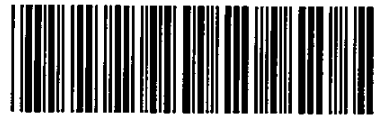




**SMALL CHARITIES COALITION**  
(A company limited by guarantee)  
**REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDING 31 MAY 2011**

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COMPANIES HOUSE

**Charity No: 1122297**  
**Company No: 06462220**

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**SMALL CHARITIES COALITION**  
**FOR THE YEAR ENDING 31 MAY 2011**

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## **SMALL CHARITIES COALITION**

### **LEGAL AND ADMINISTRATIVE INFORMATION**

**FOR THE YEAR ENDING 31 MAY 2011**

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**Registered company number**      6462220

**Registered charity number**      1122297

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

**Trustees**                                  Debra Allcock Tyler, Chair (appointed 2/1/2008)  
Murtaza Jessa, Treasurer (appointed 31/3/2008)  
Caroline Diehl (appointed 2/1/2008)  
D'Arcy Myers (appointed 2/1/2008)  
Henny Braund ((appointed 2/1/2008)  
Lynne Rawlings (appointed 2/1/2008, resigned 27/7/2011)  
Richard Davidson (appointed 2/1/2008)  
Rosamund McCarthy (appointed 2/1/2008)  
Beverley Costa (appointed 9/12/2009)  
  
Mike Nussbaum (appointed 19/4/2011)  
Simon Hebditch (appointed 19/4/2011)  
Zoe Willems (appointed 19/4/2011)

**Company Secretary**                      BWB Secretarial Limited

**Chief Executive**                          Cath Lee

**Bankers**                                      CAFbank, 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 2011**

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This was a productive and exciting year for the Small Charities Coalition. We saw a significant growth in membership of 280% (from 500 to 1400), which is particularly encouraging as small charities are a hard to reach group.

Our Chief Executive, Cath Lee, campaigned on behalf of our membership including being part of HMRC's consultation on the reform of Gift Aid where she argued vigorously for the views of small charities to be taken into account. She also inputted into the Payments Council consultation on the proposed withdrawal of cheques explaining the significant challenges that would be faced by many small charities if cheques were withdrawn.

We had a very successful partnership with the Santander Foundation who funded us to run 3 regional conferences enabling us to share skills and knowledge with local small charities and at which there were over 300 attendees. Alan Eagle who is Foundation Manager didn't just provide funding but also put his money where his mouth is by actually running sessions at the events.

We've been expanding our reach and dipped our toes in the water with social media including twitter which is proving to be a useful tool.

However, the year, for us as well as for our members, has been one of increasing competition for smaller pots of money. Most small charities struggle in this sort of economic context, but second tier infrastructure organisations like ours find it particularly difficult to attract funding. This is why we are so grateful to the Tudor Trust, Esmée Fairbairn Foundation, the Wates Foundation and all our other funders who continue to demonstrate their belief in the importance of our work and that of small charities through their funding.

The year culminated in the merger of Small Charities Coalition with Charity Trustee Networks (CTN). This is a hugely positive and exciting development meaning that we now have even more potential to make a difference to those charities and trustees we serve. We are now able to provide a more holistic service to members of both organisations, particularly in the important field of governance. We know that if the governance is right the organisation will perform better.

The marrying of the two organisations also means our voice on behalf of trustees and small charities is stronger and more vital in facing the challenges ahead.

I would like to take this opportunity to thank the Board and staff of CTN for their incredible work in supporting trustees. Small Charities Coalition is proud to be able to participate in this vital activity.

And we are optimistic about our ability to support trustees and small charities. The diversity, impact and reach that they contribute helps to build our society and make it stronger and we are honoured to be a part of that.

Debra Allcock Tyler  
Chair of Trustees  
Small Charities Coalition

## SMALL CHARITIES COALITION

### TRUSTEES' REPORT

FOR THE YEAR ENDING 31 MAY 2011

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#### Charitable activities in the past year

This is our third full year of operation and we identified that we would have some rapid development and growth. During this year we have not only found our feet, as an organisation and in the sector, but have challenged ourselves to run early by merging with Charity Trustee Network.

Our aims during the year were to

**Build on our development and learning from the previous year and further increase the size of the Small Charities Coalition. Our aim was to have 1500 small charity members by May 2012.**

In fact we were just short of this target (1400) at the point of our merger on 3<sup>rd</sup> March. The merger further increased our membership to well over 5000. The profile of our membership remains heavily biased towards very small charities. We estimate that 40% have under £50,000 income per annum. Half of our members are based in London and the South East reflecting the distribution of voluntary sector organisations generally. We saw an increase in the proportion of small charities joining in the South West, Midlands and North East as a result of our three Regional 'Link up and Learn' events.

Our main recruitment activity was email marketing of our regional events and promotion of courses provided in partnership with IBM. All events were promoted to both members and non-members, promoted through the CVS network and through partner organisations. In order to take part people were asked to join the SCC. This proved very successful and the IBM partnership increased our membership by over 100 and the Regional Events further boosted membership by over 300. The balance of our growth in membership was achieved through organic growth and attendance at exhibitions and conferences. Conferences and exhibitions have an additional role to play as they enable us to learn about our members' needs and hear their stories. We are always inspired by the level of commitment and passion people give to making our world a better place to live in.

**Improve the quality and consistency of the services we deliver and better cater for different segments of our membership e.g. start up and micro charities.**

We know we can never be complacent about whether our services are meeting needs but have had some good feedback. Our evaluations have shown that 89% are overall satisfied with our services and are willing to recommend to others. 86% had fully or partially resolved their initial problem through their skills match.

In response to the increasing number of calls we were experiencing from start up charities we developed some web resources to guide people through the initial stages and signposting to relevant documents and tools. In some cases this has helped them make key decisions including not to go ahead with starting a charity.

*'The information you gave me is great and I have decided to not start my own charity but rather to put my effort and energy into a charity that is already working on something similar to what I wanted to do. Thanks again!'* Helpline Caller

We realised as our membership grew that many of them had similar needs. We decided we would see if we could support them in groups. We also had some supporters with excellent skills and experience of group facilitation. It seemed a shame not to make the most of this. We ran a pilot project which will be completed and evaluated during the next financial year. We ran 4 groups with each meeting approximately once a month for 4 – 6 months. Each group focused on a particular theme e.g. Developing fundraising strategy. The early indications from the pilot are that this is a very valuable model for providing support. It uses the skill and expertise of one supporter to benefit more charities as well as providing the participating charities with a peer network for ongoing support.

*'The most useful thing was having an open forum to talk to other charities with similar challenges and workable ideas.'* Helen Bracy, Ostomy Lifestyle

## SMALL CHARITIES COALITION

### TRUSTEES' REPORT (continued)

#### FOR THE YEAR ENDING 31 MAY 2011

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##### Run a programme of regional events

As a national organisation it is essential we reach out to members outside London. This has been an ongoing priority and in this year we launched our first Regional programme of 'Link up and Learn' events. The programme was funded by the Santander Foundation. We ran events in three locations targeting areas where we had fewer members: Peterborough, Taunton and York. We consulted our members about the content and style of the events resulting in one day 'conferences' with workshop style learning and plenty of time for networking. The events were hugely successful and our members are clamouring for more and follow up networking opportunities. Each event attracted between 90 and 110 delegates. We estimate that the value of these events, had our members paid market rates was around £60,000.

*'Excellent quality of speakers and information given. I got a lot out of the day and will go back to work with loads of ideas and plans.'* Brenda Wilson, Nomad Trust

*'I just wanted to say how brilliant the whole day was on Tuesday. I got so much out of the day and found it very very helpful. Just wish I could have done all the workshops. Please pass on my thanks to the team and say how much I appreciate all the work that went into the day. It's the first time I have ever been to anything like this before and was blown away by all the information available. Thank you.'* Christine, PurpleSheepCentre

##### Communicate regularly with our members through newsletters and email bulletins.

Our monthly email bulletin to all members has gone from strength to strength. We have received some very positive feedback about the value of the information we include in the bulletin. Many members have been able to attend discounted training or conferences promoted through the bulletin.

*'I have only recently joined the Small Charities Coalition and already I feel I have received so many opportunities from you so I wanted to shout this out. I am so impressed with the level of information you send out and already having you as a resource has been a life saver to me. A few months ago I wasn't sure how to move forward and now things are clear and I have a renewed super focus.'* Helen Isibor, Just a Day

*'Very useful stuff, thank you. I will be forwarding various bits of the bulletin round to different members of the team.'* Dawn Hampshire, Beck House

*'Thanks to the information from SCC I was able to access a free three day course from the Charities Evaluation Service, which was really valuable. I have been able to put my learning into practice immediately and have now undertaken an evaluation with the members and users of our facilities. Thanks so much.'* Ealing Social Club for the Blind

##### Hone our research, policy and influence work so that we target the limited resources we have for this area to achieve maximum impact

During this year our profile as an organisation that can voice the experiences of small charities has continued to grow. We prioritised areas of policy work that would have an impact on small charities day to day operations. We have continued membership in a number of policy forums and have been invited to attend new ones. The policy themes of particular interest have been: Gift Aid (including representation on HMRC's Charity Tax forum, sub groups for the small donations scheme and online filing), abolition of cheques (member of the Payments Council voluntary sector liaison group), impact measurement (member of CFDG's impact steering group and impact reporting group), fraud (member of the Charity Commission and National Fraud Agency steering group), Governance (Code of Good Governance steering group and sub-group on the Code for small organisations, Trustee Week steering group).

It was gratifying to see some limited fruits of the work of the sector on Gift Aid reform. The Government have committed to introducing online filing and working with the sector on acceptable IT solutions to reduce the burden of paperwork associated with Gift Aid. The Small Donations Scheme offers some potential for charities to benefit from gift aid on donations under £10 which could have a beneficial impact for small charities in particular. However, there are further hurdles to be overcome if the benefits of the scheme are to be fully realised. Also to see that the target date of 2018 for the removal of cheques has been dropped.

*'It's good to know there's a collective voice for smaller charities!'* Joy Beardsley, Sheena Amos Youth Trust

## SMALL CHARITIES COALITION

### TRUSTEES' REPORT (continued)

#### FOR THE YEAR ENDING 31 MAY 2011

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#### **Establish sustainable funding and partnerships to ensure that small charities will have the support they need for years to come.**

During this year we have continued to be well supported by Trusts and Foundations and are very grateful to those funders that share our vision for supporting small charities in the vital work that they do

We have further work to do in such challenging economic circumstances to ensure that we can be sustainable and will be developing a more diverse income base over the next year including Corporate funders, generating income from our services and generating some limited advertising revenue

Our sustainability is not only about funding and we have had significant success during this year in forming partnerships that enable us to deliver knowledge and support to our members at huge reductions or for nothing

- We partnered with IBM to deliver free training courses to over 100 of our members on a range of subjects including project management, impact measurement and technology planning. We estimate the value of this activity to have been around £20,000
- We continued our partnership with Charities Evaluation Service to give free places to our members on courses that are difficult for them to fill. This results in a saving per member of between £100 and £500 depending on the course length
- We continue our partnerships with both DSC and the Media Trust to provide free conference and training course places to our members, jointly run matching events and much more. During this year we agreed to run Trustee Fair with DSC and a programme of speed matching events with the Media Trust
- During the year we began a partnership with the Institute of Fundraising to give easier access to small charities to the fundraising knowledge and training they need. This partnership will be developed more proactively over the next financial year

*'I thought it was one of the best training sessions I've been to. IBM were fantastically patient and kind.'*  
Alexandra Rook, London Parks and Green Spaces Forum

#### **Merger with Charity Trustee Network:**

Taking the decision to merge with another organisation was an exciting move for us as such a small and young organisation. The Trustees considered the risks and the benefits and concluded that the fit between the organisations was very strong. Both organisations are committed to supporting charities so that they are able to fulfil their objectives. Charity Trustee Network had taken a strategic decision to focus their services on their smaller members. Small Charities Coalition knew that many of their members struggled with recruitment and retention of good Trustees and need nuts and bolts support with governance. Both organisations had previously worked together by signposting members to each others services and felt that members would be better served by the organisations joining forces. The complementary nature of the services and cultures of both organisations gave a compelling argument to merge.

Debra Allcock Tyler, Chair of Small Charities Coalition *'Trustees and small charities form such an important part of our civil society that maintaining support during a period of financial constraint is essential. The merger with CTN will advance Small Charities Coalition business plans and will bring a new level of services and support to both small charities and to all trustees'*

Rodney Buse, Chair of CTN *'CTN has developed a range of services in the support of trustees in their vital role, acknowledging that the greatest need and CTN's most significant contribution has been to trustees of medium and small charities. In my last year as Chair, I am delighted to see that we have secured a future for the CTN activities, and with the Small Charities Coalition I believe their passion and commitment will drive support for trustees to new heights'*

## **SMALL CHARITIES COALITION**

### **TRUSTEES' REPORT (continued)**

#### **FOR THE YEAR ENDING 31 MAY 2011**

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##### **Lessons learned**

Our members have given us very strong feedback that the type of support they need is help with the nuts and bolts of running their organisations and the simplification and interpretation of the mountains of information they encounter. They really value being able to share experiences and knowledge with other similar organisations.

We also have learned that a small input can make a big difference. Quite often it only takes a short workshop or a few conversations to set people on the right track and give them the confidence to do well. We have learned from CTN that trustees need a similar style of help. They need to be able to talk through tricky governance scenarios and to understand from others how they have handled them.

*'I just wanted to thank you for all the questions you have answered over the years, they have been informative and valuable in building a better small charity!'* Sarah Cunullo, The Latin Programme

The overarching lesson is that putting small charities and trustees in touch with one another is crucial.

*'The opportunity to collaborate with another organisation has been invaluable. It's easy to think you've explored every viable option, but the matching process has enabled me to unearth some new, and previously unconsidered ways of improve our marketing know-how.'* Stephanie Flower, Ryder Cheshire Volunteers

As an organisation we have learned that we need to focus our few resources. Over the past year we have increased the scope and reach of our work significantly and yet our staff team has not grown significantly to meet this increased demand. We have also diversified the range of services we provide. Following our merger we identified the need to consult with members to find out which services they value most and what their priority needs are. Towards the end of the year we began a consultation exercise. The results of this will help define our strategy and priorities for the merged organisation going forward.

##### **Case study - Woodford Foundation and Quest4Change**

Mathew Gilbert was the Development Director of the Woodford Foundation. Woodford Foundation was set up in 2003 to empower children and young people with a sensory disability in income-poor countries to become full and active participants within their families and communities. Matthew has been involved in several matches through the SCC, both giving and receiving support. We asked him to tell us a little about one of those matches who were having trouble with funding applications.

"Heather from Quest for Change had a lot of theoretical knowledge about how to fundraise and approach trusts and foundations, but lacked experience actually doing it. Really with Heather, she knew it all already, but just needed a sounding board to see if she had the right idea. I helped by running through one of her letters and a proposal and made a few comments and recommendations."

Mathew also had plenty to say about the service as a whole, and why he thinks it's important to get involved.

"I think that it is an excellent scheme as it helps to share skills and experience between like thinking organisations and people. I volunteer because small charities resources are usually limited, but what they have to offer is a wealth of expertise and experience. Sometimes we think that because we are small we cannot achieve change without a large investment in time or money, but as a collective we can network and cross fertilise, which may save us time and money, but will also help to build stronger bonds that might help us in the future."

Clearly Mathew's help was of great use, as Heather had this to say about the service.

"It is so useful to have someone else working in the same sector share their experience and knowledge with you. It gives you more faith in your own work and ability."

##### **Key partners**

This year we have continued to collaborate heavily and work with partners to deliver services and ensure small charity experiences are represented. Partners include Directory of Social Change, The Media Trust Institute of Fundraising, CAF, CES, IBM, The Cranfield Trust.



## **SMALL CHARITIES COALITION**

### **TRUSTEES' REPORT (continued)**

#### **FOR THE YEAR ENDING 31 MAY 2011**

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##### **Key partners (continued)**

We were very grateful to many of our partners for supporting our Regional Events. Many speakers provided their services free or on an expenses only basis. Our thanks go to CAF, Charity Business, The Charity Commission, FSI, The Media Trust, DSC, Red Ochre, CoComotion, Alan Eagle (The Santander Foundation)

We are strengthening our links with other organisations all the time and our network has been enhanced through our policy work. The organisations we have strong links with include

Reach Volunteering, Know How Non Profit, Law Works, CASS Business School Centre for Charity Effectiveness, Charity Tax Group, CFDG, NCVO, ACEVO, Assoc. of Charity Facilities Managers

##### **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.

26<sup>th</sup> May 1961 Trust  
The Dulverton Trust  
The Esmée Fairbairn Foundation  
The Santander Foundation  
The Sobell Foundation  
The Tudor Trust  
The Wates Foundation

In addition our volunteers contributed the equivalent of a full time member of staff. Special thanks go to James Bull, Muhammad Askar, Ralph Wilson

##### **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 11 Trustees including 3 who joined the Board from CTN. One trustee resigned towards the end of the year. 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. Our three new Trustees following the merger are all governance experts and bring a wealth of knowledge and experience in the sector.

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

##### **Public Benefit**

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

- 1 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
- 2 The advancement of education and research for the benefit of the public
- 3 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

## **SMALL CHARITIES COALITION**

### **TRUSTEES' REPORT (continued)**

#### **FOR THE YEAR ENDING 31 MAY 2011**

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#### **How the Small Charities Coalition is run (continued)**

##### **Public Benefit**

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**

Before the merger we had a staff team of 3.2 FTE. Following the merger the staff team increased to 5.2 FTE including Cath Lee as CEO of the merged organisation.

##### **Volunteers:**

We have 2 core volunteers and some ad-hoc volunteers, extending our capacity to the value of one full time equivalent member of staff.

#### **Financial Review**

The Charity had received grants and donations of £144,880 and interest of £167 in the year to 31 May 2011. In addition, £44,516 was transferred by Charities Trustee Network (CTN) at the time of the merger. The total expenditure was £139,034 in the period. This included expenditure of £15,071 relating to CTN.

The Charity had a surplus of £50,529 and this included £29,445 from the remaining funds from the transfer by CTN. This amount is designated to be spent on CTN activities in 2011/2012.

#### **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. On current expenditure, this amount is equivalent to just over £40,000. The actual free reserves at the year end were £19,514, but in addition the charity had £29,445 balance remaining from CTN. The total amount is in line with the Charity's requirement. These reserves do not include amounts designated for income received where the corresponding expenditure will be incurred in the following year.

## **SMALL CHARITIES COALITION**

### **TRUSTEES' REPORT (continued)**

#### **FOR THE YEAR ENDING 31 MAY 2011**

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##### **Future plans**

The year ahead again promises to be busy and productive. Our focus will be on ensuring the smooth integration of the operations of CTN and Small Charities Coalition with minimum disruption to our members and also on developing a strategy for the merged organisation going forward. Specifically we plan to

- Integrate the databases, gather profiling data about the members and carry out a consultation exercise amongst members
- Continue to build the membership using a range of marketing techniques. Increase the proportion of social marketing in the portfolio of activities
- Run 2 Regional 'link up and learn' events, 1 national event
- Reinvigorate the networks
- Extend 1 to 1 matching to Trustees and specific trustee roles eg Chair
- Evaluate group support work and develop plans for the next stage of development
- Review the effectiveness of Trusteefinder and develop plans for improvement
- Integrate the programme of communication with members. Review the frequency and content of all bulletins and ensure all members receive the information that is relevant to them
- Ensure the Resources and Policy areas of the website are maintained and developed
- Contribute to policy initiatives that will most benefit members. This is likely to include ongoing work on Gift Aid and the Small donations scheme, Charity Fraud and the review of the Charities Act 2006
- Continue contribution to sector partnership activities Code of Good Governance, Trustees Week, Small Charities Week

The consultation with members and the Board's planned review of strategy in November 2011 may result in some changes to these plans or refocused priorities

##### **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

## SMALL CHARITIES COALITION

### TRUSTEES' REPORT (continued)

FOR THE YEAR ENDING 31 MAY 2011

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#### Statement of Trustees' responsibilities (continued)

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 10/11/2011 and signed on their behalf, by



Debra Allcock Tyler  
Chair of Trustees

**SMALL CHARITIES COALITION**  
(A company limited by guarantee)

**AUDIT EXEMPTION REPORT**

**FOR THE YEAR ENDED 31 MAY 2011**

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

I report on the financial statements of the Company for the year ended 31 May 2011 which comprise the Statement of Financial Activities (incorporating the Income and Expenditure Account) and Balance Sheet, with the related notes. This report is made solely to the Company's Trustees, as a body, in accordance with Section 43 of the Charities Act 1993 and regulations made under section 44 of that Act. My work has been undertaken so that I might state to the Company's Trustees those matters I am required to state to them in an Independent examiner's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the Company and the Company's Trustees as a body, for my work, for this report, or for the opinions I have formed.

**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 financial statements. The Trustees consider that an audit is not required for this year under section 43(2) of the Charities Act 1993 (the Act) and that an independent examination is needed. Having satisfied myself that the Society is not subject to audit under charity or company law and is eligible for independent examination, it is my responsibility to

- examine the financial statements under section 43 of the Act,
- follow the procedures laid down in the general Directions given by the Charity Commission under section 43(7)(b) of the 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 Company and a comparison of the financial statements presented with those records. It also includes consideration of any unusual items or disclosures in the financial statements, 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 financial statements present a 'true and fair view' and the report is limited to those matters set out in the statement below.

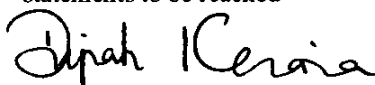
**INDEPENDENT EXAMINER'S STATEMENT**

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 financial statements which accord with the accounting records and 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 financial statements to be reached



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

10th November 2011

**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 2011**

	Note	Unrestricted Funds 2011 £	Total Funds 2011 £	Total Funds 2010 £
<b>INCOMING RESOURCES</b>				
<i>Incoming resources from generated funds</i>				
Voluntary income and grant funding	2	144,880	144,880	128,495
Investment income	3	167	167	210
Transfer from Charities Trustee Network		44,516	44,516	-
<b>TOTAL INCOMING RESOURCES</b>		<u>189,563</u>	<u>189,563</u>	<u>128,705</u>
<b>RESOURCES EXPENDED</b>				
Costs of generating funds	4	6,084	6,084	7,117
Charitable activities	5	123,895	123,895	120,678
Governance	6	9,055	9,055	4,244
<b>TOTAL RESOURCES EXPENDED</b>		<u>139,034</u>	<u>139,034</u>	<u>132,039</u>
<b>MOVEMENT IN TOTAL FUNDS FOR THE YEAR -</b>				
Net income/(expenditure) for the year		50,529	50,529	(3,334)
Total funds brought forward		73,950	73,950	77,284
<b>TOTAL FUNDS CARRIED FORWARD</b>		<u><u>£124,479</u></u>	<u><u>£124,479</u></u>	<u><u>£73,950</u></u>

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 2011

	Notes	£	2011	£	£	2010	£
<b>FIXED ASSETS</b>							
Tangible fixed assets	10			854			1,467
<b>CURRENT ASSETS</b>							
Stock			450			-	
Debtors	11		1,181			476	
Cash at bank			128,204			111,193	
			<u>129,835</u>			<u>111,669</u>	
<b>CREDITORS: Amounts falling due within one year</b>	12		<u>6,210</u>			<u>39,186</u>	
				123,625			72,483
<b>NET ASSETS</b>	13			<u>£124,479</u>			<u>£73,950</u>
<b>CHARITY FUNDS</b>							
Designated funds				104,111			43,750
Unrestricted funds – General funds				20,368			30,200
<b>TOTAL FUNDS</b>				<u>£124,479</u>			<u>£73,950</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.

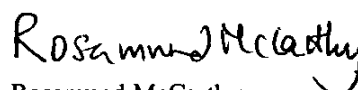
The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of accounts. These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies'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

The financial statements were approved by the Trustees and authorised for issue on ~~10/11/2011~~ and signed on their behalf, by

10/11/2011



Debra Allcock Tyler  
Chair of Trustees



Rosamund McCarthy  
Trustee and Chair of Resources Committee

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

## SMALL CHARITIES COALITION

### NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MAY 2011

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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 2011**

**2. INCOME RESOURCES FROM VOLUNTARY INCOME AND GRANT FUNDING**

	Unrestricted Funds 2011 £	Total Funds 2011 £	Total Funds 2010 £
Santander	10,352	10,352	-
Sobell	10,000	10,000	-
26 May 1961 Trust	10,000	10,000	-
Tudor Trust	75,000	75,000	75,000
Esmée Fairbairn	-	-	35,000
Dulverton Trust	26,000	26,000	-
Wates Foundation	9,000	9,000	18,000
Other donations	4,528	4,528	495
	<u>£144,880</u>	<u>£144,880</u>	<u>£128,495</u>
Voluntary income and grant funding costs			

**3. INVESTMENT INCOME**

	Unrestricted Funds 2011 £	Total Funds 2011 £	Total Funds 2010 £
Interest income	<u>£167</u>	<u>£167</u>	<u>£280</u>

**4. COSTS OF GENERATING FUNDS**

	Unrestricted Funds 2011	Total Funds 2011	Total Funds 2010
Staff costs	3,610	3,610	2,700
Support costs	474	474	427
Other costs	2,000	2,000	3,990
	<u>£6,084</u>	<u>£6,084</u>	<u>£7,117</u>

**5. CHARITABLE ACTIVITY COSTS**

	Direct Salary costs £	Other Direct costs £	Support Costs £	Total 2011 £	Total 2010 £
Resource and skill sharing	<u>£100,097</u>	<u>£11,158</u>	<u>£12,640</u>	<u>£123,895</u>	<u>£120,678</u>

**6. GOVERNANCE**

	Unrestricted Funds 2011 £	Total Funds 2011 £	Total Funds 2010 £
Staff costs	3,610	3,610	2,700
Trustees expenses	161	161	617
Support costs	474	474	427
Independent Examiners Fees	850	850	500
Legal costs	3,960	3,960	-
	<u>£9,055</u>	<u>£9,055</u>	<u>£4,244</u>

**SMALL CHARITIES COALITION**

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

**FOR THE YEAR ENDED 31 MAY 2011**

**7. SUPPORT COSTS SUMMARY BY ACTIVITY**

	<b>Charitable Activities £</b>	<b>Cost of Generating Funds £</b>	<b>Governance £</b>	<b>Total 2011 £</b>	<b>Total 2010 £</b>
Rent	9,041	340	340	9,721	11,598
Telephone	2,225	84	84	2,393	1,557
Insurance	223	8	8	239	233
Bank charges	166	6	6	178	6
Payroll administration	137	5	5	147	-
Depreciation	848	31	31	910	488
<b>Total support costs</b>	<b>12,640</b>	<b>474</b>	<b>474</b>	<b>13,588</b>	<b>13,902</b>

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

**8. NET (EXPENDITURE)/INCOME**

	<b>2011 £</b>	<b>2010 £</b>
This is stated after charging		
Depreciation of tangible fixed assets owned by the charity	910	488
Accountants fees	850	500

During the year, no Trustees received any remuneration or benefits

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

**9. STAFF COSTS AND NUMBERS**

	<b>2011 £</b>	<b>2010 £</b>
Staff costs were as follows		
Wages and salaries	100,510	83,749
Social security costs	6,807	8,010
	<b>107,317</b>	<b>£91,759</b>
The average number of full time equivalent employees during the year was as follows	<b>Number</b>	<b>Number</b>
Direct Charitable Activities	24	24
Support and governance	03	01
Fundraising	03	01
	<b>30</b>	<b>26</b>

The number of employees whose emoluments amounted to over £60,000 during the year was nil

**SMALL CHARITIES COALITION**

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

**FOR THE YEAR ENDED 31 MAY 2011**

**10. TANGIBLE FIXED ASSETS**

	<b>Furniture, fittings and equipment £</b>	<b>Total £</b>
<b>Cost</b>		
At 1 June 2010	2,621	2,621
Additions	297	297
At 31 May 2011	2,918	2,918
<b>Depreciation</b>		
At 1 June 2011	1,154	1,154
Charge for the year	910	910
At 31 May 2011	2,064	2,064
<b>Net Book Value</b>		
At 31 May 2011	£854	£854
At 31 May 2010	£1,467	£1,467

**11. DEBTORS**

	<b>2011 £</b>	<b>2010 £</b>
<b>Due within one year</b>		
Prepayments	£1,181	£476

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

	<b>2011 £</b>	<b>2010 £</b>
Trade creditors	2,427	6,086
Social security and other taxes	1,640	-
Other creditors	1,293	2,216
Accruals	850	532
Deferred income	-	30,352
	£6,210	£39,186

Deferred income relates to grants of £ from The Dulverton Trust and £ Santander Foundation which relate to 2011/2012

**13. STATEMENT OF FUNDS**

	<b>Balance brought forward £</b>	<b>Incoming Resources £</b>	<b>Resources Expended £</b>	<b>Balance carried forward £</b>
Grants in advance	43,750	74,666	(43,750)	74,666
Charities Trustee Network	-	44,516	(15,071)	29,445
<b>DESIGNATED FUNDS</b>	43,750	119,182	(58,821)	104,111
<b>UNRESTRICTED GENERAL FUNDS</b>	30,200	70,381	(80,213)	20,368

The amount designated for grants in advance represents a proportion of grants received in the year ended 31 May 2011 whereby the related costs will be received in 2011/2012

# SMALL CHARITIES COALITION

## NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 MAY 2011

14 ANALYSIS OF NET ASSETS BETWEEN FUNDS	Designated Funds 2011 £	General Funds 2011 £	Total Funds 2011 £
Tangible fixed assets	-	854	854
Current assets	104,111	25,724	129,835
Creditors due within one year	-	(6,210)	(6,210)
	<u>104,111</u>	<u>20,368</u>	<u>124,479</u>

## 15. OPERATING LEASE COMMITMENTS

At 31 May 2011 the company had annual commitments under non-cancellable operating leases as follows

Expiry date:	£
Between 2 and 4 years	<u>£</u>

## 16. RELATED PARTY TRANSACTIONS

During the year Small Charities Coalition offices were based at Directory of Social Change and paid rent of £11,598. 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.

The charity paid an insurance premium of £33 to CASE. Bates Wells Braithwaite are shareholders in CASE and one of the trustees, Rosamund McCarthy is a partner at Bates Wells Braithwaite. The insurance was chosen because it was the most competitive quote and Rosamund was not involved in any of the discussions relating to the insurance.