustees have no beneficial interest in the charity.

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

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

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

Volunteers

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

Senior staff payment policy

The pay of senior staff comprising the Chief Executive and senior management team is reviewed annually and increased with the same cost of living inflation figure as for all staff. The charity uses a pay scale devised for CPAG after benchmarking against median salaries in the sector.

Organisational structure and the decision making process

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

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

Governance

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

Risk statement

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

Strategic priority	Risk	Mitigating actions
Failure to sustain income or sudden unforeseen loss of income. Large or sudden increase in expenditure against approved budget levels.	Our reliance on funders and business income, and pressures facing supporters and customers, creates risk. Any reduction in sales or cancellation of grants may lead to inability to sustain our vital policy and advocacy work. We aim to build unrestricted income which enables us to post a surplus and build reserves to the required levels.	• Sales and income reports generated and regularly reviewed to enable agility and timely corrective action. • Maintain pipeline grant applications and closely monitor grant-funded projects to ensure that funding conditions are met within timescales given. • Improve our CRM (database) and website to enable us to develop fundraising in areas other than trusts and foundations including legacies, individual donations, major donors and corporates. • Continue to develop new creative offerings to our publications, training and membership customers. • Continue to use more effective debt-chasing procedures. • The reserves increased substantially in the previous year and this year. We have sufficient funds in the bank for deferred income.
Loss of reputation or market share over time as leading experts on social security and child poverty for government, media, users and stakeholders or sudden reputational risk.	Given greater media interest in charities and increased exposure to public comment through social media activity of our advocacy and policy work, there is a risk that our reputation, credibility or market share as the leading independent experts on social security and child poverty may be challenged. Other organisations have moved into the poverty and social security fields. They are often better resourced than we are. Nevertheless, we continue to use our limited resources in a targeted and strategic way to maintain our leadership role.	• We comment and focus only where we are expert and have evidence. • We have clear lines of accountability for sign-off of all external documents and designated media spokespeople in place. • We have prioritised funding to employ more expert analysts than before. • Regular horizon-scanning of sector issues and competition. • Policy Committee regularly review positioning. • CPAG has received pro bono advice on the implications of the Lobbying Act and, during regulated periods, ensures a review is undertaken on whether registration is needed, relevant activities are signed off and a log kept of relevant spending. • CPAG continues to maintain a leadership role on child poverty and social security, including hosting End Child Poverty which strengthens this work through regular sector meetings. • We pursue joint working with partners where possible and appropriate.
Failure in organisational governance or regulatory failure.	Law and guidance are constantly developing and we operate in a complex and fast-changing environment.	• Board aware of its governance role, receiving regular updates on charity law. We have an induction pack for new Trustees. • Elected Board means we can fill skills gaps. • Public accountability via annual report. • Regular review of skills set and performance against Charity Commission guidelines. • Regular review of all policies including safeguarding and GDPR.

Recruitment and retention of staff – particularly senior and specialist staff due to better-off competitors.	Recruitment and retention of staff – particularly senior and specialist staff due to better-off competitors.	• Hire the best staff CPAG can attract. • System of development and appraisals means reward can be reviewed and support offered. • Opportunities for development prioritised by managers. • Procedure for proper handover on exits in place. • Continue to conduct regular supervisions and reviews. • Training offered wherever possible.
Failure to manage shrinkage in organisation size when large projects end.	Growth in organisation has stimulated growth in income generating and servicing teams. Given our ambitions to grow our impact there is a risk that, as we expand, we fail to successfully downsize after delivery of large projects.	• Constant monitoring of activities and resources within large projects. • Including the projects as part of our risk assessment process which involves Trustees and the senior management team working together. • Staff leave as contracts end unless additional funding has been found.
Major ICT systems failure due to hardware or software systems crash, viral attack or failure to meet business requirements. Failure to stay ahead of IT developments which optimise use of CRM, website and online shop.	Our objective to move towards digital provision and service continues with investment from funding and core where appropriate. We are increasingly reliant on IT systems and need to keep up, and also to keep our data and users' data safe.	• Our new ICT company, Taran, run our support contract and ICT issues are now dealt with much faster than before. Most ICT issues are now resolved within four hours of being raised. • All staff now equipped for home working, with laptops, cloud-hosted VPN and Office 365. Risks of access to VPN and server problems now gone. There is no more use of personal laptops. • Mobile device management (MDM) added to all mobiles and laptops, protecting from data breaches when used at home or out of office. • Getting Cyber Essentials Plus certification (CE+) – the most advanced level, suitable for organisations with remote workers. • We have moved to offsite backup facilities and we now have internal ICT support. • We know how to implement a plan to ensure minimal disruption to business as usual with staff all capable of working remotely. • Implemented SharePoint in 2023 which reduces the risk of hardware failure and VPN no longer needed. • Continual improvements to all platforms, including CMS. • Cpag.org.uk rebuild was completed in January 2024 with Drupal 10 implemented. • Our Board Digital Committee monitors digital developments.
Loss of reputation due to industrial action and/or expensive involvement in employment tribunal.	The sector has experienced more pressure on pay and changed working arrangements due to lockdown and the cost-of-living crisis.	• Good working practices and procedures and disciplinary policies in place • Comprehensive Staff Handbook in place. • Regular one-to-ones, team and staff meetings and positive working relationship with staff members. • Focussing more attention on staff health and wellbeing and support since Covid. • Continue to review policies and procedures.

		• SMT receives help on policy development from our employment lawyer and HR consultants.
Another pandemic, natural or local disaster or energy outage where access to office or home working is disrupted.	The senior management team (SMT) and finance and resources committee (FRC) sub-committee of Trustees continue to assess the risk from external factors which might arise and put in place mitigating actions where necessary.	• We know how to implement a plan to ensure minimal disruption to business as usual with staff all capable of working remotely. • More online and digital resources that can meet the need for remote and hybrid working. • Regular risk assessments established during Covid which can be taken up again if necessary. • Staff and Trustees are fully and regularly informed of the situation. • Feedback which supported continuation of online training.

Financial Review

In the financial year ended 31 March 2025, CPAG's total income for the year increased by £397,919 to £5,638,560 (2024: £5,240,641).

Donations income increased by £99,871 to £981,672 (2024: £881,801) and Legacy income increased by £198,735 to £280,098 (2024: £81,363). Included in donations income are services which have been donated to the charity during the year. This consists of consultancy £158,337 (2024: Nil). Excluding the donated services, donations income declined, a reflection of the financial climate for charities over the past year which continues to present a challenge to us in increasing voluntary income. As a result over next strategic period, we are making significant investment to increase our voluntary income.

Income from charitable activities remained stable, with a modest increase of 2 per cent to £4,243,151 (2024: £4,151,833). This is because of the financial support we continue to receive from our principal funders. Principal funders for the charity during the year, as for the previous year, were trusts and foundations, the Scottish government, and donations. The support of our donors and funders continues to be fundamental to the success of our vital policy, rights and advocacy work.

The continued support from our donors and funders in the financial year has enabled us to increase our income back to over £5.5 million from £5.2 million in 2023/4.

Publications, Training, and membership income remained stable with modest increases when compared to the previous year. Training income increased by £43,003 to £875,806 (2024: £832,803). Membership income increased to £90,156 (2024: £76,584) and publications income increased to £1,221,290 (2024: £1,185,698).

Total expenditure increased by £254,559 in the year to £5,591,056 (2024: £5,336,497) largely because of expenditure associated with staff costs and inclusion in expenditure of the £158,337 consultancy cost attributed to donated services. Staff costs remain the biggest single cost, comprising 66% (2024: 65%) of costs at £3,708,970 (2024: £3,488,662) an increase of £220,308. The increase was driven by a cost of living pay award of 4% and recruitment into new positions. Support cost in the year was £1,246,299 compared to £1,352,272 in the previous year.

Ninety-two per cent of our expenditure was on charitable activities. This means that for every £1 spent, 92p was spent on our work in policy, research, communications, campaigns, advocacy and welfare rights activities.

Overall, the charity generated a small surplus of £48,149 (2024: deficit £95,428), which increased charitable funds to £4,885,211 (2024: £4,837,062), and are all held in unrestricted reserves at year-end

Designated funds

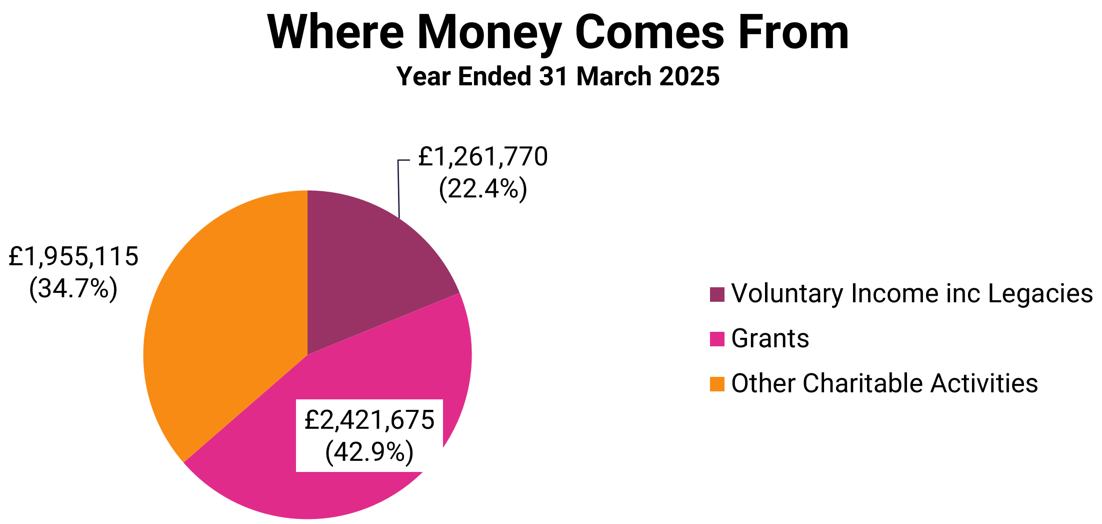
The operational fixed assets of £1,493,993 and net operating working capital of £1,051,458 are regarded as designated funds, as they are not available for expenditure. In addition trustees have agreed as follows:

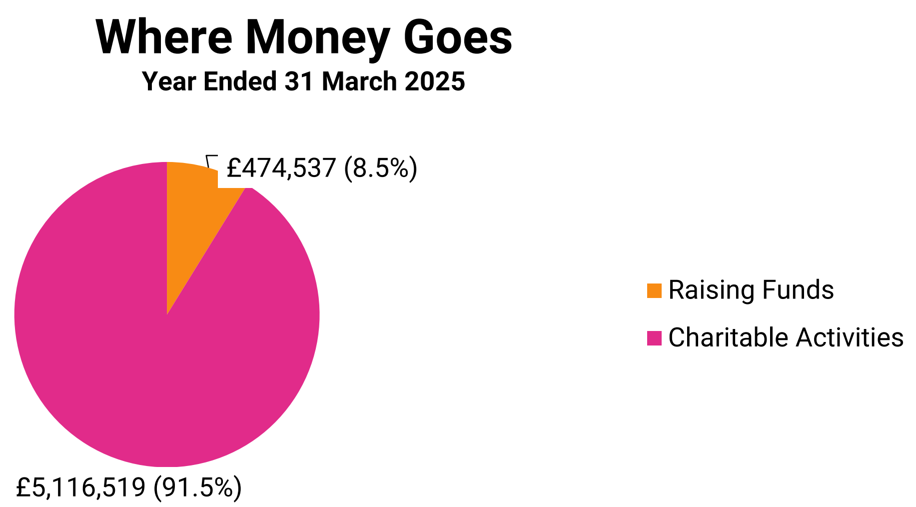
a) Development fund of £547,816 has been designated to fund further identified strategic projects to increase the income of CPAG over the next three-year strategy.

b) Impact fund of £287,842 has been designated to fund additional campaign projects during the period of the strategy.

Total project designated funds are therefore £3,381,109 as set out in note 13 to the accounts.

Income and Expenditure





Thank you to organisations and individuals who choose to support CPAG's work through their time, through their valuable skills, their campaigning and through their regular and one-off donations.
For every £1 of our expenditure in 2024/25, 92p was spent on our charitable activities

Reserves policy and going concern

The reserves policy requires CPAG to hold sufficient free reserves to cover the largest decline in income, or increase in unplanned costs, that could realistically occur over a year. This would allow CPAG sufficient capacity to adjust its operations to the new financial situation in an orderly manner and continue to achieve its mission.

Free reserves are defined in the policy to exclude the tangible fixed assets (such as offices and equipment) and operating working capital (such as stock and trade debtors) necessary for CPAG to operate. They also exclude restricted funds and other designated funds set aside for identified projects planned for the near future.

Adequacy of reserves and going concern

The Trustees have reviewed the level of free reserves at 31 March 2025 against the reserves policy.

They have assessed that the level of free reserves required is £1,500,000, and that the free reserves held are £1,504,102 after taking account of the designated funds. This means that the level of free reserves at the 31 March 2025 exceeded the required level by a small amount £4,102. The trustees concluded that no further action was required to maintain free reserves at a satisfactory level, other than to ensure CPAG continues to set budgets close to break-even, after taking into account the utilisation of designated funds.

The Trustees are therefore satisfied that CPAG is a going concern, that is, that it will be able to continue its operations for at least twelve months from the date of this report, and for the foreseeable future.

Investment policy

The Trustees have powers set out in the Memorandum and Articles of Association that allow them to invest surplus funds after receiving advice from a financial expert and include the power to delegate the management of investments to a financial expert. An investment of £1,703,650 was maintained in an interest-bearing notice account as at year end.

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

Responsibilities of the Trustees

The Trustees, who are also the directors for the purposes of company law, are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales requires the Trustees/Directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the Trustees are required to:

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles in the Charities SORP;
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and

- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

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

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

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- each Director/Trustee has taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of this information.

Auditors

On 18 November 2024 the company's auditor changed its name from haysmacintyre LLP to HaysMac LLP. HaysMac LLP were reappointed auditors at the annual general meeting on 4 December 2024 and have indicated their willingness to continue in that capacity

The Trustees' Report, including the Strategic Report, was approved by the Trustees on 25 September 2025 and signed on their behalf by

Jane Millar
Chair

We have audited the financial statements of Child Poverty Action Group for the year-ended 31 March 2025 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).

Opinion

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2025 and of its net movement in funds, including the income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006 and the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

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

Other information (continued)
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 (which includes the Strategic Report and Directors’ report prepared for the purposes of company law) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and Directors’ report included within the Trustees’ Annual Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception
In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees Report (which incorporates the directors’ report prepared for the purpose of company law).

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

- adequate accounting records have not been kept by the charitable company; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees’ remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our auditor.

Responsibilities of trustees for the financial statements
As explained more fully in the trustees’ responsibilities statement set out on pages 28-29, 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.

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

Auditor's responsibilities for the audit of the financial statements

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

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 extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Based on our understanding of the charitable company and the environment in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to registered charities, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006 and the Charities Act 2011, and other factors such as income tax and sales tax.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) and determined that the principal risks were related to areas of estimation uncertainty and to manual accounting journals. Audit procedures performed by the engagement team included:

- Inspecting correspondence with regulators and tax authorities;
- Discussions with management including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Evaluating management's controls designed to prevent and detect irregularities;
- Identifying and testing manual journals, in particularly any unusual items; and
- Challenging assumptions and judgements made by management in their critical accounting estimates.

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.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an Auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

Lee Stokes (Senior Statutory Auditor)
For and on behalf of HaysMac LLP, Statutory Auditors

10 Queen Street Place
London, EC4R 1AG

Statement of financial activities
(incorporating an income and expenditure account)
Year ended 31 March 2025

	Notes	Unrestricted £	Restricted £	2025 £	2024 £
Income from:					
Donations	2	981,672	-	981,672	881,801
Legacies	2	280,098	-	280,098	81,363
Charitable activities:					
Publications		1,151,259	70,031	1,221,290	1,185,698
Welfare rights and test cases		24,507	995,348	1,019,855	1,132,089
Training	7	541,892	333,914	875,806	832,803
Membership		90,156	-	90,156	76,584
Information, research and campaigning		13,662	1,022,382	1,036,044	924,659
Investments		118,781	-	118,781	103,415
Other		14,858	-	14,858	22,229
Total		3,216,885	2,421,675	5,638,560	5,240,641
Expenditure on:					
Raising funds		474,537	-	474,537	469,953
Charitable activities:					
Publications		1,072,834	70,031	1,142,865	1,028,689
Welfare rights and test cases		433,097	995,348	1,428,445	1,270,653
Training		413,195	333,914	747,109	748,328
Membership		66,900	-	66,900	45,341
Information, research and campaigning		708,818	1,022,382	1,731,200	1,773,533
Total	4	3,169,381	2,421,675	5,591,056	5,336,497
Net income/(expenditure) before investment gains		47,504	-	47,504	(95,856)
Gross transfers between funds		-	-	-	
Net income/(expenditure)	3	47,504	-	47,504	(95,856)
Unrealised investment gains	9	645	-	645	428
Net movement in funds		48,149	-	48,149	(95,428)
Total funds brought forward		4,837,062	-	4,837,062	4,932,490
Total funds carried forward		4,885,211	-	4,885,211	4,837,062

Balance sheet as at 31 March 2025

	Notes	2025		2024	
		£	£	£	£
FIXED ASSETS					
Tangible fixed assets	8		1,493,993		1,584,342
Investments	9		1,706,226		1,624,860
			3,200,219		3,209,202
CURRENT ASSETS					
Stock	10	110,566		183,834	
Debtors	11	1,145,530		1,152,446	
Cash and short-term deposits		2,461,461		2,247,863	
		3,717,557		3,584,143	
CREDITORS: amounts falling due within one year	12	(2,032,565)		(1,956,283)	
NET CURRENT ASSETS			1,684,992		1,627,860
TOTAL ASSETS LESS CURRENT LIABILITIES			4,885,211		4,837,062
NET ASSETS	13		4,885,211		4,837,062
FUNDS					
Restricted funds			-		-
Unrestricted funds:					
Designated funds			3,381,109		3,304,241
General funds			1,504,102		1,532,821
TOTAL CHARITY FUNDS	14		4,885,211		4,837,062

The financial statements were approved and authorised for issue by the Trustees on 25 September 2025 and were signed below on its behalf by:

Jane Millar
Chair

Mark Cooke
Treasurer

Statement of Cash Flows
Year ended 31 March 2025

	2025 £	2024 £
Cashflows from operating activities		
Net cash provided by operating activities (see note below)	175,538	(249,086)
Cash flows from investing activities		
Investment income received	118,781	103,415
Purchase of property, plant and equipment	-	(101,418)
Purchase of investments	(80,721)	(68,692)
Net cash (used in)/provided by investing activities	38,060	(66,695)
Change in cash and cash equivalents in the year	213,598	(315,781)
Cash and cash equivalents at the start of the year	2,247,863	2,563,644
Cash and cash equivalents at the end of the year	2,461,461	2,247,863

Note: reconciliation of net expenditure to net cash used by operating activities

Net income/(expenditure) for the year	48,149	(95,428)
Adjustments for:		
Depreciation	90,349	88,476
Investment (gains)/losses	(645)	(428)
Investment income	(118,781)	(103,415)
Decrease/(increase) in stock	73,268	(99,557)
Decrease/(increase) in debtors	6,916	(128,319)
(Decrease)/increase in creditors	76,282	89,585
Net cash provided by operating activities	175,538	(249,086)

No reconciliation of net debt is provided as the charitable company has no borrowings and hence no net debt.

Notes to the financial statements

1. Accounting policies

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

Basis of preparation

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

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

Going concern

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

Donations

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

Legacies

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

Grants

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

Earned income

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

Restricted funds

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

Unrestricted funds

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

Designated funds

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

Expenditure for raising funds

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

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

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

Expenditure

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

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

Support costs

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

	2025	**2024**
Publications	9%	11%
Welfare rights and test cases	27%	28%
Training	18%	18%
Membership	1%	0%
Information, research and campaigning	37%	37%
Fundraising and publicity	7%	5%
Governance	1%	1%

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

Depreciation

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

For assets brought forward from 2019-20 and earlier years:

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

For new additions from 2020-21 following the change in the fixed asset policy, assets costing more than £1,000 are capitalised and the depreciation period revised as follows:

Leasehold buildings	50 years
Fixtures, furniture and equipment	5 years
CRM and website	5 years
Computers including other software	3 years

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

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

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

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

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

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

2. Voluntary income

Current year

	Unrestricted £	Restricted £	2025 £
Donations	823,335	-	823,335
Donated Services	158,337	-	158,337
Legacies	280,098	-	280,098
	1,261,770	-	1,261,770

Prior year

	Unrestricted £	Restricted £	2024 £
Donations	881,801	-	881,801
Donated Services	-		-
Legacies	81,363	-	81,363
	963,164	-	963,164

Included within voluntary income are services which have been donated to the charity during the year. This consists of consultancy £158,337 (2024: nil).

3. Net income

	2025 £	2024 £
This is stated after charging:		
Depreciation	90,349	88,476
Operating lease rentals:		
Property	51,250	33,466
Equipment	9,727	9,756
Auditors' remuneration:		
Audit fee	21,600	20,300
Trustees' remuneration:		
Costs paid for Trustees	-	-
Trustees' reimbursed expenses	755	554

Trustees' reimbursed expenses of £755 (2024: £554) represents the reimbursement of travel and subsistence costs of 3 Trustees (2024: 3 Trustees) relating to attendance at meetings of the Trustees and other committees. During the year, Trustees made donations to the charity totalling £1,620 (2024: £1,090).

4. Expenditure

Current year

	Support Costs £	Direct Costs £	2025 £
Costs of generating funds			
Raising funds	105,982	368,555	**474,537**
Charitable activities			
Publications	138,305	1,004,560	**1,142,865**
Welfare rights	344,177	1,084,268	**1,428,445**
Training	191,149	555,960	**747,109**
Membership	12,755	54,145	**66,900**
Information, research and campaigning	453,931	1,277,269	**1,731,200**
Total expenditure	1,246,299	4,344,757	**5,591,056**

Prior year

	Support Costs £	Direct Costs £	2024 £
Costs of generating funds			
Raising funds	81,318	388,635	**469,953**
Charitable activities			
Publications	172,755	855,934	**1,028,689**
Welfare rights	358,405	912,248	**1,270,653**
Training	196,173	552,155	**748,328**
Membership	5,183	40,158	**45,341**
Information, research and campaigning	538,438	1,235,095	**1,773,533**
Total expenditure	1,352,272	3,984,225	**5,336,497**

5. Staff costs and emoluments

	2025 £	2024 £
Salaries and wages	3,184,905	2,974,554
Social security costs	344,176	313,285
Pension contributions	179,889	168,165
Redundancy costs	-	24,258
	3,708,970	3,480,262
Agency staff costs	-	8,400
Total staff costs	3,708,970	3,488,662

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

	2025	2024
£90,001 - £100,000	1	1
£80,001 - £90,000	-	-
£70,001 - £80,000	4	3
£60,001 - £70,000	-	1

The pay of senior staff is reviewed annually and increased with the same cost of living inflation figure as for all staff. The charity uses a pay scale devised for CPAG after benchmarking against median salaries in the sector. The key management personnel of the charity comprise the Chief Executive Officer, Director of Finance and Resources, Director of Business, Director of CPAG in Scotland and Director of Policy, Rights and Advocacy. The total employee benefits of the key management personnel of the charity were £462,785 (2024: £413,767).

The average weekly headcount during the year was 76 (2024: 75) and the average weekly number of employees (full-time equivalent) during the year was as follows:

	2025 Number	2024 Number
Welfare rights and test cases	17	19
Information, research and campaigning	20	16
Fundraising and publicity	4	3
Training	8	9
Membership	1	1
Publications	5	5
Governance	1	1
Support activities	11	11
	67	65

6. Taxation

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

7. Training

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

8. Tangible fixed assets

	Leasehold buildings £	Fixtures, furniture & equipment £	Computers & software £	Total £
Cost				
At 01/04/2024	1,766,146	113,675	481,553	2,361,374
Additions in year	-	-	-	-
At 31 March 2025	1,766,146	113,675	481,553	2,361,374
Depreciation				
At 01/04/2024	322,335	96,008	358,689	777,032
Charge for 2024/25	35,537	10,037	44,775	90,349
At 31 March 2025	357,872	106,045	403,464	867,381
Net Book Value				
At 31 March 2025	1,408,274	7,630	78,089	1,493,993
At 31 March 2024	1,443,811	17,667	122,864	1,584,342

9. Investments

	2025 £	2024 £
Market value at the start of the year	1,624,860	1,555,740
Amount deposited in the year	80,721	68,692
Unrealised gain	645	428
Market value at the end of the year	1,706,226	1,624,860
Historic cost at year end	1,708,802	1,626,792
Investments comprise:		
Close Brothers Group Plc	1,703,650	1,622,929
Shares listed on the LSE	2,574	1,929
Investment in trading subsidiary	2	2
	1,706,226	1,624,860

The deposit of £1,703,650 in Notice accounts is managed by Close Brothers Group Plc. Trading subsidiary is CPAG Ltd and LSE stands for the London Stock Exchange. The shares represent 500 ordinary shares held in Banco Santander Hispano Central.

10. Stock

	2025 £	2024 £
Work in progress	102,201	171,936
Publications for resale	8,365	11,898
	110,566	183,834

11. Debtors

	2025 £	2024 £
Trade debtors	757,313	906,203
Other debtors	41,906	17,263
Prepayments	178,399	102,181
Accrued income	167,912	126,799
	1,145,530	1,152,446

12. Creditors: amounts falling due within one year

	2025 £	2024 £
Trade creditors	204,638	187,749
Taxation and social security	87,991	82,170
Other creditors	376,157	227,314
Accruals and deferred income	1,363,779	1,459,050
	2,032,565	1,956,283

13. Analysis of net assets

Between funds – current

		Designated				
	Restricted	Fixed assets	Working Capital	Other	General	Total
	£	£	£	£	£	£
Tangible fixed assets	-	1,493,993		-	-	1,493,993
Fixed asset investments	-	-		1,706,226	-	1,706,226
Net current assets	-	-	1,051,458	(870,568)	1,504,102	1,684,992
Net assets at the end of the year 2025	-	1,493,993	1,051,458	835,658	1,504,102	4,885,211

Between funds – prior

		Designated				
	Restricted	Fixed assets	Working Capital	Other	General	Total
	£	£	£	£	£	£
Tangible fixed assets	-	1,584,342		-	-	1,584,342
Fixed asset investments	-	-		1,624,860	-	1,624,860
Net current assets	-	-	1,148,532	1,053,493)	1,532,821	1,627,860
Net assets at the end of the year 2024	-	1,584,342	1,148,532	571,367	1,532,821	4,837,062

14. Movement in funds

Current year

	At start of the year £	Income & unrealised gains £	Expenditure & unrealised losses £	Transfers £	At end of the year £
Restricted funds					
Scottish government – second tier welfare rights service	-	812,000	(812,000)	-	-
National Lottery Community Fund and the Waterloo Foundation - Cost of the School Day Wales	-	179,644	(179,644)	-	-
Trussell– food bank income maximisation service	-	172,173	(172,173)	-	-
Scottish government – Cost of the School Day Project	-	158,415	(158,415)	-	-
Scottish government through a CYPFEIF and ALEC Fund grant for the Early Warning System	-	139,650	(139,650)	-	-
National Lottery Community Fund - Young Leaders project	-	127,807	(127,807)	-	-
The Robertson Trust	-	110,653	(110,653	-	-
Access to Justice Foundation - Improving Lives Through Advice	-	108,383	(108,383)	-	-
Grant for the welfare rights advice service and Universal Credit advice project	-	108,130	(108,130)	-	-
The Legal Education Foundation - Strengthening social security	-	95,658	(95,658)	-	-
The Legal Education Foundation - Justice First Fellow	-	59,209	(59,209)	-	-
Cost of the School Day project in England	-	47,711	(47,711)	-	-
Impact on Urban Health - Envisioning a child poverty strategy	-	46,216	(46,216)	-	-
abrdn Financial Fairness Trust	-	41,864	(41,864)	-	-
The Big Give Anchor Match Fund Appeal donations and grants for our expert welfare rights advice service.	-	35,547	(35,547)	-	-
University of York - Social security UK: devolution, families, and alternative futures	-	27,473	(27,473)	-	-
University of York – Making change happen: Changing Realities	-	24,788	(24,788)	-	-
Digital Freedom Fund	-	20,696	(20,696)	-	-
Trussell - Income maximisation and cash first support package in Scotland	-	20,070	(20,070)	-	-
Trussell - Ending the need for foodbanks: operational improvement of the Scottish Welfare Fund Crisis	-	17,939	(17,939)	-	-

	At start of the year £	Income & unrealised gains £	Expenditure & unrealised losses £	Transfers £	At end of the year £
Grant towards policy work and advice service in Scotland	-	15,000	(15,000)	-	-
Donation towards our legal test case work	-	15,000	(15,000)	-	-
Donations for CPAG's work in Scotland	-	10,793	(10,793)	-	-
University of York – Benefit changes and larger families	-	10,000	(10,000)	-	-
University of York - Family finances: what difference does cash support for children make?	-	9,606	(9,606)	-	-
The Clothworkers Foundation	-	4,700	(4,700)	-	-
The Big Give Champions for Children 2023 by The Childhood Trust	-	1,853	(1,853)	-	-
Joseph Rowntree Foundation - Getting the Child Poverty Strategy Right	-	697	(697)	-	-
Total restricted funds	-	2,421,675	(2,421,675)	-	-
Designated funds					
Tangible fixed assets	1,584,342	-	(90,349)	-	1,493,993
Operational Working Capital	1,148,532	-	-	(97,074)	1,051,458
Development fund	401,367	-	(183,551)	330,000	547,816
Impact Fund	170,000	-	(102,158)	220,000	287,842
Total designated funds	3,304,241	-	(376,058)	452,926	3,381,109
General funds	1,532,821	3,217,530	(2,793,323)	(452,926)	1,504,102
Total unrestricted funds	4,837,062	3,217,530	(3,169,381)	-	4,885,211
Total funds	**4,837,062**	**5,639,205**	**(5,591,056)**	**-**	**4,885,211**

Prior year

	At start of the year £	Income & unrealised gains £	Expenditure & unrealised losses £	Transfers £	At end of the year £
Restricted funds					
Scottish government – second tier welfare rights service	-	732,000	(732,000)	-	-
Trussell– food bank income maximisation service	-	186,935	(186,935)	-	-
The Legal Education Foundation – Access to Justice in Social Security		183,841	(183,841)	-	-
Scottish government – Cost of the School Day Project	-	152,478	(152,478)	-	-
Barclays Bank – Your Work Your Way	-	139,662	(139,662)	-	-
Scottish government through a CYPFEIF and ALEC Fund grant for the Early Warning System	-	139,650	(139,650)	-	-
Grant for the welfare rights advice service	-	116,592	(116,592)	-	-
Grant for brighter futures in education work	-	91,921	(91,921)	-	-
Trust for London	-	70,020	(70,020)	-	-
National Lottery Community Fund and the Waterloo Foundation – Cost of the School Day Wales	-	67,943	(67,943)	-	-
abrdn Financial Fairness Trust	-	66,462	(66,462)	-	-
City Bridge Trust	-	58,050	(58,050)	-	-
The Robertson Trust	-	35,529	(35,529)	-	-
The Legal Education Foundation – strengthening social security	-	24,289	(24,289)	-	-
University of York – Changing Realities	-	22,766	(22,766)	-	-
The Clothworkers Foundation	-	20,300	(20,300)	-	-
Expanding Free School Meals in England	-	20,000	(20,000)	-	-
Trussell– income maximisation and cash first support package in Scotland	-	19,500	(19,500)	-	-
Cost of the School Day project in England	-	16,702	(16,702)	-	-
Digital Freedom Fund	-	15,595	(15,595)	-	-
National Lottery Community Fund – Young Leaders project	-	15,381	(15,381)	-	-
Deborah and Laurence Harris	-	15,000	(15,000)	-	-
Voluntary Action Orkney and Trussell	-	14,543	(14,543)	-	-
The Big Give Champions for Children 2023 by The Childhood Trust	-	12,032	(12,032)	-	-
Expert welfare rights advice service	-	10,655	(10,655)	-	-
Fusion 21 Foundation	-	10,002	(10,002)	-	-
Oxfam – State of the Nations Project	-	10,000	(10,000)	-	-

	At start of the year £	Income & unrealised gains £	Expenditure & unrealised losses £	Transfers £	At end of the year £
Oxfam – End Child Poverty in Scotland	-	5,000	(5,000)	-	-
University of York – Benefit Changes and Larger Families	-	5,376	(5,376)	-	-
University of York research development funding award – Changing Realities	-	4,996	(4,996)	-	-
TUUT Charitable Trust	-	3,413	(3,413)	-	-
Other grants	-	3,050	(3,050)	-	-
Action for Children	-	1,800	(1,800)	-	-
Oxfam – Inequalities Amplified project	-	1,000	(1,000)	-	-
The Legal Education Foundation – Justice First Fellow	-	791	(791)	-	-
Total restricted funds	-	2,293,273	(2,293,273)	-	-
Designated funds					
Tangible fixed assets	1,571,400	-	(88,476)	101,418	1,584,342
Operational Working Capital	901,129	-	-	247,403	1,148,532
Development fund	500,000	-	-	(98,633)	401,367
Investment fund	55,746	-	(55,746)	-	-
Fundraising investment	110,000	-	(110,000)	-	-
Impact Fund	170,000	-	-	-	170,000
Total designated funds	3,308,275	-	(254,222)	250,188	3,304,241
General funds	1,624,215	2,947,796	(2,789,002)	(250,188)	1,532,821
Total unrestricted funds	4,932,490	2,947,796	(3,043,224)	-	4,837,062
Total funds	**4,932,490**	**5,241,069**	**(5,336,497)**	**-**	**4,837,062**

Purposes of Restricted Funds

Scottish government – second tier welfare rights service	The grant supports CPAG's second-tier advice, information and training service, ensuring frontline agencies provide accurate, high quality and effective advice and information on UK and Scottish social security benefits for people both in and out of work.
National Lottery Community Fund and the Waterloo Foundation - Cost of the School Day Wales	Two-year grant from the National Lottery Community Fund and co-funding from the Waterloo Foundation towards our schools' practitioner, for our young people take over the Cost of the School Day: Every Voice Heard project. The project helps schools and local authorities to identify and overcome cost barriers to education, so that all pupils can have the same school experience.
Trussell - Food bank income maximisation service	Continuation grant to support Trussell's income maximisation service at food banks through a second-tier welfare rights advice service to benefits advisers funded by Trussell, helping to ensure individuals can access their full benefit entitlement.
Scottish Government – Cost of the School Day project	Third year of a four-year grant, as a national programme within the Scottish Attainment Challenge, towards salary and support costs of the project manager, information officer and participation worker, and project costs. The project provides more strategic leadership and support to more schools and local authorities on tackling cost barriers and maximising incomes; ensures policy and practice is informed by children and families on a low income, and children increasingly lead on the Cost of the School Day.
Scottish Government through a CYPFEIF and ALEC Fund grant	The Early Warning System collects and analyses evidence about the impact of changes in social security on children, their families and the communities that support them in Scotland.
National Lottery Community Fund - Young Leaders project	A three-year grant that aims to ensure: (i) children and young people in low-income households have a say, and are heard, on what matters to them when it comes to poverty and the school day in London, and (ii) the experiences and outcomes of young people growing up in poverty are placed at the heart of decision making in education.
The Robertson Trust	Two-year grant for a project to strengthen social security in Scotland. The project will make policy recommendations that provide greater financial security and stability for families currently on the edges of Scottish social security entitlement or who are excluded altogether.
Access to Justice Foundation - Improving Lives Through Advice	A five-year Improving Lives Through Advice (ILTA) grant from the Access to Justice Foundation, supported with funding from The National Lottery Community Fund, to support the delivery of free legal advice to marginalised people and communities across England.
Grant for the welfare rights advice service and Universal Credit advice project	Grant to CPAG's UK-wide benefits advice and specialist universal credit advice services, free to any frontline worker, volunteer or adviser helping people on low income.
The Legal Education Foundation - Strengthening social security	Three-year grant strengthening social security by evidencing problems and strengthening the sector with early legal challenges.
The Legal Education Foundation - Justice First Fellow	Two-year grant to host a Justice First Fellow.

Cost of the School Day project in England	Co-funding from the TUUT Charitable Trust and the National Education Union towards our education policy work in England, and breaking down financial barriers in schools.
Impact on Urban Health - Envisioning a child poverty strategy	A one-year grant to carry out research to understand what it would take to effectively deliver a cross-government child poverty strategy.
abrdn Financial Fairness Trust	Project to identify difficulties claimants face when migrated onto universal credit from legacy benefits and how they adjust after the move, and to share this with policy makers.
The Big Give Anchor Match Fund Appeal donations and other for our advice service	Donations and grants for our expert welfare rights advice service to support low-income families in England and Scotland.
University of York - Social security UK: devolution, families, and alternative Futures	Project on how social security is delivered and experienced by families with dependent children nationally, regionally and locally; and how social security and devolution can be utilised to address and ameliorate poverty and improve life chances. Funded by the Nuffield Foundation.
University of York - Making change happen: Changing Realities	Project to boost the opportunities for and involvement of Scottish parents and carers on low income in changing anti-poverty and social security policy. Funded by The Robertson Trust.
Digital Freedom Fund	Project on access to justice in the face of digitalisation of means tested welfare benefits in the UK.
Trussell - Income maximisation and cash first support package in Scotland	Second tier support for Trussell funded advisers, training and information for food bank staff and volunteers.
Trussell - Ending the need for foodbanks: operational improvement of the Scottish Welfare Fund Crisis	Funding to support operational improvement in the delivery of the Scottish welfare fund in three local authority areas.
Grant for policy work and advice service in Scotland.	A grant towards our policy work and advice service in Scotland.
Donation towards our legal test case work	Towards our legal test case work.
Donations to support CPAG's work in Scotland	Donations towards CPAG's work in Scotland.
University of York – Benefit changes and larger families	Project on how benefit changes affect larger families. Funded by The Nuffield Foundation.
University of York - Family finances: what difference does cash support for children make?	Project on the impact of a per-child cash transfer on lower-income parents and children. Funded by abrdn Financial Fairness Trust,
The Clothworkers Foundation	Grant for free digital access and updates to the Fuel Rights Handbook
The Big Give Champions for Children 2023 by The Childhood Trust	Big Give campaign including match funding from The Childhood Trust towards ensuring young Londoners have a say, and are heard, on what matters to them when it comes to poverty and the school day.

Joseph Rowntree Foundation - Getting the child poverty strategy right	A collaboration between IPPR, Changing Realities and CPAG to combine lived and learnt expertise to shape the UK government's child poverty strategy.

Purposes of Designated Funds

Tangible fixed assets reserves	Reserve relates to the net book value of tangible fixed assets at the end of the financial year.
Operational Working Capital reserve	Reserve relates to net value of debtors, stock, and trade creditors at the end of the financial year.
Development fund reserve	Reserve fund to support our strategy to increase the income of CPAG over the next three years.
Impact fund	Reserve designated to support our campaign strategy over the next three years.

15. Operating lease commitments

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

	Property		Equipment	
	2025 £	2024 £	2025 £	2024 £
Within 1 year	42,412	42,412	8,918	8,918
1 – 5 years	84,823	127,235	15,689	24,607
	127,235	169,647	24,607	33,525

The property lease is for the office of CPAG in Scotland.

16. Related party transactions

Other than the transactions with Trustees disclosed in note 3 and the remuneration of the key management personnel disclosed in note 5, there are no related party transactions requiring disclosure in these accounts.