

THE SHEILA McKECHNIE FOUNDATION

Charity Registration in England and Wales No. 1108210
Scotland Registration No. SC044207

Company Registration No. (England and Wales) 05331412

(A COMPANY LIMITED BY GUARANTEE)

AUDITED TRUSTEES' REPORT AND ACCOUNTS

FOR THE YEAR ENDED 31 MARCH 2023

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THE SHEILA McKECHNIE FOUNDATION

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Peter Moorey (Chair) Stuart Davis (Treasurer) Cecilie Hestbaek Rhea Stevens (resigned 17 March 2023) Bushra Ahmed (resigned 23 May 2023) Kimberly Garande (Vice Chair) Patrick Steen Zainab Ali Khan Deborah Doane Richard Lane
Registered Address	Crown Chambers Bridge Street Salisbury SP1 2LZ
Auditor	Fletcher & Partners Crown Chambers Bridge Street Salisbury SP1 2LZ
Bankers	Unity Trust Bank Nine Brindleyplace Birmingham B1 2HB

AUDITED TRUSTEES REPORT AND ACCOUNTS FOR FINANCIAL YEAR APRIL 2022 TO MARCH 2023

THE SHEILA MCKECHNIE FOUNDATION (SMK)

This trustees' report includes the directors' report as required by company law.

Introduction

SMK's mission is to unleash civil society's power to drive positive change, by building knowledge on how change happens, by building civil society's confidence and effectiveness in pursuing change, and by championing campaigners and campaigning wherever they are found.

We are passionate, single-minded, and tenacious. We think like campaigners: we analyse problems, find ways to overcome them, and bring people with us.

We use our independence to stand up against those who put barriers and constraints in the way.

Social justice drives our approach, and we are committed to using our own power to create greater equity. We work right across civil society, from those campaigning from their front rooms to those in the offices of global organisations.

Campaigners need someone to support and campaign for them too. And that's SMK.

Objectives of the charity

To promote the efficiency and effectiveness of charities and the effective application of resources for charitable purposes for the benefit of the public by raising the standard of, and promoting excellence in, campaigning on behalf of charitable purposes in particular by:

Recognising individuals who have conducted effective and lawful campaigns that further charitable purposes

Raising awareness of good practice in campaigning

Providing information and guidance to people who are campaigning in furtherance of charitable objectives

Public benefit statement

In setting our objectives and planning our objectives our Trustees have given careful consideration to the Charity Commission's general guidance on public benefit and in particular to its supplementary public benefit guidance on advancing citizenship and community development.

Activities and Review

2022/23 has been a year of growth for SMK, both in terms of its scale, and its impact. Income was 3.1% lower than forecast at £640,932, and we finished the year with a headcount of 11 people, up from 8 in the previous year.

The following review summarises SMK's activities over 2022/23 under the three headings: from our 2022 strategy review: Capacity Building, Championing Campaigners, and Think Tank activities.

1. Capacity building

We strengthen our sector by developing its knowledge, skills and confidence in campaigning and social change. We do this by providing resources and supporting people and organisations directly through our training and consultancy services.

Our training and consultancy operation has recovered strongly since the pandemic, generating total income of £149k across the year.

Training

In 2022/23 we trained around 320 people through our three current training offers, the Campaign Carousel programme, our one-off workshop series and our new Deep Dive workshops. Participants come from a wide range of charities ranging from activists in grassroots groups such as Mums for Lungs and End our Cladding Scandal, to paid campaigners in organisations like Scope and Amnesty International. A Carousel rider identified how the programme had helped them develop, saying *'I have gained campaigning skills and knowledge that I didn't have previously...'* Since July 2022, 95% of Carousel participants have told us (as part of evaluation surveys) that their *confidence in their ability to campaign effectively* has increased, with 45% saying it had increase either "dramatically" or "a lot". In addition, almost 90% of participants have said that their *skills and tools to campaign effectively* have increased, whilst over 70% of participants have identified increased networks and links with other campaigners.

We have continued to invest in our training offer, expanding and diversifying our pool of Associates and partner organisations who deliver the training, updating a number of Carousel workshops to ensure we keep pace with cutting edge practice, and adding value to the Carousel experience with additional networking and briefing events.

SMK's training offer has developed well over 2022/23, with strong demand, and significant expansion and development of the training we provide. However, we are acutely conscious that because we receive no funding for our capacity building work it is all on a fee-paying basis, and that is a barrier to individual campaigners and smaller grassroots organisations accessing it. This is a real problem for changemakers with a lack of good quality, publicly available guidance on broad spectrum campaigning.

Our strategy is to find ways to fund making all of the knowledge and tools sitting behind our training available online for free. We're delighted to have just secured a small grant from Wikimedia Foundation to run a pilot knowledge equity project, and we will be working in partnership with them over 2023 to develop the three introductory courses on the Campaign Carousel into a package of online content. Our ambition is to build on this foundation, and what we learn from the project, with a significant expansion of the free resources we provide.

Commissioned training & Consultancy

We saw demand for in-house training and consultancy recover strongly during 2022 from a low during the pandemic, although it remains variable.

During the year SMK has provided in-house training for clients including Sheffield Young Carers, the Centre for Ageing Better and Barrow Cadbury Trust. We also supported two organisations with longer training programmes. We were commissioned to develop a year-long 2023 training programme for Rosa UK's 'Voices from the Frontline' fund grantees comprising 40 organisations across the women and girls' sector. We were also invited to re-run a 4-part training programme for additional staff at the Institute of Physics.

Our CEO, Sue Tibballs has facilitated strategic conversations on social change for organisations including the Trussell Trust and London Funders. SMK has also worked with organisations including Children England, Cycling UK and Which? to help them tackle specific challenges within their campaigning activity, and develop their campaigning strategy.

There are a couple of trends we have observed through our work with clients. The first is that our help has been sought by two organisations – including the Trussell Trust and the Wildlife Trusts – who are actively moving towards a decentralised community organising model. This approach is gaining traction amongst a range of established organisations across the charitable sector.

Other organisations, including Rosa UK and the Consumer Council for Water, are actively embedding a campaigning mindset in settings that were previously focussed on service provision.

We also continue to see a lack of confidence, particularly at governance level, about the legitimacy of charity campaigning, and what 'political activity' is permitted. Partly this is a function of a lack of understanding about what the law says and how the sector is regulated, but it is also driven by narrowing civic space within the UK, and deliberate attempts to de-legitimise charity campaigning.

2. Championing campaigners

We stand up for civil society's role and value, defending civic space and the right to campaign. We celebrate the very best campaigns and campaigners each year at the SMK National Campaigner Awards.

Defending UK civic space

For more than ten years, civil society in the UK has faced a series of threats to the 'civic space' in which it operates – the legal, political, and institutional environment in which it exercises its fundamental rights to help shape society, contributes to democratic debate, holds government to account, and helps build our common culture.

In 2022 with the support of five foundations, including the Funders Initiative for Civil Society (FICS) and Barings Foundation, SMK set up a new research programme in partnership with Civil Exchange, to consider the nature of these threats, what strategies civil society could deploy to protect civic space, and how funders might contribute.

Since October 2022 when we reported back to our funders, we've been sharing and discussing the results with a range of audiences. For example, in January we hosted a high-level strategy meeting with several civil society organisations already involved in civic space, including ACEVO, Bond, FoE, NCVO, Save the Children, SMK, Stop Funding Hate, Unlock Democracy, and Quakers, to map where each wanted to direct their resources. In early November, SMK ran a breakout session at the Association of Charitable Funders annual conference. And we have been exploring, with support from Global Dialogue and FICS, how SMK might help co-ordinate future action and attract more funders to the protection of UK civic space.

We've also been working to raise awareness amongst wider civil society of the issues. In September, we presented our headline findings to the E-Campaigning Forum (ECF) Annual Conference. And we shared our results at the Democracy Network Annual Conference in December. In March 2023, FICS confirmed a grant of £19,078 to develop and promote a version of the report for a wider audience which we hope to publish in Summer 2023.

SMK Annual Campaigner Survey

Our Annual Campaigner Survey continues to provide the social sector with evidence and insight and is regularly quoted by other organisations. The headline findings of our seventh annual survey centred around civic space, namely that 94% of campaigners said there were threats to the freedom to organise, to contribute to public debate, and to influence political decisions or protest. The same proportion agreed that negative rhetoric from politicians towards campaigners was threatening civic space.

This year, our survey was released in conjunction with the latest CIVICUS Monitor report, which downgraded UK civic space from 'narrowed' to 'obstructed'. We worked closely with CIVICUS, Bond and Liberty on communications and influencing, which resulted in our best ever year for national press coverage. We

secured an exclusive in the Times and were the second most read story in the Guardian on the day of release.

Alongside this, the survey was covered in Civil Society News, Third Sector, the Big Issue, UK Finance, Charity Times, TFN Scotland and Politics.co.uk. Sue also appeared live on Talk TV to do an interview on the survey results and the UK being downgraded.

Charity Reform Group (CRG)

CRG (previously known as ARCS) is the initiative we started late in 2021, that convenes Chief Executives of national charities with a commitment to reform. It's becoming a real asset to SMK and complements our civic space work. 2022 was our pilot year and we focused on charity leaders' profile in the national conversation. During the year we conducted a listening exercise with senior leaders from other sectors, to better understand perceptions of charity leaders. CRG's inaugural report *'Speak up, we need you. Why charity CEOs need to be part of the national conversation.'* was published in February 2023. It found that senior leaders in other sectors overwhelmingly support charity CEOs speaking out about the big issues of the day.

The report attracted extensive coverage in the sector press, and gave rise to a series of blogs with Civil Society News, looking into some of its themes in more depth. Sue Tibballs was invited to host a panel at Trustee Exchange exploring the issues ranged, which has led to a new research partnership with Trustee & Governance magazine seeking to better understand how trustees currently understand the role and legitimacy of charity campaigning.

SMK has now embarked on phase 2 of the CRG programme continuing to explore charities role in reform, and how Chief Executives of big national charities can lead by example. CRG has an expanded membership, and a partnership with the Conduit Club to host meetings. Support from the Paul Hamlyn Foundation will help us to share CRG's learning with the wider sector and will also cover the membership fees for leaders of smaller charity members. Otherwise, the costs of CRG are paid for by its members, and we hope it will become an on-going source of income for SMK.

Senior Campaigners' Network

This network of around a dozen people with senior responsibility for campaigning meets a few times a year. Initially connected to the Reforming Civil Society (ARCS) Group, it is now independent and self-directed.

Social Power Scotland

Between April and September 2022, we ran the second half of Social Power Scotland – a pilot network for change-makers in Scotland, supported by the Corra Foundation. The key ambition was to explore whether there is value in creating a new space for change-makers to come together to pool knowledge, ideas and resources that could strengthen their ability to drive change – individually and collectively. The final three of six online discussions were held, followed by wrap

up events in September 2022 (one online and one in Edinburgh) to explore how a more permanent network might work. We also conducted a complementary survey in December. The full results and end of pilot report was sent to Corra in early February 2023.

SMK National Campaigner Awards 2022

SMK's founding activity was to establish an annual awards ceremony that could celebrate campaigners and change-makers, and this remains a central plank of our work today. From modest beginnings, the SMK National Campaigner Awards have grown to be an important and much-loved fixture in the diaries of those passionate about change.

In 2022 we launched a new partnership with Tortoise Media who hosted the awards and ran a series of communications activities around them. This helped to raise the Awards profile (it was covered by the BBC, Guardian and Evening Standard amongst others), grow the audience for the awards, and allowed us to return to a partly live event with more than 500 people joining the celebrations live.

We are also grateful to our expanding pool of Awards sponsors. For the second year running Bates Wells, the leading legal advisers to civil society, supported the Awards as lead sponsor. They are joined as sponsors by Changing Ideas, Lloyd's Bank Foundation, John Ellerman Foundation, The Blagrove Trust, Frederick Mulder Foundation, WHICH?, and Joseph Rowntree Reform Trust.

3. Think Tank activity

Making social change happen is always complex, often messy and rarely, if ever, easy. The world around us is constantly changing. Tools and tactics evolve. Attitudes in society and in our own organisations change. We bring together change-makers from all parts of civil society and create spaces where we can explore change-making together. We listen and share our evolving understanding of social change, as well as our unique tools, freely.

The Power Project

This year saw the culmination of the first phase of the Power Sharing Project, our inquiry into what would it look like if civil society in London was better at sharing power in pursuit of social change. Working closely with the project's 'Core Learning Group', a diverse group with a mix of lived and professional experience of poverty and inequality, we developed a range of practical tools and insights to support charities and other formal social sector organisations to develop a more nuanced understanding of power and participation. These tools were tested with our wider Community of Practice through participatory workshops, before launching our publication, *It's All About Power*, with accompanying digital resources, in March 2022.

Thanks to a further grant from Trust for London, SMK moved into the next phase of the Power Project in 2022-23, calling for a new way of thinking about power in the sector and encouraging strategic action to build greater solidarity in social

change. Our aim for this second phase of the project has been to share insights from the project and guide widely, in order to support a greater awareness of power among social sector professionals. We've been doing this through a combination of training provision, networking, blogs, articles and events.

The project also attracted attention from Oak Foundation, who granted SMK £1m over five years to run a capacity building programme for their UK housing and homelessness grantees. This programme aims to strengthen partners' capacity to work in greater solidarity with people with first-hand experience of housing insecurity, and homelessness, both in their services and campaigns. Engagement in the programme has been positive, with 81 individuals engaging to some extent in the first year. Organisations represented include larger civil society actors such as Shelter and the Welsh Refugee Council, to smaller organisations such as Good Shepherd in Wolverhampton, Housing Rights Northern Ireland and South of Scotland Community Housing.

Another key objective has been to reflect on what our insights about power, participation and solidarity in social change mean for us as an organisation, both in terms of our internal structures, processes and culture and in our offer for campaigners and the sector. During this time we have been challenged by two people who were closely involved in the first phase of the Power Project to think carefully about some complex issues around who 'owns' knowledge produced collaboratively between organisations and the people they work with, who may bring first-hand experience of social issues, and what opportunities exist for people with first-hand experience to help us deliver our work. These have been complex and time-consuming issues to consider, which tap into much bigger questions of professionalism, accountabilities, and responsible risk management for charitable sector organisations. We intend to publish our learning on these in 2023.

Organisational Infrastructure

New premises

SMK accepted an offer of free office space from Shelter. Their five-story building at Old Street, London EC1, is much better suited to the blended working patterns that have been established by the pandemic.

The move created a significant amount of work, particularly around our IT (including procurement and setup of laptops and peripherals, plus cybersecurity), updating policies, and the physical clear out of our existing space.

We've now arrived at a situation where hybrid working has bedded in, with supportive HR and IT policies, and flexible office space courtesy of Shelter to whom we are grateful.

Comms, brand and marketing

SMK continues to develop and push its visual identity in new ways across all channels, platforms, events and programme areas in house. In partnership with

Brand Ethos, we have established a strong visual identity for the Power Project this year that has been incorporated across all of our channels.

The marketing team have been working closely with the training and consultancy team to develop more effective user driven content for the marketing of the training offer at SMK. This has included planning in, creating and disseminating refreshed content that includes participant blogs, quotes, data and video stories.

Refreshed training offer and Campaign Carousel product designs for the website are being designed with Brand Ethos to launch in summer 2023. We continue to use new ways to showcase riders' feedback and reviews to make the content more driven by our users. We will also bring some of the training tools content to life, such as the Social Change Grid and the 12 Habits of Successful Campaigners content.

A new social media strategy has been developed with an action plan for launch in the next financial year. Alongside this, we are developing ways to look more broadly at how we can diversify our marketing, seek best practice and trends, and establish new channels. The first two quarters of next year will be a discovery and research phase leading to a draft marketing plan in the Autumn 2023.

Website

The first and second phase reports of the website accessibility audit with Pilao Labs has now been delivered, and SMK's website developer updated the backend with suggested fixes from the report. Further technical fixes are planned in the next financial year. More work to implement the guidance in the second phase accessibility report will continue into the next financial year, including the launch of the website accessibility statement.

Salesforce

Salesforce implementation is on-going, with a particular focus on data management. New staff have had training and two half day data cleaning sessions with the full team have taken place.

A new Salesforce action plan has been agreed for this financial year, with staff all allocated to areas that they will manage and lead on. It will be reviewed every three months.

Events programme

The *We are change-makers* events programme took place in September with an in-conversation with Jon Alexander and Irenie Ekkeshis co-founders of the New Citizenship Project. The programme has now been put on hold whilst we seek new opportunities and partnerships of which Tortoise media is one.

In the meantime, a programme of artists interviews launched in September 2022, released as blogs, on arts and social change. So far interviews have taken place with visual activist Aida Silvestri and producer for Counterpoint Arts Tom Green. These interviews aim to create new content streams and reach new audiences for SMK.

Staff changes

This year SMK has increased in size, and we now have a core team of six full-time staff and five part-time staff all on permanent contracts. Over the summer of 2022 we have made three appointments: Kathleen Christie as our new Head of Programmes (F/T); Shaan Sangha as our new Learning Manager (F/T) and Lorna Massey as Operations & Systems Manager (3 days p/w).

Other core members of the team are Sue Tibballs, CEO (F/T); Rob Abercrombie, Deputy CEO (3 days p/w); Chloe Hardy, Director of Policy & Comms (4 days p/w); Sarah Thomas, Head of Power & Participation (4 days p/w); Emma Boyd, Head of Marketing & Comms (F/T); Megan Poyiadzis, Events & Programmes Manager 3 days p/w); Rummena Begum (Digital Marketing & Projects Officer F/T) and Seth Farsides Policy & Research Officer (F/T).

We also negotiated a secondment of the Director of Programmes and Evaluation from Wikimedia Trust UK, Daria Cybulska, who joined SMK for 2-days a week from January to June 2023. Daria is working mainly on the CRG initiative.

Financial Review

Total income for the year was £640,932 (£554,241 in 2021-22), a 16% increase compared with the previous year. We continued to receive income from a diverse range of sources. 24% of our income was restricted to funding specific projects. These funders and projects are listed in the accounts (Note 3).

Total expenditure amounted to £660,517 (£535,552 in 2021-22) a 23% increase compared with the previous year.

Funds at year-end were £60,927 (2021-22 £80,512).

Income was lower than budgeted largely because our Charity Reform Group initiative was delayed, meaning we deferred most of the income into 23/24. We have also deferred the grant from FICS to work on civic space into 23/24 as most of the work will be undertaken in this period.

Expenditure was higher than budgeted: this was in part due to a one-off payment to all staff of £500 to help with increased living costs (we received an uplift to help with the increasing cost of living from three of our core funders but have carried all of it into 23/24 to help cover a more generous Cost of Living award). We also incurred some unforeseen costs setting up a new payments system for our traded income.

This does mean that SMK's reserves at year-end are lower than our policy recommends. While regrettable, trustees are content they will be restored as the

team have more time to focus on fundraising, and as traded income continues to grow.

Reserves Policy

The charity's reserves policy is set out in the note 1.7 to the accounts.

The Future

We spent the last 6-months of the 2022/23 financial year reviewing and updating a new 3-year strategy which is currently being finalised. It reflects the rapidly changing environment for changemakers, and the fact that we are now entering a new phase of the political cycle with a general election coming into view. The strategy will be published later this year, and sets out SMK's key priorities which include;

- Deepening SMK's connection with the community of changemakers, doing more to convene and exchange knowledge with them
- Raising funds to make much more guidance and support available to campaigners for free. SMK's training has been very successfully established as a trading operation, but that creates a barrier to smaller organisations and individual campaigners which we want to reduce
- Develop SMK's future civic space programme, following the publication of our public-facing report in summer 2023
- Continue the work of applying the thinking from our power and solidarity work across all of SMK's operations and activities

Structure, governance and management

Sheila McKechnie Foundation is a charitable company limited by guarantee governed by its Memorandum of Association as adopted at the extraordinary general meeting on 21st February 2005. It is registered as a charity with the Charity Commission and as a Company with Companies House.

Pay and remuneration of staff is determined in accordance with SMK's pay & remuneration policy. As a very small employer, there are some key principles that underpin SMK's approach to pay and remuneration:

It must be simple and straightforward to administer

It should be flexible, recognising that SMK's income can fluctuate, and that organisational needs can change

It must reflect the values of the organisation

It must be in line with best practice in the sector

Pay levels are reviewed annually, taking into account evidence of pay levels across the sector more widely, and SMK reviews cost of living annually, and makes an award accordingly. SMK is a London Living Wage employer.

Appointment of Trustees

Our Articles of Association provide that SMK may have no less than three trustees but it is not subject to any maximum.

SMK uses a transparent and fair method when recruiting new trustees. We advertise all trustee vacancies, and they are open to anyone who wishes to be a trustee. From time to time the Board may call for trustees with specialist skills and experience that it identifies is needed for the effective governance of the organisation.

The process is led by the Resource Committee, and applicants for trusteeship are asked to make their application in writing and to attend an interview. During this time, each applicant and interviewee goes through the same process. We also apply our equal opportunities policy to trustee recruitment.

Each new trustee received an introduction pack and an induction to the organisation, and support is readily available from the Officers of the organisation.

The board of Trustees meets regularly and there were 6 meetings held during the year (2022/23).

The present members are listed in this report.

The following changes in trustees occurred during this financial year:

- Cecile Hestbæk, Stuart Davis and Pete Moorey all stood down and have all been reappointed to the board.

List of Trustees is in Page 2 Legal and Administrative Information.

Members of the Trust guarantee to contribute an amount not exceeding £10 to the assets of the charity in the event of winding up. The total amount of such guarantees at 31st March 2023 was 10 (2022: 10).

Risk statement

The trustees and staff jointly reviewed the possible risks facing the organisation during the year, supported by a risk register. Therefore, they were aware of the major risks facing the charity and are taking adequate steps to protect the charity. The major risks are related to the nature of the work within which the charity supports through grants and awards and the use of appropriate volunteers and people who support the charity.

Auditors

Fletcher & Partners were appointed as the charitable company's auditors.

Small company provisions

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

Accounting and Reporting Responsibilities

Company law requires the trustees to prepare financial statements, for each financial year, which give a true and fair view of the state of affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group 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 UK accounting standards and statements of recommended practice have been followed, subject to any departures disclosed and explained in the accounts.

Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group will continue to operate.
The trustees are responsible for keeping adequate accounting records which disclose with reasonable accuracy at any time the financial position of the group and which enable them to ensure that the financial statements comply with the provisions of the Companies Act 2006. They are also responsible for safeguarding the assets of the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.
In accordance with company law, as the charitable company's trustees, we certify that so far as we are aware, there is no relevant audit information of which the charitable company's auditors are unaware, and as trustees of the charitable company we have taken all the steps that we ought to have taken in order to make ourselves aware of any relevant audit information and to establish that the auditors are aware of that information.

Approved by the trustees on

and signed on their behalf by



Pete Moorey

Chair

02.10.2023



Stuart Davis

Treasurer

02.10.2023

INDEPENDENT AUDITORS' REPORT
TO THE TRUSTEES OF THE SHEILA MCKECHNIE FOUNDATION

Opinion

We have audited the consolidated financial statements of The Sheila McKechnie Foundation and its subsidiary for the year ended 31 March 2023, which comprise of the Consolidated Statement of Financial Activities, the Group and Charity Balance Sheets, the Consolidated Statement of Cash flows and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent charitable company's affairs as at 31 March 2023, and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been properly prepared in accordance with the Companies Act 2006 and Charities Act 2011 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 Auditors responsibilities for the audit of the financial statements section of our report. We are independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRCs 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 directors' 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 Company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatements of this other information, we are required to report that fact.

We have nothing to report in this regard.

INDEPENDENT AUDITORS' REPORT
TO THE TRUSTEES OF THE SHEILA MCKECHNIE FOUNDATION

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the trustees report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the trustees 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 group and parent charitable company's and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees report.

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

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

Responsibilities of Trustees

As explained more fully in the Trustees' Responsibility Statement, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal controls as the trustees determine is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the group's and the parent 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 directors either intend to liquidate the group or the parent charitable company or to cease operations, or have no realistic alternative but to do so.

Auditors 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 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:

INDEPENDENT AUDITORS' REPORT
TO THE TRUSTEES OF THE SHEILA MCKECHNIE FOUNDATION

We ensured that the engagement team collectively had the appropriate competence and capabilities to recognise non-compliance with applicable laws and regulations;

We identified the laws applicable to the company through discussions with trustees and management, and from our knowledge and experience of the company and the sector; and

We ensured that the laws and regulations which we identified were communicated to the engagement team and that they remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the company's financial statements to material mis-statement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to their assessment of the risk of fraud and their knowledge of actual or alleged fraud; and
- considering the effectiveness of internal controls to mitigate the risks of fraud and non-compliance with laws and regulations.

We addressed the risk of fraud through management bias and the over-ride of controls by assessing whether judgements and assumptions made by management were indicative of potential bias and by investigating the rationale behind significant or unusual transactions. In order to address the risk of irregularities we carried out procedures which included agreeing the financial statements to underlying documentation and enquiring of management as to actual and potential litigation and instances of non-compliance.

There are however inherent limitations in these audit procedures. The more removed that laws and regulations are from financial transactions, the less likely it is that we would be aware of non-compliance. Auditing standards also limit the procedures required to identify non-compliance to enquiry of management and inspection of relevant correspondence. Furthermore misstatements due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities for the audit of the financial statements is located on the FRC website (www.frc.org.uk/auditorsresponsibilities) This description forms part of our auditors report.

This report is made solely to the charity's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and section 151 of the Charities Act 2011 and regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charity'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 charity and the charity's members as a body, for our audit work, for this report, or for the opinions we have formed.



James Fletcher (Senior Statutory Auditor)
for and on behalf of Fletcher & Partners
Chartered Accountants and Statutory Auditors.

Crown Chambers, Bridge Street,
Salisbury, SP1 2LZ

18 October 2023

Fletcher & Partners is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

THE SHEILA McKECHNIE FOUNDATION
CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2023

	Notes	Group Total			Group
		2023			2022
		Unrestricted funds £	Restricted funds £	Total £	Total £
Incoming resources					
Voluntary income	2	14,948	-	14,948	6,543
Charitable activities	3	303,012	174,124	477,136	403,610
Other trading activities	3	148,847	-	148,847	144,087
Total Incoming resources		466,807	174,124	640,931	554,241
Resources expended					
Raising funds		-	-	-	-
Charitable activities	6, 7, 8, 9	367,281	166,348	533,629	413,675
Other trading activities	6	126,887	-	126,887	121,877
Total resources expended		494,169	166,348	660,516	535,552
Net movement in funds	14	(27,361)	7,776	(19,585)	18,689
Balances at 1 April 2022		56,042	24,471	80,512	61,824
Fund Transfers		-	-	-	-
Balances at 31 March 2023		28,681	32,246	60,927	80,513

All income and expenditure derive from continuing activities. The Statement of Financial Activities includes all gains and losses recognised during the year.

**THE SHEILA McKECHNIE FOUNDATION
CONSOLIDATED BALANCE SHEET
FOR THE YEAR ENDED 31 MARCH 2023**


	Notes	Group		Charity	
		2023	2022	2023	2022
		Total	Total	Total	Total
		£		£	
Fixed assets					
Tangible assets	10	7,308	716	6,690	716
Investment	10	-	-	1	1
		<u>7,308</u>	<u>716</u>	<u>6,691</u>	<u>717</u>
Current assets					
Debtors	11	49,015	62,235	64,584	76,844
Cash at bank and in hand		179,307	79,334	124,194	44,547
		<u>228,322</u>	<u>141,569</u>	<u>188,778</u>	<u>121,391</u>
Liabilities					
Creditors falling due within one year	12	(174,702)	(61,773)	(135,160)	(41,596)
Net current assets		53,619	79,796	53,618	79,795
Net assets		<u>60,927</u>	<u>80,512</u>	<u>60,309</u>	<u>80,512</u>
Representing:					
Restricted Funds	14	32,246	24,470	32,246	24,470
Unrestricted Funds	14	28,681	56,042	28,063	56,042
Total Funds		<u>60,927</u>	<u>80,512</u>	<u>60,309</u>	<u>80,512</u>

These accounts have been prepared with the special provisions of Part 15 of the Companies Act relating to small companies and constitute the annual accounts required by the Companies Act 2006.

The accounts were approved by the Board on:



Peter Moorey
Chair of Trustees
17.10.2023



Stuart Davis
Treasurer
17.10.2023

**THE SHEILA McKECHNIE FOUNDATION
(A COMPANY LIMITED BY GUARANTEE)
CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 2023
COMPANY REGISTRATION NO. (ENGLAND AND WALES) 5331412**

	Group	Group
	Period Ending 31 Mar 2023	Period Ending 31 Mar 2022
	£	£
<i>Cashflows from Operating Activities</i>		
Net Cash provided by Operating Activities	108,953	(18,663)
<i>Cashflows from Investing Activities</i>		
Purchase of property, plant and equipment	(8,980)	-
Net Cash provided by Investing Activities	(8,980)	-
Net Change in cash and cash equivalents in the period	99,973	(18,663)
Cash and cash equivalents at the beginning of the period	79,334	97,997
Cash and cash equivalents at the end of the period	179,307	79,334

Notes to Cashflow Statement

Reconciliation of net income to net cash flows from operating activities

	Period Ending 31 Mar 2023	Period Ending 31 Mar 2022
	£	£
Net income for the reporting period	(19,585)	18,689
Adjustments for:		
Depreciation	2,388	2,838
(increase)/decrease in debtors	13,220	(9,136)
Increase/(decrease) in creditors	112,929	(31,055)
Net cash provided by operating activities	108,953	(18,663)

Analysis of cash and cash equivalents

	Period Ending 31 Mar 2023	Period Ending 31 Mar 2022
	£	£
Cash in hand and at bank	179,307	79,334
Total cash and cash equivalents	179,307	79,334

THE SHEILA McKECHNIE FOUNDATION

NOTES TO THE CONSOLIDATED ACCOUNTS

FOR THE YEAR ENDED 31 MARCH 2023

Company status

The Sheila McKechnie Foundation is a private company limited by guarantee and has no share capital. The liability of each member does not exceed £10. It is a charity registered in England and Wales (registration No. 1108210), Scotland (Registration No. SC044207). Its company registration number is 05331412 (England and Wales). Its registered address is Crown Chambers, Bridge Street, Salisbury SP1 2LZ

Sheila McKechnie Trading Ltd is a private limited company with a nominal share capital of £1. Its company registration number is 13248880 (England and Wales). Its registered address is Crown Chambers, Bridge Street, Salisbury SP1 2LZ

Note

1 Accounting policies

1.1 Basis of preparation

The Sheila McKechnie Foundation meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes. These accounts have been prepared using the historical cost convention except any items disclosed in the accounting policies as being shown at fair value and are presented in sterling, which is the functional currency of the entity. Balances within the accounts have been rounded to the nearest £1. The accounts are prepared under the historical cost convention, in accordance with the Statement of Recommended Practice 2019: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland (FRS 102) and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Companies Act 2006. In preparing the accounts, the Trustees have assessed the Charity's ability to continue as a going concern. The principle financial risk facing the Charity is its ability to generate sufficient income to cover expenditure incurred in fulfilling its objectives. The Trustees have reviewed the cash position of the Foundation and cash forecasts at the date of signing the accounts, including grants and donations secured or pledged, together with unavoidable financial commitments, and are satisfied that the Foundation will be able to meet all of its financial commitments. As a consequence the Trustees believe that the Foundation is well placed to manage its financial risks successfully, including the impact of Covid-19, and that the Foundation has adequate reserves to continue in operational existence for the foreseeable future and at least, but not limited to, 12 months from the date of approval of these accounts. Accordingly the Trustees continue to adopt the going concern basis in preparing the accounts and are satisfied that there are no material uncertainties related to events or conditions that cast significant doubt on The Sheila McKechnie Foundation's ability to continue as a going concern.

The consolidated Statement of Financial Activities (SOFA) and consolidated balance sheet consolidate the financial statements of the charity and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis. The charity has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of Financial Activities in these financial statements

1.2 Fund accounting

The charity's accounts are defined as follows:

Unrestricted Funds comprise accumulated surpluses and deficits on general funds; they are available for use at the discretion of the Trustees in furtherance of the general charitable objectives. Restricted Funds are funds subject to specific restricted conditions imposed by the donors.

1.3 Incoming resources

All incoming resources are accounted for when the charity has entitlement, there is certainty of receipt and the amount is measurable. Income is deferred when it is in respect of work to be carried out in the following year.

Voluntary income comprises all incoming resources from donations and gift aid. Charitable activities comprises incoming resources from grants and charitable trading. Investment income is Bank interest accounted for on a receivable basis. Other income comprises income from non-charitable trading.

1.4 Resources expended

Expenditure is recognised when a liability is incurred. Contractual arrangements and performance related grant are recognised as services are supplied. Costs of generating funds are those costs incurred in attracting voluntary income. Charitable activities comprise those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

1.5 Debtors, Cash and Creditors

Debtors - short term debtors are measured at transaction price.

Cash and cash equivalents - comprise cash at bank and in hand.

Creditors - short term creditors are measured at the transaction price or when a constructive obligation arises to transfer economic benefits to a third party

1.6 Fixed Assets and Depreciation

All fixed assets are initially recorded at cost. Depreciation is calculated so as to write off the cost of an asset over the useful economic life. The rate adopted is as follows:

Fixtures and Fittings	-	33% straight-line
Computer Equipment	-	33% straight-line

1.7 Reserves policy

The Directors of SMK take the view that a reserve should be held sufficient to pay notice periods for all staff plus any other liabilities re. rent or other suppliers in the event the charity has to wind up. Based on SMK's current head count and notice periods, this means a figure of £88K would ideally be held in Reserve. Recognising that it is very unlikely the charity will have to wind up at no notice, and that some wind down costs could potentially be covered from other sources, the Board has agreed that the more moderate figure of £60K is reasonable to hold in reserve and is proportionate to the Charity's income. The Directors of SM Trading do not believe it necessary to maintain a Reserve beyond working capital necessary to meet current liabilities.

1.8 Pension

Pension costs represent payments to individual personal pension schemes of employees. Pension costs are charged to the Statement of Financial Activities in the period in which they are paid.

1.9 VAT

SMK is not registered for VAT; income and expenditure is stated gross of VAT as it is not recoverable. SM Trading is registered for VAT; income and expenditure is stated net of VAT.

1.10 Governance Costs

The Auditor's remuneration for 2023 was £4,250 (2022 £4,000).

THE SHEILA McKECHNIE FOUNDATION
NOTES TO THE CONSOLIDATED ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2023

Note

2	Voluntary income	Group Total			Group
		2023			2022
		Unrestricted funds	Restricted funds	Total	Total
		£	£	£	£
	Donations	14,175	-	14,175	5,845
	Miscellaneous Voluntary Income	774	-	774	698
		14,948	-	14,948	6,543

3 Other Incoming Resources

	2023			2022
	Unrestricted funds	Restricted funds	Total	Total
	£	£	£	£
Grants	242,918	174,124	417,042	356,400
Consultancy	62,763	-	62,763	59,184
Events and Training	86,783	-	86,783	84,757
Miscellaneous Commercial Income	396	-	396	146
Charitable Activity income	59,000	-	59,000	47,210
Total resources	451,860	174,124	625,984	547,697

Grants

	£
John Ellerman Foundation	50,000
Trust for London	37,500
Corra Foundation	12,345 (deferred from 2021-2022)
Joseph Rowntree Charitable Trust	59,750 (of which, 9,750 deferred to 2023-24)
Paul Hamlyn Foundation	44,000 (of which £4,000 deferred to 2023-24)
Tudor Trust	30,000
Oak Foundation	218,136 (of which £32,189 deferred to 2023-24)
Barrow Cadbury	7,500 (deferred to 2023-24)
Add Accruals from 2023-24	11,250 (£7,500 Trust for London, £3,750 Paul Hamlyn Foundation)
	(£32,189 Oak Foundation, £7,500 Barrow Cadbury, £4,000 Paul Hamlyn Foundation, £9,750 Joseph Rowntree Charitable Trust)
Less Deferrals to 2023-24	
	417,042

Deferred Income refers to cash grants received before the Balance Sheet date but relating to activities commencing thereafter

Accrued Income refers to cash grants received after the Balance Sheet date but relating to activities conducted beforehand

THE SHEILA McKECHNIE FOUNDATION
NOTES TO THE CONSOLIDATED ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2023

Note

4 Comparator for Prior Year SoFA/P&L Values

	Group Total		
	2022		
	Unrestricted funds £	Restricted funds £	Total £
<u>Incoming resources</u>			
Voluntary income	6,543	-	6,543
Charitable activities	279,110	124,500	403,610
Other trading activities	144,087	-	144,087
Total Incoming resources	429,741	124,500	554,241
<u>Resources expended</u>			
Raising funds	-	-	-
Charitable activities	298,242	115,433	413,675
Other trading activities	121,877	-	121,877
Total resources expended	420,119	115,433	535,552
Net movement in funds	9,622	9,067	18,689
Balances at 1 April 2021	46,420	15,403	61,824
Fund Transfers	-	-	-
Balances at 31 March 2022	56,042	24,471	80,512

5 Grant-Making Activities

A single grant was paid in 2022-23 at a value of £25,000 (2022: £NIL). The grant was paid to an institution (not to an individual) and was in support of an initiative to examine the negative impact power structures can have in the Charity sector. Total amount of support costs allocated to grant-making activities was £50 (2022: £NIL)

6 Cost of Charitable/Trading activities:

	Group Total			Group
	2023			2022
	Unrestricted funds £	Restricted funds £	Total £	Total £
Staff Cost	400,999	133,697	534,696	427,607
Projects expenditure	26,871	13,189	40,059	50,893
Grants Payable	25,000	-	25,000	-
Office overheads	41,299	19,463	60,762	57,052
	494,169	166,348	660,517	535,552

7 Number of employees

The average number of employees of SMK during the year was 9 (2022: 8).

The average number of employees of SM Trading during the year was 1 (2022 Nil).

8	Employment costs	Group Total	Group
		2023	2022
		£	£
	Wages and salaries	405,762	324,052
	Social security	39,299	28,860
	Pension costs	21,289	17,687
	Consultancy/Professional services	64,393	55,008
	Staff Recruitment & Training	2,474	-
	Staff Wellbeing	1,479	2,000
		534,696	427,607

employer National Insurance contribution costs) that fell between £80,000 and £90,000 (2022: Nil).

No other employees had emoluments exceeding £60,000 (2022: 1 employee between £70,000 and £80,000)

The CEO is considered to be the Key Management Person of both SMK and SM Trading. The total remuneration of the CEO during the year was £98,267 (2022: £93,321) including Employer's NIC and

9 Trustees

During the year, one trustee received remuneration of £500 (2022: £1,000). This related to participation in Power Project workshops and the relationship existed before the appointment of the trustee. Trustees reimbursed expenses were £Nil (2022: £Nil)

THE SHEILA McKECHNIE FOUNDATION
NOTES TO THE CONSOLIDATED ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2023

Notes

10 Tangible Fixed Assets

	SMK	Group
COST	£	£
B/F at 31 Mar 22	11,789	11,789
Additions	8,053	8,980
C/F	<u>19,842</u>	<u>20,769</u>
Depreciation		
B/F	11,073	11,073
Charge for year	2,079	2,388
C/F	<u>13,152</u>	<u>13,461</u>
NET BOOK VALUE		
B/F at 31/3/2022	716	716
C/F at 31/3/2023	<u>6,690</u>	<u>7,308</u>

Investment in Subsidiary

	£	£
B/F at 31 Mar 22	1	-
Additions	-	-
C/F	<u>1</u>	<u>-</u>

The investment in subsidiary consists of 1 ordinary share (100% of the share capital) in Sheila McKechnie Trading Limited

Debtors

11	Group		Charity	
	2023	2022	2023	2022
	Total	Total	Total	Total
	£	£	£	£
Trade debtors	37,635	24,190	-	5,410
Provision for Doubtful Debt	-	(1,690)	-	(1,690)
Accrued Donation from SM Trading	-	-	53,204	33,179
Other Accrued Income	11,250	37,000	11,250	37,210
Prepayments & Deposits	130	2,735	130	2,735
	<u>49,015</u>	<u>62,235</u>	<u>64,584</u>	<u>76,844</u>

12 Creditors: amount falling due within one year

	Group		Charity	
	2023	2022	2023	2022
	Total	Total	Total	Total
	£	£	£	£
Trade creditors	9,252	3,696	7,254	1,601
Deferred income	108,639	21,998	81,189	12,345
Payroll Liabilities	12,176	9,517	11,951	8,879
VAT	8,540	7,501	-	-
Other Accruals	36,095	19,061	34,765	18,771
	<u>174,702</u>	<u>61,773</u>	<u>135,160</u>	<u>41,596</u>

13 Operating Lease

Minimum lease payments under the non-cancellable operating lease for the office space are:

	Group Total	
	2023	2022
Not later than one year	222	12,675
Later than one year and not later than five years	-	-
Later than five years	-	-
Lease payments recognised as an expense.	13,457	30,288

THE SHEILA McKECHNIE FOUNDATION
NOTES TO THE CONSOLIDATED ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2023

Notes

Sheila McKechnie Foundation

14	Movement in funds 2022-23	At start of the year	Incoming Resources	Outgoing Resources	Fund Transfers	At end of the year
	Restricted funds					
	Civic Space	12,750		(12,750)	-	-
	Social Change Scotland	-	12,345	(12,345)	-	-
	Housing and Homelessness		116,779	(87,532)	-	29,247
	Power Project	11,720	45,000	(53,721)	-	3,000
	Total Restricted Funds	24,470	174,124	(166,348)	-	32,246
	Unrestricted funds					
	Reforming Civil Society	-	15,000	(4,218)	(10,782)	-
	Awards	-	59,000	(22,839)	(36,161)	-
	Miscellaneous Events	-	103	-	(103)	-
	Core	-	319,640	(394,047)	74,407	0
	Reserves	56,042	-	-	(27,361)	28,681
	Total Unrestricted Funds	56,042	393,743	(421,104)	-	28,681
	Total Funds	80,512	567,867	(587,452)	-	60,927
	Movement in funds 2021-22	At start of the year	Incoming Resources	Outgoing Resources	Fund Transfers	At end of the year
	Restricted funds					
	Civic Space	-	43,500	(30,750)	-	12,750
	Social Change Scotland	-	22,500	(22,500)	-	-
	Power Project	13,403	58,500	(60,183)	-	11,720
	Restricted Core	2,000	-	(2,000)	-	-
	Total Restricted Funds	15,403	124,500	(115,433)	-	24,470
	Unrestricted funds					
	Reforming Civil Society	-	74,000	(74,000)	-	-
	Awards	-	47,000	(14,833)	(32,167)	-
	Miscellaneous Events	-	441	(441)	-	-
	Core	-	234,891	(257,436)	22,545	-
	Reserves	46,420	-	-	9,622	56,042
	Total Unrestricted Funds	46,420	356,332	346,710	-	56,042
	Total Funds	61,824	480,832	462,142	-	80,512

Restricted projects:

Civic Space: SMK has been commissioned by a group of funders to examine the growing threats to civic space in the UK, and consider how civil society could be strengthened to better resist.

Social Change Scotland: SMK is piloting a new network bringing people together from right across civil society in Scotland to consider common challenges and opportunities. This project concluded at the end of FY 2022-23

Housing and Homelessness. SMK is being funded to provide support to grantees of the Oak Foundation's UK programme - focused entirely on organisations working to address housing needs. SMK is bringing its expertise in social change and working in solidarity to build the capacity and confidence of organisations in this sector. It is a five-year programme.

Power Project: The Power Project is a Cornerstone funded two-year project that is exploring what it would look like if civil society in London was better at sharing power in pursuit of social change, with a focus on lived experience, poverty and socio-economic inequality.

Transfer of funds

At 31 March 2023 all Unrestricted funds were consolidated into Reserves. There were no transfers between Restricted and Unrestricted Funds during the year

THE SHEILA McKECHNIE FOUNDATION
NOTES TO THE CONSOLIDATED ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2023

15 Investment in trading subsidiary

The wholly-owned subsidiary, Sheila McKechnie Trading Limited, which is incorporated in England and Wales, pays its profits to the charity by gift aid. Sheila McKechnie Trading Limited operates the consultancy and events and training income functions of the group. The charity owns the entire issued share capital of 1 ordinary share of £1 each. A summary of the trading results is shown below

Trading	2023	2022
	£	£
Turnover	148,847	144,087
Cost of sales and administrative expenses	(95,025)	(96,120)
Net profit / (loss)	53,822	47,967
Gift aid donation	(53,204)	(47,967)
Retained in the subsidiary	618	-
The assets and liabilities of the subsidiary were		
Fixed Assets	618	-
Current Assets	38,926	53,567
Creditors: amounts falling due within 1 year	(38,925)	(53,566)
Total net assets	619	1

16 Analysis of Net Assets between Funds

Analysis of net assets between funds - current year

	Unrestricted	Restricted	Total
Tangible Fixed Assets	7,308	-	7,308
Fixed Asset Investments	-	-	-
Current Assets	172,219	56,103	228,322
Creditors due within one year	(150,846)	(23,856)	(174,702)
	28,681	32,246	60,927

Analysis of net assets between funds - prior year

	Unrestricted	Restricted	Total
Tangible Fixed Assets	716	-	716
Fixed Asset Investments	-	-	-
Current Assets	104,753	36,816	141,569
Creditors due within one year	(49,428)	(12,345)	(61,773)
	56,042	24,470	80,512