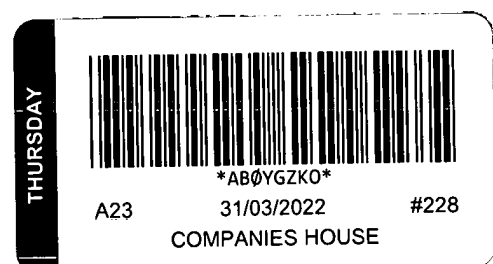


Company number: 06462220
Charity Number: 1122297

The Small Charities Coalition

Report and financial statements
For the year ended 31 March 2021



The Small Charities Coalition

Contents

For the year ended 31 March 2021

Reference and administrative information	1
Trustees' annual report	2
Independent examiner's report	14
Statement of financial activities (incorporating an income and expenditure account)	15
Balance sheet	16
Statement of cash flows	17
Notes to the financial statements	18

The Small Charities Coalition

Reference and administrative information

For the year ended 31 March 2021

Company number 06462220

Charity number 1122297

Registered office and operational address Arc Club, 72-75 Digby Road, LONDON, E9 6HX

Country of registration England & Wales

Country of incorporation United Kingdom

Trustees Trustees, who are also directors under company law, who served during the year and up to the date of this report were as follows:

In post from beginning of the financial year

Bushra Ahmed Chair until 16 September 2020

Steven Kirkpatrick Chair between 17 September 2020 to 10 October 2021

Madeleine Cassidy Vice Chair until 23 October 2020

Alex Smith Until 18 February 2021

In post from beginning of financial year or appointed since

Joyce Fraser Chair From 10 October 2021

Judith Miller Treasurer

Ciaran Price

Pauline Roche

Lorna Westwood Vice Chair From 10 October 2021

Annika Ramos From 10 October 2021

Chief Executive Rita Chadha Until 30 September 2021

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

Independent Examiner Eric Southwick
Eric Southwick & Co
Chartered Accountants
51 The Avenue
SEAHAM
Co Durham
SR7 8NS

The Small Charities Coalition

Trustees' annual report

For the year ended 31 March 2021

The trustees present their report and the independently examined financial statements for the year ended 31 March 2021.

Reference and administrative information set out on page 1 forms part of this report. The financial statements comply with current statutory requirements, the memorandum and articles of association, the requirements of a directors' report as required under company law, and the Statement of Recommended Practice – Accounting and Reporting by Charities: SORP applicable to charities preparing their accounts in accordance with FRS 102.

Structure, governance & management

The organisation is a charitable company limited by guarantee, incorporated on 2 January 2008 and registered as a charity on 14 January 2008. The company was established under a memorandum and articles of association, which established the objects and powers of the charitable company and is governed under its articles of association. All Trustees give their time voluntarily and receive no benefits from the charity.

The Trustees review the aims, objectives and activities of the charity each year. The report looks at what the charity has achieved and the outcomes of its work for the year ending 31 March 2021. The Trustees report the success of each key activity and the benefits the charity has brought to those groups of people that it is set up to help. The review also helps the Trustees ensure the charity aims, objectives and activities remain focuses on its stated purposes.

Trustees will usually serve for a term of three years and may be re-appointed for a second term. The global pandemic made this 2020/21 a year of unparalleled change, for our members, staff team and trustees. We pivoted our work programme to adapt to the new online environment and met record levels of demand previously unseen in the organisation.

For the trustees there was a renewed focus with additional meetings. Our plans have adapted to our new changing priorities. For some trustees their own personal and changing circumstances led them to stepping down.

Whilst our intention had been to continue assessing ourselves against the Governance Code, we felt that this year there was also a need to bring in more specialist support. We used an external governance expert, Tesse Akpeki to facilitate additional trustee sessions, and provided one to one support and mentoring for the Chair. Tesse's advice and support was invaluable to the board.

She also supported the board with input into the trustee recruitment process. Planning for this commenced late in 2020, leading to appointments post the financial year end in autumn 2021. External recruitment experts Peridot Partners worked with SCC on the recruitment. We were delighted to welcome Lorna Westwood and Annika Ramos to the board post year end. Tesse continued to support the board with their induction.

The Small Charities Coalition

Trustees' annual report

For the year ended 31 March 2021

We recommenced working through the Charity Governance Code with Tesse. Our focus was on the Charity Governance Code, as refreshed following consultation in 2020. We chose the updated principle six on equality, diversity and inclusion as our new starting point. This work commenced pre year end and continued during the summer of 2021. Board members also undertook disability awareness training. Early 2021 saw SCC refresh its strategy to include a focus on building a safe environment putting wellbeing front and centre for all those involved with the organisation.

In 2019/2020 we committed to the development of a new Vice-Chair role. The role has been invaluable in supporting us through the transition between Chairs. We did not reappoint to this role at the point Madeleine Cassidy stepped down, as we were planning a trustee recruitment process. Lorna Westwood stepped into this role from October 2021.

Objectives and activities

Purposes and aims

The Small Charities Coalition (SCC) helps small organisations with a social purpose to change lives, improve communities and broaden people's opportunities. Through our network of over 16,000 members, we are a voice for people working on the front line of some of our communities' biggest problems. Our helpline, low-cost training and events, information and mentoring help the people that run small charities through practical and emotional challenges. We also campaign to give small charities a say in the matters that affect them.

The trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning its future activities. In particular, the trustees consider how planned activities will contribute to the aims and objectives that have been set. The trustees are satisfied that SCC ensures its work is in the public benefit.

We remained resolute in our commitment in delivering our objects, which have never been more needed. We have continued relentlessly throughout the year to promote the public benefit of small charities to government and other groups. This manifested itself in the pandemic when the government acknowledged the need to invest in charities. In order to make sure that small charities were able to access such funding, and also to ensure that they themselves were able to adapt to COVID, we have increased our level of engagement with members, invested heavily in expanding our training programme, and streamlining our work on the Helpdesk.

As an organisation that specialises in advising the general public in how to set up charities and not-for-profit ventures, we have continued to receive calls and queries about this. Furthermore this year, more than any other year previously, our work has also demanded more engagement with government, public and private stakeholders, where we have sought to encourage them to collaborate with small charities and to consider the specific needs in the formulating of policies and regulations.

Achievements and performance

The charity's main activities and who it tries to help are described below. All its charitable activities are undertaken to further the Small Charity Coalition's charitable purposes for the public benefit.

Charitable Activities during 2020/21

Our last strategy ended in 2019 and our last annual report, we said that our 2020/21 priorities were:

- To develop a programme of accredited training
- Continue our work on localism
- Create more opportunities for member peer to peer engagement through cluster meetings (now referred to in this document to meet-ups)
- Open the Helpdesk 5 days a week

It had also been our intention to launch in March 2020 a new strategy and approach that worked on the smallest of small charities, with a focus on organisations with an income of under £300k per annum. However in light of the pandemic, the decision was taken to postpone the implementation of the new strategy in light of the need to ensure wider community of charities could come together to support collaborative working. Our proposed strategy had sought to also make us more accessible to those located outside of London with a focused programme of work in the North East and South West. COVID-19 required us to adapt to the new online environment. The change in delivery to online has resolved some of the very real challenges we previously had about funding work that was outside London.

20/21 saw us embarked with an outline strategy. We had already recognised that we needed to better communicate with our members and make sure that the content of our training and meet-up events were relevant and appropriate to their needs during the pandemic. In addition, COVID also bought us new audiences, partly spurred on by our introduction of specialist quarterly meetings for trustees. We also had the added challenge of our old website no longer being fit for purpose, so we were exceptionally grateful to Digital Candle that provided us with an interim solution.

In focusing on our services, we wanted:

- To make sure our services were relevant and of high quality
- To ensure that our services were timely and met the uncertainty and information gap facing many small charities
- That the services, and in particular the events and training programme, were collaborative and where appropriate drew in a cross range of organisations from the public and private sector and reached the diversity of communities in the UK

We are able to report the following regarding the performance of our services.

The Small Charities Coalition

Trustees' annual report

For the year ended 31 March 2021

Much of our work during 2020/21 was ensuring that communication to and with our members was purposeful, timely and informative. This included:

- 34 newsletters
- 8 special COVID-19 newsletters
- 8 events training Bulletins
- 12 special briefings, on the Chancellors announcement of funding for charities, the budget and Comprehensive Spending Review (3), Kickstart, the Never More Needed Campaign, and the Danny Kruger Review (2)

HelpDesk (in previous reports referred to Supportline)

For those new to the world of small charities, the HelpDesk is often their first introduction to the organisation. Queries are received via our email and phone, as well as through a chat function on our website. During 2020/21, the organisation has increased the opening hours of the HelpDesk.

- 2019/20 1,397 queries to the Helpdesk
- 2020/21 4,544 queries to the Helpdesk

Quarter	Queries received	Resolved
1 April – 30 June 2020	1084	627
1 st July – 30 th September 2020	838	851
1 st October – 31 st December 2020	1038	813
1 st January – 31 st March 2021	1584	1661
Total number of queries	4544 (1397 in 2019/2020)	3952 Backlog cleared by May

Once into the new financial year, the backlog of unresolved queries dramatically reduced and averaged less than 20–40 at the end of each month.

An average of 380 new enquiries came to the SCC HelpDesk every month. 96% of queries were via email. Emerging trends included 158 queries around banking, 588 over the government's COVID specific guidance, 47 queries around mergers and collaborations.

Individuals using the HelpDesk are encouraged to fill in a short satisfaction survey upon resolution of their query. This survey received 306 responses from April 2020 – March 2021.

In response to the question: *"How well do you feel that this support line interaction addressed your query?"* we received a 4.71 average star rating, on a scale of 'least helpful' to 'most helpful.' 80.07 % of respondents opted for the highest rating ('most helpful').

The Small Charities Coalition

Trustees' annual report

For the year ended 31 March 2021

Mentoring

In 2020/21 we paused our mentoring programme to undertake a root and branch review of the systems and processes, we were using to manage it. We were fortunate enough during COVID to have the services of Gethyn Williams who worked with us to reconfigure the programme and make it fit for purpose. In late February 2021 we relaunched the programme with a view to actively starting to match mentors and mentees.

Events and Training

Our Events and Training Programme is unique in the sector. Our training sessions are either free or low cost (£5-£10). During 2020/21, inspired by our ambition to make sure more of those running small charities feel connected, we introduced cluster meet-up. Organised around charitable purposes these meetings grew in popularity.

In 2019/21, when the current staff team joined in July, we were delivering around 54 training courses a year to just over 800 attendees. Satisfaction on training 77%.

2020/21 365 meet-ups and training sessions to over 10,831 delegates, 86% satisfaction.

Research

Over 2020/21 the Coalition also developed a robust and large body of research into the needs of small charities. In total 13 surveys were run during the period, we were fortunate that our members did not tire from our questioning and understood the need for us to identify data to make the case to government and other stakeholders on their behalf. Our services have yielded positive and large returns and often larger than many of our peers who have run national surveys. However, we have often struggled to amplify the findings from such surveys and share them more broadly.

Policy and campaigning for small charities

New configurations of meetings and the coming together of over 60 nationwide infrastructure organisations were immensely helpful in bringing to the fore the very real lived and unique experience of small charities. Discussions throughout the year with DCMS (Department Culture Media and Sport) led to a number of opportunities to further the interests of small charities. Most notably it was together with sector colleagues a collective lobbying that secured £750 million in funding for charities. Whilst this was well below what was needed, there was at least a recognition of the value of small charities in particular.

Considerable time during the year has also been spent on working with the Charity Commission for England and Wales and to a lesser extent with OSCR (Office of the Scottish Charity Regulator) on the development of clear operating guidance in the wake of COVID.

Another huge cause of concern for us during 2020/21 has been the problems that small charities have been encountering with banking. Not only do organisations find it difficult to open new bank accounts, but changing mandates and making international payments also prove extremely challenging.

The Small Charities Coalition

Trustees' annual report

For the year ended 31 March 2021

2020/21 activity in this area included;

Responding to	Kruger Review Spending Review
Campaigning for	For more money for the sector as part of the Never More Needed campaign Better banking facilities for small charities
Working with	NHS England and health partners to help deliver public health messaging Charity Commission for England & Wales & OSCR for better guidance for charities Other membership bodies to support councils The steering group of the Governance Code to help refresh the code UKCF and NET to support their work around grant making
Partnering with	VSL Compliance and Bates Well to develop and deliver new online Safeguarding courses for children and adult safeguarding You Gov to offer low-cost surveying facilities to SCC members Over 46 funders to communicate their offer to small charities via our weekly Funding Talk series
Speaking at	13 events
Writing	An article for the Law Commission's Review
Featuring in	Over 80 media articles

Diversity

SCC were keen to focus on diversity within the sector. Within the conventional definition of the term. In 2019/2020 we initiated DICE (Diversity, Inclusion, Cohesion and Equality) a training programme to explaining the moral, social and business need for equity. In 2021/22 we continued to deliver DICE regularly to both members and non-members, and also developed a new course on monitoring diversity in small charities. Funding from the National Lottery Community Fund enabled us to be able to employ a specialist consultant to work with small charities, answering their questions and developing their services to ensure equality, equity and diversity are addressed.

During 2020/21 we created spaces and opportunities for the discussion of equality, equity and diversity. We have

- Employed a specialist consultant to work with small charities on the issue of equality and diversity
- Delivered 8 sessions focused on equality and diversity
- Maintained a section in our weekly newsletter focused on equality and diversity
- Hosted a monthly meeting focused on equality and diversity

The Small Charities Coalition

Trustees' annual report

For the year ended 31 March 2021

- Held sessions to mark Black History Month, Disability Week and LGBT+ Month

However, diversity in the small charity sector during COVID also forced us to explore the differences between different sub-sectors of charities. From the outset of the lockdown it was clear that some charities found it easier to adapt and deliver services than others. It became rapidly clear for example that International charities, small arts, culture, heritage and animal welfare charities were/are disproportionately impacted by the lockdown regulations and a lack of targeted funding programmes. The meet-ups have been instrumental in enabling us to reach out to such groups and provide them with support and insight. It was through such activity that we were proud to support a network of small international charities establish themselves as a registered charity (Small International Development Charities Network), from which they have developed into a campaigning powerhouse.

Internal environment

The Small Charities Coalition was fortunate enough to secure several streams of emergency funding. This has helped us deploy a model of working that has been effective and extremely impactful. Throughout the period we retained our small core staff team and added to it a specialist team of consultants, bringing skills in governance, management, people management, HR, finance, equality and local government. Working together we were able to provide a broader range of services and more in-depth support to members.

Like every organisation, the Small Charities Coalition has been heavily reliant on its staff team. We did not take up furlough. We have been conscious of the pressure on staff teams, and considerable care was taken to encourage colleagues to take extended annual leave beyond their statutory allocation. Initially support for the CEO was increased, with Board meetings for April–June 2020 being every two weeks. This provided trustees with a strong grounding in the lived experience of colleagues. By July 2020/21 we had supplemented the core staff team of 3 with an additional 2 colleagues and five consultants. Trustee meetings reverted back to every month.

At the same time, we have been conscious of the pressures and challenges on our core staff team, additional annual leave above the statutory allocation was provided at several points during the year. We were also fortunate enough to receive additional funding from the Tudor Trust to support our work to around staff and trustee well-being. During the last two months of 2020/21, we took action to respond to cover for members of the core staff team who were unable to work. Whilst initially a shock, the test of our model of working and through the close stewardship of the Chair allowed the organisation, to continue delivering services and to remain responsive to members.

Our conclusion on 2020/21 was that it had been a year that tested the resolve and resilience of the organisation's trustees and staff, but it should be viewed also as a year that elevated our ability to collaborate both internally and externally, brought us closer together as an organisation and ultimately made us stronger and more focused.

Financial review

SCC benefited from specific COVID related funding to help it respond to the very real need in small charities. Within a short space of time, we had supplemented the core staff team of 3 with an additional 2 colleagues and five consultants. Increased consultant numbers allowed us to undertake more work included increasing the number of training opportunities and events almost seven-fold. They also added to our capacity to respond to HelpDesk queries, which rose over three-fold. We chose to use unrestricted funds to invest in recruiting new trustees and governance. Both of which we felt were vital to improve the operation and governance of the SCC. An unrestricted surplus of £35,331 was recorded in the year bringing reserves/unrestricted funds to £125,493. With the addition of restricted funds at the end of the year of £34,374, total funds were £159, 867.

Whilst income generation work had been ongoing additional COVID related funding provided SCC with the added boost that was needed. Both prior years (2018/19 and 2019/20) reported deficits. Changes in leadership, which occurred in these years, despite hard work from the team, did result in hard-to-manage interruptions to income generation work, impacting on the future pipeline. Income generation is challenging, and in reality quite precarious, for all small charities and infrastructure, in particular. Diversifying income was a challenge, as an organisation like SCC supporting small charities with limited funds themselves is not typically attractive to corporate sponsor or public donations. Plus, SCC has always worked on the principle to make its services free or very low cost to ensure accessibility to all, which adds a challenge to the operating model. The reality of SCC's model is that it is very dependent on trusts and foundations, and there are a limited number of these who routinely support infrastructure. There is also the challenge that there is a relatively long lead time between application and receipt. These have been recurring issues for SCC.

Principal risks and uncertainties

As indicated above, our funding has always been SCC's principal risk. We need the certainty of multi-year core, unrestricted funding. The team worked hard on the income pipeline initiating work on an ambitious fundraising strategy after the intense activity of early phase of the pandemic. As mentioned above, personnel capacity was affected in spring 2021, so during the last quarter momentum was lost in our communication and engagement with funders. This was picked up with renewed rigour over the summer and into the autumn.

Our CEO, Rita Chadha, who had led the team achieving extraordinary work during 2020/21 decided in the Spring of 2021 to move on to pastures new in the autumn. Any transition in leadership is always a risk to an organisation, and this is even more true in a small organisation. Rita and the team did their best to forward plan for this change to allow for a continuity of service delivery.

More is set out in the section below on our eventual decision to close. This was announced on 17 December 2021, following intense activity in the time leading up to this.

Reserves policy and going concern

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

- Safeguarding 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.

With the majority of the charity's funds coming from trust and foundations, this requires on-going work to ensure a pipeline of potential relationships and projects reach fruition. The lead time can be significant, so the trustees aim to have six to nine months running costs in reserves. Reserves are the unrestricted funds of the charity. Based on the existing structure (excluding extra covid activities), typical annual running costs were budgeted at approximately £250,000. The ideal reserves range was £125,000 to £190,000, unrestricted funds of £125,493 was at the lower end of this range at 31 March 2021.

Plans for 2021/22, "going concern" and the decision to close

Despite the challenges of the pandemic and high level of activity during the year, in October 2020, we initiated the development of a new revised three-year strategy for the organisation. We began implementing the strategy in April 2021. Our new strategy revolved around a clear understanding and definition of our values. The Small Charities Coalition believes in being, inclusive, responsive and honest, with our focus on our members, being innovative, passionate and agile.

We identified our core objectives as

- Creating an informed and well-resourced membership
- Creating agile, responsive and co-operative partnerships
- Ensuring an innovative, creative representation of small charities
- Running an inclusive, well managed, and happy organisation

The work on the strategy also included looking at the ideal team size/roles/staff structure and associated costs post pandemic. Early 2021/22 also saw further work on governance and two new trustees joined the board.

Areas of work identified for 21/22 included

- significant focus on seeking and creating opportunities to expand and diversify our funding
- building on the learning and reach achieved during the height of the pandemic
- planning and implement how we work and engage with internally and with others by introducing a well-being strategy
- looking to secure funding for a business administrator/manager, and data analyst, two posts that we saw as pivotal to enhanced development of our services to members and improved internal operations

The Small Charities Coalition

Trustees' annual report

For the year ended 31 March 2021

Going forward we identified a number of challenges:

- Our own funding remained precarious
- In September 2021 our CEO, Rita Chadha left us, which whilst planned for left another transition to manage
- We were eager to ensure that the work of 20/21 was built upon during the transition and that continuity in service delivery and approach was maintained
- Our back-office functions needed with additional support
- We knew we could be more creative in our use of digital and data
- We had acknowledged historic and more recent challenges in ensuring we were consistently an inclusive and happy organisation. This would be a journey not a destination, and whilst work had started on this we knew we would need to remain ever vigilant in our need to address this both internally and externally

Significant work was carried out during the autumn of 2021 to secure funding to put the charity on a sufficiently secure footing to ensure we could move confidently and sustainably into 22/23 and beyond. Extensive soundings were taken as well as professional advice. Despite the enormous progress made since SCC was founded in 2008 and the role SCC had played during the pandemic, the trustees regrettably reached the difficult decision to close SCC. Since the announcement in December 2021, the staff team and the board together with the support of funders and fellow infrastructure bodies worked to close well and seek to find a new home for the HelpDesk.

The Charity Commission had been informed of SCC's position through the serious incident reporting mechanism, and a meeting was held with the Commission in early 2022. The Commission have been satisfied with the steps being taken by SCC to close responsibly.

An evaluation process commenced in January, which resulted in the production of the report "Small and Mighty: the life and legacy of the Small Charities Coalition. SCC invited expressions of interest to host the HelpDesk, after closure. A panel including representatives of funders and other infrastructure bodies supported the trustees with this process.

On 22 January 2022, SCC held its final closing event. At this event, the evaluation report was shared along with the announcement of the host partnership for the HelpDesk. These will be NCVO and FSI. The evaluation report sets out a call to action for the sector, infrastructure and funders.

SCC has another annual report and accounts will be produced for 2021/22 sharing more about the final evaluation and changes.

Whilst the charity will now be closing after 31 March 2022, the accounts have been prepared on a "going concern" basis, as there are no material adjustments, that would be required to these accounts following the decision to close.

Statement of responsibilities of the trustees

The trustees (who are also directors of the Small Charities Coalition for the purposes of company law) are responsible for preparing the trustees' annual report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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 of the incoming resources and application of resources, including the income and expenditure, of the charitable company 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 material departures disclosed and explained in the financial statements
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable 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 charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Members of the charity guarantee to contribute an amount not exceeding £1 to the assets of the charity in the event of winding up. The total number of such guarantees at 31 March 2021 was 8 (2010:11). The trustees are members of the charity, but this entitles them only to voting rights. The trustees have no beneficial interest in the charity.

The opinion of the directors is that the company is entitled to the exemptions conferred by Section 477 of the Companies Act 2006 relating to small companies

The directors acknowledge the following responsibilities:

- The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts

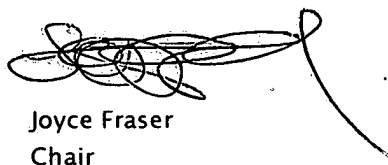
The Small Charities Coalition

Trustees' annual report

For the year ended 31 March 2021

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

The trustees' annual report has been approved by the trustees on 24 March 2022 and signed on their behalf by



Joyce Fraser
Chair

Independent examiner's report

To the members of

The Small Charities Coalition

I report to the charity trustees on my examination of the accounts of the company for the year ended 31st March 2021 which are set out on pages 15 to 25.

Responsibilities and basis of report

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

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

Independent examiner's statement

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

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

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

Eric Southwick
Eric Southwick & Co Chartered Accountants
51 The Avenue
Seaham
County Durham
SR7 8NS
Date: 30 March 2022



The Small Charities Coalition

Statement of financial activities (incorporating an income and expenditure account)

For the year ended 31 March 2021

	Note	Unrestricted £	Restricted £	2021 Total £	Unrestricted £	Restricted £	2020 Total £
Income from:							
Donations and legacies		5,530	–	5,530	658	–	658
Charitable activities							
Grants from Trusts and Foundations	2	175,732	187,965	363,697	60,000	48,683	108,683
Training, events and skill sharing	2	13,944	–	13,944	16,405	–	16,405
Total income		195,206	187,965	383,171	77,063	48,683	125,746
Expenditure on:							
Raising funds	3	8,146	–	8,146	11,056	–	11,056
Charitable activities							
Training, events and skills sharing	3	168,368	160,578	328,946	135,877	73,033	208,910
Total expenditure		176,514	160,578	337,092	146,933	73,033	219,966
Net income / (expenditure) before net gains / (losses) on investments		18,692	27,387	46,079	(69,870)	(24,350)	(94,220)
Transfers between funds		16,639	(16,639)	–	(2,363)	2,363	–
Net movement in funds		35,331	10,748	46,079	(72,233)	(21,987)	(94,220)
Reconciliation of funds:							
Total funds brought forward		90,162	23,626	113,788	162,395	45,613	208,008
Total funds carried forward		125,493	34,374	159,867	90,162	23,626	113,788

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in Note 12 to the financial statements.

The Small Charities Coalition

Balance sheet

Company no. 06462220

As at 31 March 2021

	Note	£	2021 £	£	2020 £
Current assets:					
Debtors	9	7,755		60	
Cash at bank and in hand		<u>168,794</u>		<u>120,885</u>	
		176,549		120,945	
Investment: Interest income					
Creditors: amounts falling due within one year	10	<u>(16,682)</u>		<u>(7,157)</u>	
Net current assets			159,867		113,788
Total net assets			<u>159,867</u>		<u>113,788</u>
The funds of the charity:	12a				
Restricted income funds			34,374		23,626
Unrestricted income funds			<u>125,493</u>		<u>90,162</u>
Total charity funds			<u>159,867</u>		<u>113,788</u>

The opinion of the directors is that the company is entitled to the exemptions conferred by Section 477 of the Companies Act 2006 relating to small companies.

The directors acknowledge the following responsibilities:

- (i) The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476
- (ii) The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts

These accounts have been prepared in accordance with the special provisions applicable to small companies subject to the small companies' regime.

Approved by the trustees on 24 March 2022 and signed on their behalf by

Judith Miller

Judith Miller
Treasurer

1 Accounting policies

a) Statutory information

The charity is a company limited by guarantee, incorporated in England and Wales. The members of the company are the Trustees named on page one. 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. In the opinion of the Trustees there is no ultimate controlling party. The registered office, which is the same as its principal place of business is Unit 9/10, 83 Crampton Street, London, SE17 3BQ.

The charitable company meets the definition of a public benefit entity under FRS 102.

b) Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) – (Charities SORP FRS 102), The Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (March 2018) and the Companies Act 2006.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy or note.

c) Going concern

As explained in the annual report, post year end the Trustees have decided to close the charity in spring 2022. The accounts have been prepared on a "going concern" basis, as the Trustees do not consider that there are any material adjustments, that would be required to these accounts following the decision to close.

d) Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the income have been met, it is probable that the income will be received and that the amount can be measured reliably.

e) Expenditure

Expenditure is accounted for on an accruals basis. Expenditure on raising funds represents an apportionment to staff costs based on time as well as the cost of external support. Support costs are those costs relating to premises and support functions. Governance costs are those incurred in connection with administration of the charity and compliance with constitutional and statutory requirements. The charity is not registered for VAT. In common with many other charities, the Small Charities Coalition expenses are inclusive of VAT which cannot be recovered.

f) Tangible fixed assets

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 33.3% straight line Office equipment 33.3% straight line.

The charity's fixed assets have been fully depreciated. Their original cost value was £2,917.

g) Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered.

h) Cash at bank and in hand

Cash at bank and cash in hand includes cash and the charity's current and deposit accounts; which are immediately accessible.

i) Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

j) Pensions

The charity pays into defined contribution pension scheme. Pension costs are recognised when contributions become payable.

The Small Charities Coalition

Notes to the financial statements

For the year ended 31 March 2021

2 Income from charitable activities

	Unrestricted £	Restricted £	2021 Total £	Unrestricted £	Restricted £	2020 Total £
Tudor Trust	70,000	-	70,000	40,000	-	40,000
Mill Charitable Foundation	40,000	-	40,000	-	-	-
Lloyds Bank Foundation	30,732	-	30,732	-	29,982	29,982
Garfield Weston	25,000	-	25,000	-	-	-
Esmée Fairbairn Foundation	10,000	-	10,000	20,000	-	20,000
National Lottery Community Fund	-	101,751	101,751	-	-	-
London Community Response Fund	-	47,514	47,514	-	-	-
Betty Messenger Foundation	-	33,700	33,700	-	-	-
Sobel Foundation	-	5,000	5,000	-	5,000	5,000
City Bridge Trust	-	-	-	-	12,500	12,500
Marketing Trust	-	-	-	-	1,201	1,201
Sub-total for charitable activity	175,732	187,965	363,697	60,000	48,683	108,683
Income from partnerships, training and events	13,944	-	13,944	16,405	-	16,405
Total income from charitable activities	189,676	187,965	377,641	76,405	48,683	125,088

The Small Charities Coalition

Notes to the financial statements

For the year ended 31 March 2021

3a Analysis of expenditure (current year)

	Raising funds £	Charitable Training, events and skill sharing £	Governance costs £	Support costs £	2021 Total £	2020 Total £
Staff costs (Note 5)	5,952	147,882	11,905	-	165,739	163,350
Professional fees	-	3,040	2,200	31,824	37,064	17,783
Project costs	-	16,936	-	-	16,936	1,148
Recruitment, training & HR support	455	11,308	910	-	12,673	7,137
Staff and volunteer expenses	-	-	-	-	-	1,663
Training and events costs	-	76,722	-	-	76,722	5,317
Trustee training	-	-	7,230	-	7,230	-
Premises and office costs	-	-	-	14,349	14,349	23,270
Other	-	-	-	6,379	6,379	298
	6,407	255,888	22,245	52,552	337,092	219,966
Support costs	1,222	51,330	-	(52,552)	-	-
Governance costs	517	21,728	(22,245)	-	-	-
Total expenditure 2021	8,146	328,946	-	-	337,092	
Total expenditure 2020	11,056	208,910	-	-		219,966

Of the total expenditure £176,514 was unrestricted (2020: £146,933) and £160,578 was restricted (2020: £73,033).

The Small Charities Coalition

Notes to the financial statements

For the year ended 31 March 2021

3b Analysis of expenditure (prior year)

	Raising funds £	Training, events and skill sharing £	Governance costs £	Support costs £	2020 Total £
Staff costs (Note 5)	5,758	151,834	5,758	-	163,350
Professional fees	4,125	599	500	12,559	17,783
Project costs	-	1,148	-	-	1,148
Recruitment and training	-	-	-	7,137	7,137
Staff and volunteer expenses	-	1,302	361	-	1,663
Training and events costs	-	5,317	-	-	5,317
Premises and office costs	-	-	-	23,270	23,270
Other	-	-	-	298	298
	<u>9,883</u>	<u>160,200</u>	<u>6,619</u>	<u>43,264</u>	<u>219,966</u>
Support costs	1,017	42,247	-	(43,264)	-
Governance costs	156	6,463	(6,619)	-	-
Total expenditure 2020	<u>11,056</u>	<u>208,910</u>	<u>-</u>	<u>-</u>	<u>219,966</u>

Of the total expenditure £146,933 was unrestricted (2019: £259,307) and £73,033 was restricted (2019: £100,288).

The Small Charities Coalition

Notes to the financial statements

For the year ended 31 March 2021

4 Net income for the year

This is stated after charging / (crediting):

	2021 £	2020 £
Interest payable	Nil	Nil
Independent examiner's remuneration (excluding VAT):		
Independent examination	Nil	Nil
	<u> </u>	<u> </u>

5 Analysis of staff costs, trustee remuneration and expenses, and the cost of key management personnel

Staff costs were as follows:

	2021 £	2020 £
Salaries and wages	146,256	147,855
Social security costs	15,012	11,533
Employer's contribution to defined contribution pension schemes	4,471	3,962
	<u>165,739</u>	<u>163,350</u>

No employee earned more than £60,000 during the year (2020: nil).

The total employee benefits (including pension contributions and employer's national insurance) of the key management personnel were £59,524 (2020: £57,580).

The charity trustees were neither paid nor received any other benefits from employment with the charity in the year (2020: £nil). No charity trustee received payment for professional or other services supplied to the charity (2020: £nil).

Trustees' expenses represents the payment or reimbursement of costs relating trustee duties totalling £30 (2020: £361) incurred by 1 (2020: 3) members.

The Small Charities Coalition

Notes to the financial statements

For the year ended 31 March 2021

6 Staff numbers

The average number of employees (head count based on number of staff employed) during the year was 4.5 (2020: 4.9).

Staff are split across the activities of the charity as follows (full time equivalent basis):

	2021 No.	2020 No.
Direct charitable activity	4.2	4.4
Support and governance	0.3	0.5
	<u>4.5</u>	<u>4.9</u>

7 Related party transactions

There are no related party transactions to disclose for 2021 (2020: none).

There are no donations from related parties which are outside the normal course of business and no restricted donations from related parties.

8 Taxation

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

9 Debtors

	2021 £	2020 £
Trade debtors	3,060	60
Other Debtors	1,163	-
Prepayments	3,532	-
	<u>7,755</u>	<u>60</u>

The Small Charities Coalition

Notes to the financial statements

For the year ended 31 March 2021

10 Creditors: amounts falling due within one year

	2021 £	2020 £
Other creditors	16,682	6,517
Accruals	–	640
	<u>16,682</u>	<u>7,157</u>

11a Analysis of net assets between funds (current year)

	Unrestricted £	Restricted £	Total funds £
Net current assets	125,493	34,374	159,867
Net assets at 31 March 2021	<u>125,493</u>	<u>34,374</u>	<u>159,867</u>

11b Analysis of net assets between funds (prior year)

	Unrestricted £	Restricted £	Total funds £
Net current assets	90,162	23,626	113,788
Net assets at 31 March 2020	<u>90,162</u>	<u>23,626</u>	<u>113,788</u>

The Small Charities Coalition

Notes to the financial statements

For the year ended 31 March 2021

12a Movements in funds (current year)

	At 1 April 2020 £	Income & gains £	Expenditure & losses £	Transfers £	At 31 March 2021 £
Restricted funds:					
National Lottery Community Fund	-	101,751	(102,737)	986	-
London Community Response Fund	-	47,514	(31,139)	-	16,375
Betty Messenger Foundation – Small Grants	-	30,000	(14,303)	-	15,697
Betty Messenger Foundation	-	3,700	(5,271)	-	(1,571)
Sobell Foundation	-	5,000	(5,000)	-	-
Lloyds Bank Foundation	17,673	-	(48)	(17,625)	-
Awards for All	2,844	-	(2,080)	-	764
Marketing Trust	1,109	-	-	-	1,109
Legal Education Foundation	2,000	-	-	-	2,000
Total restricted funds	23,626	187,965	(160,578)	(16,639)	34,374
Unrestricted funds:					
General funds	90,162	195,206	(176,514)	16,639	125,493
Total unrestricted funds	90,162	195,206	(176,514)	16,639	125,493
Total funds	113,788	383,171	(337,092)	-	159,867

The narrative to explain the purpose of each fund is given at the foot of the note below.

12b Movements in funds (prior year)

	At 1 April 2019 £	Income & gains £	Expenditure & losses £	Transfers £	At 31 March 2020 £
Restricted funds:					
Lloyds Bank Foundation	11,595	29,982	(25,395)	1,491	17,673
The City Bridge Trust	29,174	12,500	(42,546)	872	-
Sobell Foundation	-	5,000	(5,000)	-	-
Awards for All	2,844	-	-	-	2,844
Marketing Trust	-	1,201	(92)	-	1,109
Legal Education Foundation	2,000	-	-	-	2,000
Total restricted funds	45,613	48,683	(73,033)	2,363	23,626
Unrestricted funds:					
General funds	162,395	77,063	(146,933)	(2,363)	90,162
Total unrestricted funds	162,395	77,063	(146,933)	(2,363)	90,162
Total funds	208,008	125,746	(219,966)	-	113,788

The Small Charities Coalition

Notes to the financial statements

For the year ended 31 March 2021

Purposes of restricted funds

National Lottery Community Fund – To deliver intensive capacity building support through the pandemic, including expansion of the helpdesk, themed sector meetups, online training.

London Community Response Fund – to deliver our programme and expand on our equalities and training work, and the creation of a film.

Lloyds Bank Foundation for England and Wales – To deliver our policy and advocacy work.

Betty Messenger Foundation – SCC acted as organiser and broker, enabling the Betty Messenger Foundation to deliver a small grants programme focussed on their covid response. They also gave us a grant for work on mergers. The negative balance at the year end, reverses in the new financial year.

The City Bridge Trust – To deliver the Building Resilience Programme.

The Sobell Foundation – Contribution to the costs of our skills matching service.

Awards for All – purchase of IT equipment to build organisational capacity for supporting members.

Marketing Trust – delivery of marketing training for members.

The Legal Education Foundation – Contribution towards the cost of our Community Portal project.

Garfield Weston Foundation – Contribution towards core costs.

Co-op Foundation – Distribution of GDPR toolkits.

12 Legal status of the charity

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