

**Small  
Charities  
Coalition**

**SMALL CHARITIES COALITION**

(A company limited by guarantee)

**REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDING 31 MAY 2013**

**Charity No: 1122297**

**Company No: 06462220**

# **SMALL CHARITIES COALITION**

**FOR THE YEAR ENDING 31 MAY 2013**

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**SMALL CHARITIES COALITION**

**LEGAL AND ADMINISTRATIVE INFORMATION**

**FOR THE YEAR ENDING 31 MAY 2013**

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**Registered company number** 6462220

**Registered charity number** 1122297

**Registered office** 24 Stephenson Way  
London  
NW1 2DP

**Trustees**

Simon Hebditch, Chair  
Murtaza Jessa, Treasurer  
Caroline Diehl  
Debra Allcock Tyler  
D'Arcy Myers  
Henny Braund  
Richard Davidson  
Beverley Costa  
Mike Nussbaum  
Zoe Willems

**Company Secretary** BWB Secretarial Limited

**Chief Executive** Cath Lee (to 26/11/2012)  
Alex Swallow (from 26/11/2012)

**Bankers** CAF Bank, 25 Kings Hill Avenue, Kings Hill, West Malling, Kent, ME19 4TA

**Accountants** Kesaria & Co.  
Chartered Certified Accountants  
44 Chapman Crescent  
Kenton  
Harrow  
Middlesex  
HA3 0TE

# SMALL CHARITIES COALITION

## CHAIR'S OVERVIEW

### FOR THE YEAR ENDING 31 MAY 2013

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This has been a year both of development and consolidation for our charity.

Our membership has continued to grow steadily as more and more small charities hear of our work and are heartened to find that we are ready to support them in a demanding and changing world. Our members know that we expect them in turn to do their bit and help others like them to learn and grow.

Over time it feels like small charities, their needs and their importance to the life of this country are becoming part of a more mainstream consciousness, both in our sector and critically outside it. Working with a range of other supportive organisations, we need to keep pushing home the message that small charities make up 97% of the registered charity sector and the charitable organisations that are too small to be registered dwarf even this figure.

Some of the highlights of our year include:

- Continuing work with our partners- from teaming up with the Institute of Fundraising to run two small charity conferences in Liverpool and London at low cost for the participants, to joint authorship of a report into financial management in small charities with the Charity Finance Group.
- Our involvement in sector-wide initiatives- our Chief Executive was part of the core working group for the Dame Mary Marsh Review into skills and leadership in the sector, and sat on the ACEVO Governance Commission.
- The continuing development of our Trustee Speed-Recruitment programme, teaming up with organisations such as Grant Thornton to help small charities recruit high calibre Trustees.
- The continuing success of our core skills-matching programme which provides small charities with the help they need, when they need it, at absolutely no cost.

As a small charity ourselves we are able to be close to our members and remain credible to them. We work with a large number of volunteers: those who support small charities in our network and those who directly help us to operate, both by helping us in our office and by working remotely. We strive always to be collaborative and to signpost queries on to whichever organisation is best able to help. We don't believe we are the experts in every area, but with our knowledge of the needs of small charities and our networks within the sector and outside it we believe we are unique in the level of assistance we are able to provide small charities for free.

There are some tricky times ahead for small charities and we don't take the challenges ahead of us lightly. However we also know that small charities are needed more than ever: to help the vulnerable, to speak for the voiceless and to champion causes that others have forgotten about. We will give everything we've got to help them to continue to do so.

Simon Hebditch  
Chair of Trustees  
Small Charities Coalition

# SMALL CHARITIES COALITION

## TRUSTEES' REPORT

FOR THE YEAR ENDING 31 MAY 2013

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### Charitable activities in the past year

We used the first year of our strategic plan to drive our organisation forwards and support our members.

#### **Aim 1 - Build partnerships and collaborate with individuals, and supporter organisations to give access to the help and support small charities need to build and run resilient and responsive organisations.**

- In partnership with the Institute of Fundraising, we ran 'Corporate Fundraising in a Small Charity' full day workshops.
- We directly brokered affordable training opportunities by partnering with supporter organisation e.g. IBM, Institute of Fundraising and Charities Evaluation Services.
- We disseminated information via bulletins and member communications (estimated close to £50k worth of savings).
- We ran a 'Link Up & Learn' event for small charities, in Newcastle.
- We run a free service called *trusteefinder* where small charities can post trustee opportunities and potential Trustees can search. We get an average of 5000 searches a month.
- We ran a Trustee Speed Recruiting event with CharityWorks and with Grant Thornton and supported the Directory of Social Change at their Trustee Fair.
- Trustees' Week Open Space event: 45 trustees and governance experts that met to share ideas and discuss issues around governance, trusteeship and generally running a small charity.
- We continue to recruit volunteer supporters from all walks of life to help our members through the skills matching services – 64 in total for the period.

Jane Gillespie, from the British Institute in Eastern Africa:

*'We found an excellent Honorary Treasurer using the Trusteefinder service. We had a good selection of candidates with useful skills and experience and were able to find just the right person for us – someone with good business experience and skills as well as a strong interest in the work of our charity. The website was easy to use and I would happily recommend it to any charity'*

# SMALL CHARITIES COALITION

## TRUSTEES' REPORT (continued)

### FOR THE YEAR ENDING 31 MAY 2013

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#### Charitable activities in the past year

#### **Aim 2 - Increase the number of opportunities for small charities to help themselves by sharing their own skills, knowledge, learning and resources through peer support mechanisms/platforms**

- Skills Matching (including Trustee Matching)- we made 49 matches during this period- we estimate that at market rates, that would be about £24,500 of support.
- We facilitated Group Support (Action Learning Sets) for small charities.
- We continued to promote through our bulletin and host on our website; resources, guidance, information about other organisations and services (more often than not specific to small charities) that are useful and helpful for good governance and running organisations well.
- We supported Trustee Networks across the country.

Staff member from a charity member with £50,000 - £250,000 income:

*'This is an EXCELLENT bulletin - thank you! Really easy to read, packed with useful information, easy to navigate. I have no suggestions for improvement at this time, just a thank you for all your hard work!'*

#### **Aim 3 - Reach out to more small charities in the UK so that they have the help and support they need. We will work collaboratively and in partnership to achieve this.**

- Small Charity Week – we supported this annual Week in collaboration with a number of other charities.
- We were very active in Trustees Week 2012, which seems to be building year on year. Cath Lee spoke at two Government Departments. We took part in an online debate for the Guardian and championed the work of small charity trustees.
- We set up a 'Media Mentions' page on our website, both to track our press coverage and to allow small charities to learn more about the work that we carry out on their behalf.
- We have continued to improve our Social Media offering on Twitter and Facebook and our number of followers has grown rapidly. This allows us to spread the word about what we do, at low cost. We have also worked on SEO so that it is easier for small charities, our supporters and partners to find us online.

# SMALL CHARITIES COALITION

## TRUSTEES' REPORT (continued)

### FOR THE YEAR ENDING 31 MAY 2012

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#### Charitable activities in the past year

**Aim 4 - We will listen, respond and represent the needs of our members so that the world they operate in works to support them.**

- We held a Round Table event with Nick Hurd MP, Minister for Civil Society, with a group of our small charity members.
- Cath Lee spoke on BBC London about giving and small charities, alongside one of our members.
- We submitted a joint response with NAVCA and Community Matters, to Nick Hurd MP, in response to Lord Hodgson's recommendations from the Charities Act Review.
- In order to support our policy work, we brought in policy volunteers for the first time, to introduce new skills into our team.
- A lot of the best work we do in this area is to continually remind people of the fact that small charities exist and that they form such an integral part of the sector. Just talking about small charities at meetings, and indeed our own presence at meeting as a small charity, helps to broaden the debate.

#### Lessons learned

We are continuing to learn and grow as an organisation and we hope that our experiences help us to better support our members and to understand their needs.

There are two key things that we have learned in the past year:

- Small charities are facing a 'perfect storm' in which demand for their services is rising, (in response to central and local government cuts and the difficult economic situation facing many people in the country), and at the same time competition for funding is becoming ever more intense and charities are having to find more ways to bring in income. We are a service-led organisation, not a campaigning one, but we feel our voice is needed in the debate.
- We are very pleased that our members find our services useful and that our work to support small charities is so widely welcomed, encouraged and supported and that many people and organisations are interested in working with us. However, we remain a small charity ourselves and there is a limit to how much we can do without finding a way to increase our capacity.

If we are to develop as an organisation we know that we need to invest in ourselves in appropriate ways: for our staff to have good training; for our volunteers to continue to be supported properly; for our website to be updated and improved; for us to bring in outside expertise when required. We are used to keeping costs as low as possible and to getting as much free support as we can, but we need to bring in funds to make sure that when it really is important for us to invest, we do so.

# SMALL CHARITIES COALITION

## TRUSTEES' REPORT (continued)

### FOR THE YEAR ENDING 31 MAY 2013

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#### **Partnership work**

Our collaborative efforts have continued and been enhanced this year. We work with partners such as the Directory of Social Change, the Institute of Fundraising, Charity Evaluation Services, the Charity Commission and Charity Finance group and a wide range of other organisations that support charities.

We have deepened our corporate links with IBM and with Grant Thornton and work with a large range of suppliers to try to secure the best deal possible for our members. We are always willing to link outside the sector and we look forward to making more links in the future with anyone who cares about the issues that we do.

#### **Case study- Julie Harrington and Lorna Young Foundation in a skills match**

The match need was for fundraising/marketing. Julia supported two directors of the Lorna Young Foundation and their small team, to talk through the marketing of the foundation and clarify the core fundraising proposition of the charity. Julie found it *'...an excellent opportunity to get involved with the charity at a strategic level, to act as a soundboard for the directors about future growth plans and act as a kind of filter for ideas and strategy. I had no idea of the existence of the charity here in my home town and was delighted to learn all about LYF and its growing impact in the UK and overseas'*. Julia felt that the mentoring scheme that the Small Charities Coalition runs *'...is an excellent vehicle to be able to give back to the profession in a targeted way. Small charities are always resource limited and so saving them from going through a few of those hard knocks and expanding their resources with a bit of your time and your experience can be a great boost. But as a supporter, you also continue to learn'*.

#### **Case study- Robyn Peel running an Action learning set**

In 2012, as part of our Group Support service, we set up a series of Action Learning meetings for charity managers. The Action Learning sets focused on management issues and gave charity participants a chance to learn from the experience of others and find new ways of resolving problems in their own workplaces.

Robyn Peel, a trained coach, skilled facilitator and freelance consultant facilitated the meetings. We spoke to Robyn to find out why she was interested in taking part initially, this is what she said:

*'As someone with a background in charity management and currently a charity trustee I understand the challenges that many charities face. Many people work in small teams and are looking for different perspectives and ideas on their day-to-day challenges and concerns. The action learning process is a fantastic way for individuals to get clarity and input from supportive set members'*.

Amongst the participants were: Alexander Mclean from African Prisons Project, a charity which aims to provide dignity and hope for men, women and children in African prisons through education, healthcare, justice and reintegration; Alice Doyle from HemiHelp, the national charity providing information and support for children and families affected by hemiplegia; and Anne Jones from Merton and Sutton Mediation, a charity offering a community mediation service.

Alexander found:

*'It was a good opportunity to gain feedback on issues affecting me from others in a similar position to me. The support in relation to fundraising and managing staff was particularly helpful'*.

Alice found:



The small group format worked well, allowing everyone to get their voice heard.

Similarly, Anne felt:

'The continuity of those committed to all 3 meetings meant we built relationships of trust. As a result the Action Learning meetings created space to share experiences and receive support and ideas from people in similar situations'.

### **Funders and Supporters**

We are extremely grateful to all our funders and to those who support us with time and expertise. We wouldn't be able to make a difference to small charities and trustees without them.

29<sup>th</sup> May 1961 Trust  
Tudor Trust  
Esmee Fairbairn  
Grant Thornton  
Coutts Foundation

In addition our volunteers contributed an enormous amount of time and talent to our work, both through supporting our members and through directly helping us run our own charity.

### **How the Small Charities Coalition is run**

Type of governing document: Memorandum and articles of association incorporated 2<sup>nd</sup> January 2008

We have 9 Trustees. Our Board of trustees bring a broad mix of skill, experience and backgrounds. All have experience and knowledge of working with or in small charities and a deep understanding of the charity sector.

Trustee selection methods: One third of Trustees retire by rotation each year. Trustees are appointed or reappointed annually at the Annual Retirement Meeting.

# SMALL CHARITIES COALITION

## TRUSTEES' REPORT (continued)

### FOR THE YEAR ENDING 31 MAY 2013

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#### **Public Benefit**

The Small Charities Coalition's objects, as laid down in its Memorandum and Articles of Association are:

The promotion of small charities for the benefit of the public including but not limited to: liaising with small charities, other voluntary organisations, government agencies and other groups on relevant issues; providing training, conferences and seminars on subjects relevant to the efficacy of small charities; identifying needs of small charities and establishing projects or policies to address them; providing information to the press and the public in respect of small charities; providing services such as legal, accountancy and management advice services to small charities; providing advice and information on fundraising and volunteering for small charities; and acting as a representative of small charities in relation to government policies and legislation.

The advancement of education and research for the benefit of the public.

To do all such other things for the public benefit as may be charitable under the laws of England and Wales.

The Trustees confirm that in planning the Small Charities Coalition's activities they have given careful consideration to how the Small Charities Coalition has fulfilled its charitable objectives. The Trustees do not identify any potential detriment or harm arising from the activities of the Small Charities Coalition. The beneficiaries of the Small Charities Coalition are small charities and the Small Charities Coalition operates nationally. The Trustees give their time voluntarily and receive no financial remuneration from the Small Charities Coalition.

#### **The Board**

The Board meets four times a year. In addition we have two sub-committees. This allows for more detailed consideration of issues and enables us to play to the strengths of Board members. The sub-committees are able to make recommendations to the full Board.

Resources sub-committee: Responsible for regular review of the risk register, financial management and reporting, staffing and other resourcing issues.

Marketing sub-committee: Responsible for marketing planning and performance monitoring and an overview of fundraising and policy work.

#### **The staff team**

The staff team decreased slightly to 3.5 FTE in the second half of the year. Rather than having a paid accountant and fundraiser we used volunteers to help cover both roles.

#### **Volunteers:**

During this year we have had 10 office volunteers and a further 5 volunteers supporting us with specialist projects remotely.

#### **Financial Review**

The Charity had received grants and donations of £97,316, earned £10,964 for training and events and interest of £158 in the year to 31 May 2013. The total expenditure was £149,866 in the period. The charity had a planned deficit of £41,428 in the year.

# SMALL CHARITIES COALITION

## TRUSTEES' REPORT (continued)

### FOR THE YEAR ENDING 31 MAY 2013

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#### Reserves policy

The Trustees have examined the charity's requirements for reserves in light of the main risks to the organisation. Trustees are committed to generating sufficient reserves to support current organisational activities to meet the following requirements:

- Safeguard the charity's service commitment in the event of delays in receipt of grants or other income
- Providing a financial cushion against risk and future uncertainties
- Resourcing the research and development of services and initiatives

To this end, the Trustees have established a reserves policy that is reviewed annually to ensure that the appropriate levels of reserves are maintained. However, the Trustees are of the view that reserves should not be set too high, tying up funds which could and should be spent on charitable activities. In line with its duties as a service provider, the organisation aims to hold unrestricted reserves, excluding those tied up in tangible fixed assets, amounting to two months expenditure. This is to minimise any disruption to beneficiaries should a source of income cease. At today's prices this is just over £25000. The actual free reserves at the year end were £22,892. These reserves do not include amounts designated for income received where the corresponding expenditure will be incurred in the following year.

#### Future plans

Our focus will be on continuing our development as a sustainable organization, including taking steps to diversify our income, and continuing to drive forward the second year of our current strategic document. Specifically we plan to:

##### Aim 1

- Integrate events listings into e-bulletins
- Roll out group support model to regions, developing partnerships to deliver or support with us.
- Plan next stages of development Charity Commission information pages and other resource pages
- Encourage take up of one to one and group matching services amongst trustees and small charity members generally.
- Implement supporter recruitment strategy responding to identified member needs.
- Continue partnerships with CIOT and WCoMC around one to one and group skills matching and mentoring.
- Integrate trustee finder into SCC website and work with do-it.org to promote more widely and develop more robust ways of measuring the success and impact of trustee finder.
- Review partnership with Charity Buying Group and Utility Aid. Continue according to review findings.

##### Aim 2

- Implement plan for developing networks
- Consider a Small Charity Award
- Run 2 Link up and Learn events
- Run an event for Trustees Week
- Promote take up of peer to peer trustee and small charity support within the membership

##### Aim 3

- Increase membership by 800.
- Attend exhibitions to promote membership such as DSC Charity Fair, Small Charity Week, Trustee Exchange
- Work in collaboration with DSC over Trustees Fair

# SMALL CHARITIES COALITION

## TRUSTEES' REPORT (continued)

FOR THE YEAR ENDING 31 MAY 2013

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### Future plans

#### Aim 4

- Policy themes may change but continue to represent small charities point of view
- Continue to gather evidence and views to input into consultations/briefings
- Continue with policy 'overview' group.
- At least 2 conference speaking engagements
- Proactively seek to write features/blog entries for relevant publications
- Implement social marketing plan
- Proactively seek to write features/blog entries for relevant publications

### Statement of Trustees' responsibilities

The Trustees, as directors of the charitable company, are responsible for preparing the Trustees Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:


- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

So far as each of the directors is aware at the time the report is approved:

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

This report was approved by the Trustees on 20 January 2014 and signed on their behalf, by:

  
.....  
Murtaza Jessa  
Trustees

# SMALL CHARITIES COALITION

(A company limited by guarantee)

## INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF SMALL CHARITIES COALITION

FOR THE YEAR ENDED 31 MAY 2013

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I report on the accounts of the company for the year ended 31 May 2013 which are set out on pages 12 to 18.

### Respective responsibilities of trustees and examiner

The trustees (who are also the directors of the company for the purposes of company law) are responsible for the preparation of the accounts. The trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed.

Having satisfied myself that the charity is not subject to audit under company law and is eligible for independent examination, it is my responsibility to:

- examine the accounts under section 145 of the 2011 Act;
- follow the procedures laid down in the general Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act; and
- state whether particular matters have come to my attention.

### Basis of independent examiner's report

My examination was carried out in accordance with the general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently no opinion is given as to whether the accounts present a "true and fair view" and the report is limited to those matters set out in the statement below.

### Independent examiner's statement

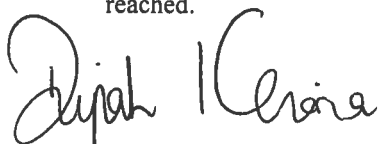
In connection with my examination, no matter has come to my attention:

1 which gives me reasonable cause to believe that, in any material respect, the requirements:

- to keep accounting records in accordance with section 386 of the Companies Act 2006; and
- to prepare accounts which accord with the accounting records, comply with the accounting requirements of section 396 of the Companies Act 2006 and with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charities

have not been met; or

2 to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.



**Dipak Kesaria**  
**Kesaria & Co.**  
**Chartered Certified Accountants**

**44 Chapman Crescent**  
**Kenton**  
**Harrow**  
**Middlesex**  
**HA3 0TE**

# SMALL CHARITIES COALITION

## STATEMENT OF FINANCIAL ACTIVITIES (Incorporating income and expenditure account)

FOR THE YEAR ENDED 31 MAY 2013

	Note	Unrestricted Funds 2013 £	Total Funds 2013 £	Total Funds 2012 £
<b>INCOMING RESOURCES</b>				
<i>Incoming resources from generated funds</i>				
Voluntary income and grant funding	2	97,316	97,316	167,720
Investment income	3	158	158	188
Transfer from Charities Trustee Network		-	-	-
<i>Incoming resources from charitable activities</i>				
Training and events		10,964	10,964	2,475
<b>TOTAL INCOMING RESOURCES</b>		<b>108,438</b>	<b>108,438</b>	<b>170,383</b>
<b>RESOURCES EXPENDED</b>				
Costs of generating funds	4	2,210	2,210	3,228
Charitable activities	5	143,930	143,930	173,427
Governance	6	3,726	3,726	3,483
<b>TOTAL RESOURCES EXPENDED</b>		<b>149,866</b>	<b>149,866</b>	<b>180,138</b>
<b>MOVEMENT IN TOTAL FUNDS FOR THE YEAR -</b>				
Net (expenditure)/income for the year		(41,428)	(41,428)	(9,755)
Total funds brought forward		114,724	114,724	124,479
<b>TOTAL FUNDS CARRIED FORWARD</b>		<b>£73,296</b>	<b>£73,296</b>	<b>£114,724</b>

The statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 14 to 18 form part of these financial statements.

**SMALL CHARITIES COALITION**

**BALANCE SHEET**


**AS AT 31 MAY 2013**

	Notes	2013		2012	
		£	£	£	£
<b>FIXED ASSETS</b>					
Tangible fixed assets	10		-		-
<b>CURRENT ASSETS</b>					
Debtors	11	713		-	
Cash at bank		78,994		118,698	
		<u>79,707</u>		<u>118,698</u>	
<b>CREDITORS: Amounts falling due within one year</b>	12	<u>6,411</u>		<u>3,974</u>	
			73,296		114,724
<b>NET ASSETS</b>	13		<u>£73,296</u>		<u>£114,724</u>
<b>CHARITY FUNDS</b>					
Designated funds			50,404		80,379
Unrestricted funds – General funds			22,892		34,345
<b>TOTAL FUNDS</b>			<u>£73,296</u>		<u>£114,724</u>

The Company is exempt from the requirements relating to preparing audited accounts in accordance with Section 477 of the Companies Act 2006. The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of accounts. These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

The financial statements were approved by the Trustees and authorised for issue on 20 January 2014 and signed on their behalf, by:

  
 .....  
 Murtaza Jessa  
 Trustees

The notes on pages 14 to 18 form part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS**

FOR THE YEAR ENDED 31 MAY 2013

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**1. ACCOUNTING POLICIES**

**1.1 Basis of preparation of financial statements**

The financial statements have been prepared under the historical cost convention, and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2007). The financial statements have been prepared in accordance with the Statement of Recommended Practice (SORP), "Accounting and Reporting by Charities" published in March 2005, applicable accounting standards and the Companies Act 1985.

**1.2 Company status**

The charity is a company limited by guarantee. The members of the company are the trustees named on page 1. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity.

**1.3 Fund accounting**

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the company and which have not been designated for other purposes.

Investment income, gains and losses are allocated to the appropriate fund.

**1.4 Incoming resources**

All incoming resources are included in the Statement of financial activities when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy.

**1.5 Resources expended**

All expenditure is accounted for on an accruals basis and has been included under expense categories that aggregate all costs for allocation to activities. Where costs cannot be directly attributed to particular activities they have been allocated on a basis consistent with the use of the resources.

Fundraising costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities. Support costs are those costs incurred directly in support of expenditure on the objects of the charity and include project management. Governance costs are those incurred in connection with administration of the charity and compliance with constitutional and statutory requirements.

**1.6 Tangible fixed assets and depreciation**

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Furniture and fixtures	- 33⅓% straight line
Office equipment	- 33⅓% straight line

**1.7 VAT**

The charity is not registered for VAT. In common with many other charities, the Small Charities Coalition expenses are inflated by VAT, which cannot be recovered.



SMALL CHARITIES COALITION

**NOTES TO THE FINANCIAL STATEMENTS (continued)**

FOR THE YEAR ENDED 31 MAY 2013

2. INCOME RESOURCES FROM VOLUNTARY INCOME AND GRANT FUNDING		<b>Total Funds 2013 £</b>	<b>Total Funds 2012 £</b>		
IBM		-	6,500		
Santander		-	21,900		
Sobell		-	-		
26 May 1961 Trust		10,000	10,000		
Tudor Trust		30,000	50,000		
Esmée Fairbairn		50,000	50,000		
Grant Thornton		5,000	-		
Wates Foundation		-	9,000		
Garfield Weston		-	10,000		
Inman Charitable Trust		-	3,500		
Coutts Foundation		500	500		
Donald Forrester		-	5,000		
Other donations		1,816	1,320		
		<u>£97,316</u>	<u>£167,720</u>		
Voluntary income and grant funding costs		<u>£97,316</u>	<u>£167,720</u>		
3. INVESTMENT INCOME	<b>Unrestricted Funds 2013 £</b>	<b>Total Funds 2013 £</b>	<b>Total Funds 2012 £</b>		
Interest income	£158	£158	£188		
	<u>£158</u>	<u>£158</u>	<u>£188</u>		
4. COSTS OF GENERATING FUNDS	<b>Unrestricted Funds 2013</b>	<b>Total Funds 2013</b>	<b>Total Funds 2012</b>		
Staff and consultant costs	1,636	1,636	2,603		
Support costs	574	574	625		
Other costs	-	-	-		
	<u>£2,210</u>	<u>£2,210</u>	<u>£3,228</u>		
5. CHARITABLE ACTIVITY COSTS	<b>Direct Salary costs £</b>	<b>Other Direct costs £</b>	<b>Support Costs £</b>	<b>Total 2013 £</b>	<b>Total 2012 £</b>
Resource and skill sharing	£120,809	£7,867	£15,254	£143,930	£180,138
	<u>£120,809</u>	<u>£7,867</u>	<u>£15,254</u>	<u>£143,930</u>	<u>£180,138</u>

**NOTES TO THE FINANCIAL STATEMENTS (continued)**

FOR THE YEAR ENDED 31 MAY 2013

<b>6. GOVERNANCE</b>	<b>Unrestricted Funds 2013 £</b>	<b>Total Funds 2013 £</b>	<b>Total Funds 2012 £</b>
Staff costs and accountancy	2,555	2,555	1,082
Trustees expenses	97	97	392
Support costs	574	574	625
Independent Examiners Fees	500	500	500
Legal costs	-	-	884
	<u>£3,726</u>	<u>£3,726</u>	<u>£3,483</u>

**7. SUPPORT COSTS SUMMARY BY ACTIVITY**

	<b>Charitable Activities £</b>	<b>Cost of Generating Funds £</b>	<b>Governance £</b>	<b>Total 2013 £</b>	<b>Total 2012 £</b>
Rent	13,784	518	518	14,820	14,820
Telephone	1,587	60	60	1,707	1,707
Insurance	369	14	14	397	397
Bank charges	78	3	3	84	84
Payroll administration	-	-	-	-	-
Depreciation	793	30	30	853	853
Total support costs	<u>£16,611</u>	<u>£625</u>	<u>£625</u>	<u>£17,861</u>	<u>£17,861</u>

Support costs have been allocated as above based on the proportion of staff time spent on each activity.

<b>8. NET (EXPENDITURE)/INCOME</b>	<b>2013 £</b>	<b>2012 £</b>
This is stated after charging:		
Depreciation of tangible fixed assets: owned by the charity	-	854
Accountants fees	500	500
	<u>500</u>	<u>500</u>

During the year, no Trustees received any remuneration or benefits.

3 Trustees received reimbursement of travel and subsistence expenses amounting to £97.

<b>9. STAFF COSTS AND NUMBERS</b>	<b>2013 £</b>	<b>2012 £</b>
Staff costs were as follows:		
Wages and salaries	113,093	121,904
Social security costs	10,989	11,053
	<u>£124,082</u>	<u>£132,957</u>

The average number of full time equivalent employees during the year was as follows:

	<b>Number</b>	<b>Number</b>
Direct Charitable Activities	3.5	3.5
Support and governance	0.5	0.5
Fundraising	-	-
	<u>4.0</u>	<u>4.0</u>

None of the employees received emoluments amounting to over £60,000 during the year.

**NOTES TO THE FINANCIAL STATEMENTS (continued)**

FOR THE YEAR ENDED 31 MAY 2013

**10. TANGIBLE FIXED ASSETS**

	Furniture, fittings and equipment £	Total £
<b>Cost</b>		
At 1 June 2012 and 31 May 2013	2,918	2,918
<b>Depreciation</b>		
At 1 June 2012	2,918	2,064
Charge for the year	-	854
At 31 May 2013	2,918	2,918
<b>Net Book Value</b>		
At 31 May 2013	£ -	£ -
At 31 May 2012	£-	£854

**11. DEBTORS**

	2013 £	2012 £
<b>Due within one year</b>		
Trade debtors	113	-
Prepayments	600	-
	713	-

**12. CREDITORS: amounts falling due within one year**

	2013 £	2012 £
Trade creditors	2,787	1,068
Social security and other taxes	2,819	2,906
Other creditors	67	-
Accruals	738	-
	£6,411	£3,974

**13. STATEMENT OF FUNDS**

	Balance brought forward £	Incoming Resources £	Resources Expended £	Balance carried forward £
Grants in advance	80,379	95,000	(124,975)	50,404
Charities Trustee Network	-	-	-	-
<b>DESIGNATED FUNDS</b>	£80,379	£95,000	£(124,975)	£50,404
<b>UNRESTRICTED GENERAL FUNDS</b>	£34,345	£13,438	£(24,891)	£22,892

The amount designated for grants in advance represents a proportion of grants received in the year ended 31 May 2013 whereby the related costs will be incurred in 2013/2014.

SMALL CHARITIES COALITION

*NOTES TO THE FINANCIAL STATEMENTS (continued)*

FOR THE YEAR ENDED 31 MAY 2013

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14. ANALYSIS OF NET ASSETS BETWEEN FUNDS	Designated Funds 2013 £	General Funds 2013 £	Total Funds 2013 £
Current assets	50,404	29,303	79,707
Creditors due within one year	-	(6,411)	(6,411)
	<u>£50,404</u>	<u>£22,892</u>	<u>£73,296</u>

16. RELATED PARTY TRANSACTIONS

During the year Small Charities Coalition offices were based at Directory of Social Change and paid rent of £13,000. Debra Allcock Tyler, a Trustee of Small Charities Coalition, is the Chief Executive of Directory of Social Change. Debra did not receive any personal benefit from this rental agreement and was not involved in any negotiations of the rental terms. The rent paid is below market rent for similar offices.