

# Small Charity Support

Supporting & Facilitating Small Charities & Community Groups

## Trustees Annual Report & Statement of Financial Activity

for the Year Ended 30 June 2018

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# Trustees Annual Report & Statement of Financial Activity for the Year Ended 30 June 2018

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## 1 Reference and Administration Details

### 1.1. Charity Name & Registration

#### Small Charity Support

The charity is a Charitable Incorporated Organisation, registration no: 1161963, registered with the Charity Commission on 2 June 2015.

The charity is registered with HM Revenue & Customs, Reg.No: EW47122

Prior to registration as a CIO, Small Charity Support was an unregistered (below the £5000pa threshold) unincorporated association of the same name.

### 1.2. Charity's Address

46 Farm Road, Edgware, MIDDX. HA8 9LT  
e-mail: [enquiries@smallcharitysupport.uk](mailto:enquiries@smallcharitysupport.uk)  
website: [www.smallcharitysupport.uk](http://www.smallcharitysupport.uk)

### 1.3. Names of the Trustees Who Manage the Charity

Brian Seaton (Principal Trustee)

Daniela Amasanti De Bono; Patrick Forsyth; Pauline Seaton; William Taylor

There were no new appointments or resignations during the period covered by this Report.

### 1.4. Names of Advisors & Senior Members of Staff

None

### 1.5. Bank

CAF Bank, 25 Kings Hill Avenue, Kings Hill, West Malling, Kent ME19 4JQ.

## 2 Structure, Governance & Management

### 2.1. Type of Governing Document

Constitution – based on the Charity Commission's model governing document for Foundation Charitable Incorporated Organisations, *ie*: where the Trustees are the only Members of the charity.

### 2.2. Charitable Objects

As defined in Small Charity Support's Constitution (Governing Document):

The charity's objects ("objects") are specifically restricted to the following:

***The promotion of the voluntary sector for the benefit of the public by providing management, governance and other support to small charities and voluntary organisations.***

'The Voluntary Sector' means charities and voluntary organisations.

- **Charities** are organisations, which are established for exclusively charitable purposes in accordance with the law of England and Wales.

- **Voluntary organisations** are independent organisations, which are established for purposes that add value to the community as a whole, or a significant section of the community, and which are not permitted by their constitution to make a profit for private distribution. Voluntary organisations do not include local government or other statutory authorities.

Nothing in this constitution shall authorise an application of the property of the CIO for the purposes which are not charitable in accordance with section 7 of the Charities and Trustee Investment (Scotland) Act 2005 and section 2 of the Charities Act (Northern Ireland) 2008.

**Note - Not forming part of the registered charitable objects:**

*The charity does not offer or provide, and does not purport to offer or provide, any form of specific professional advice or opinion.*

*In particular it does not offer or provide any legal or financial advice or opinion.*

## 2.3. Trustee Selection Methods

There must be at least three charity trustees. The maximum number of trustees is 12.

In accordance with the Constitution, Trustees are appointed or re-appointed for a term of three years by a resolution passed at a properly convened meeting of the charity trustees.

In appointing Trustees due consideration is given to ensuring that the Trustees have, between them, the skills and experience necessary to manage the charity effectively and in accordance with charity law.

# 3 Activities

## 3.1. Statutory Declaration

The Trustees of Small Charity Support confirm that they have paid due regard to the guidance issued by the Charity Commission on public benefit in deciding what activities the charity should undertake.

## 3.2. Meeting the Needs of Small Charities

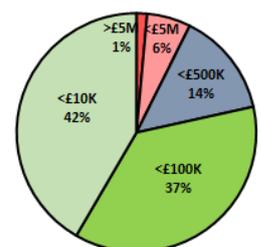
### 3.2.1. "One Size Fits All"

The constantly recurring issue which shapes the activities of Small Charity Support is that of "what, exactly, is a 'small' charity?".

Because larger charities – by virtue of their size, public advertising, fund-raising campaigns, and (occasionally) misdemeanours – more readily attract public attention there is a natural perception that most charities are run by a team of paid administrators / fundraisers who do all the day-to-day work of the charity. For such charities, the Board of Trustees is therefore more of an "umbrella group" which just meets occasionally to ensure that the executive/management team are keeping properly to the charity's purposes and governing document.

The reality is that, in sharp contrast, almost 80% of all charities in the UK for which the Charity Commission has annual income data<sup>1</sup> have annual incomes which are less than £100,000 per year (the level of income at which being able to afford to pay even low-level administrative support staff typically becomes feasible).

Ann.Income	Number	%
>£5M	2,251	1.4%
<£5M	9,298	5.9%
<£500K	22,296	14.2%
<£100K	57,988	36.9%
<£10K	65,448	41.6%



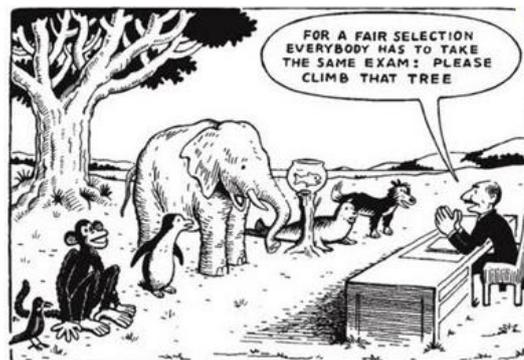
For those charities the Trustees are also often the people carrying out the bulk of the day-to-day "hands on" work of their charity (the "Head Cook and Bottle Washer" scenario).

<sup>1</sup> Data for March 2018.

<https://www.gov.uk/government/publications/charity-register-statistics/recent-charity-register-statistics-charity-commission>

And the Charity Commission data do not include the large number of small unregistered charities with incomes less than £5000/yr which are almost exclusively trustee led and run.

The high profiles of the 20% minority of charities at the top end of the scale (in terms of income) results in a Pareto<sup>2</sup>-like bias in the content and focus of both guidance and training materials towards the issues and needs of larger charities and their paid employees. This has created a “One Size Fits All” approach. Consequently the content and focus of such guidance and training materials are, at best, “inappropriate” for the staff/volunteers/trustees (often unqualified) in the 80% majority of charities at the low end of the income scale



By way of concessions to the 80% of small charities, there are usually some exemptions – things that small charities are “let off” of having to do (eg: the option to adopt the “Receipts & Payments” method rather than the more onerous “Accruals” method; not having to submit their accounts to the Charity Commission if their annual income is less than £10,000 – unless they are a CIO). But that DOES NOT mean that they do not have to keep accounts “of an adequate standard”. On the contrary: when one looks in detail at the Charity Commission guidance, and the requirements of the Charities Act, it is clear that the intention is that the “approved” standard of accounts must be maintained regardless of size. But that doesn’t mean that the inevitably simpler accounts of small charities have to be dressed up to look more complicated than they are to pretend that the charities are larger than they are.

### 3.2.2. “Simple is Beautiful”

Inspired by E.Schumacher’s iconic book, “*Small is Beautiful: Economics as if People Mattered*”, the “Simple is Beautiful” approach shuns the notion that “the bigger, wealthier and more complicated you are the better you are”. Instead the approach of Small Charity Support is to dispense with obfuscatory professional jargon and “financial sorcery” in favour of simple, pragmatic language and practices which are both appropriate to the needs of small charities and which their “ordinary, non-professional” staff/volunteers/trustees can understand and implement comfortably.

Since its creation Small Charity Support has been applying the “Simple is Beautiful” philosophy to address and overcome the “One Size Fits All” issue by creating:

- ✓ guidance literature on governance, financial and other issues commonly faced by small charities from the perspectives of trustees and other volunteers who do not have any specific experience in such areas outside of their work in their charity;
- ✓ guidance literature for people looking to set up their own charity, outlining what they have to put in place to run their charity effectively (eg: trustees; charitable purposes; governing document; bank account; policies; etc.) and how to complete the Charity Commission’s on-line form for charity registration;
- ✓ a simple open-source spreadsheet (with comprehensive user instructions) to manage small charity finances (bookkeeping; budget & cash-flow management; management reports to trustees and others; preparation of the annual accounts) in a way that is straight-forward, intuitive, and requires the minimum of technical expertise to manage effectively on a day-to-day basis;

All the guidance literature and spreadsheet avoid as far as is possible the inclusion of legal, financial or management jargon and any material which is unnecessarily complicated, particularly when it is only applicable to large charities or otherwise irrelevant to small charities.

Both the guidance literature and the spreadsheet are freely available to download from the charity’s website, [www.smallcharitysupport.uk](http://www.smallcharitysupport.uk), and are described in more detail in section 3.4.

<sup>2</sup> The **Pareto principle** (also known as the **80/20 rule**) states that, for many events, roughly 80% of the effects come from 20% of the causes. [https://en.wikipedia.org/wiki/Pareto\\_principle](https://en.wikipedia.org/wiki/Pareto_principle)

Although all are formally protected by copyright and intellectual property rights to prevent plagiarism by others for commercial benefit, they are all royalty-free for use by charities and other not-for-profit voluntary/community groups.

In addition, where appropriate Small Charity Support engages directly (by telephone, e-mail, Skype or personal visits) with trustees and other persons connected with small charities to assist them to address and overcome their governance, financial and other issues. These consultancy services are also provided free of charge (though incidental out-of-pocket expenses may be reimbursed).

### 3.2.3. Serious Incidents

Unfortunately Small Charity Support has seen a growth in call for help where trustees (or, less commonly, volunteers) are concerned that their charity is being mismanaged to the detriment of its intended beneficiaries and the use of donors' resources.

It is now clearly evident, from the press publicity of high-profile incidents, that the financial cut-backs to the Charity Commission mean that the resources at its disposal to deal effectively with charity governance issues (and its ability to regulate charities which are failing to implement proper governance) is woefully inadequate. This is particularly the case for incidents in small charities as these are clearly regarded as being too small for the Charity Commission to assign its limited resources to.

#### BBC-4 You & Yours – Serious Incident Reporting by Small Charities:

In October 2017 the Principal Trustee was invited by the BBC to record an interview on Charity Incident Reporting for the BBC-4 Radio Programme "You & Yours", broadcast at 12:13 on Monday 9-Oct-17. The programme was reporting on complaints it had received from a number of small charities that the Charity Commission was not responding effectively to Serious Incident Reports (SIRs) despite having said that small charities should be more proactive in reporting Serious Incidents.

Unfortunately, in the event, the Principal Trustee's interview was not used<sup>3</sup>, although an interview with the CEO of the Small Charities Coalition was used. In response to the criticisms a Charity Commission representative alleged (disingenuously) that the example SIR cited by the Small Charities Coalition far from being an example of the Commission's failings to respond to Serious Incident Reports (SIRs) submitted by small charities was instead a GOOD example of how the Commission had responded well to a SIR.

Subsequent to the Radio-4 interview, the Small Charities Coalition, encouraged by Small Charity Support, made further attempts to engage with the Charity Commission to try to find ways in which the three organisations could collaborate more effectively. However, as a consequence of procrastination and prevarication no progress was made on that.

#### Dealing with Requests for Help with Governance Issues

In the first 6/7 months of the current year, 10 calls were received requesting help in dealing with governance issues arising from dominant trustees – usually, but not invariably, the Chair. That is the same number as the total calls for the 12 months of the previous year.

Callers are typically distressed and requesting help in dealing with trustees/chairs adopting bullying – often unconstitutional – tactics to push through decisions/actions without the approval of the majority of the trustees and which are said to be in breach of the charity's governing document and the Charities Act.

In some cases callers also reported that they had tried to get help from the Charity Commission which had declined, saying that it was an internal matter for the trustees to sort out amongst themselves and suggesting that the caller sought help from the Small Charities Coalition instead. It seems that the Commission "all bark and no bite"<sup>4</sup> attitude – saying that small charities



<sup>3</sup> The Principal Trustee subsequently learned that his interview had been left out to make time for the contribution from the Charity Commission. Apparently the Commission had been declining to participate in the programme and only changed its mind when it heard what the Principal Trustee had recorded.

<sup>4</sup> Yapping dog clipart courtesy of: <http://cliparts.co/dog-barking-clipart>

should be more forward in reporting such incidents and then doing nothing about it – is making things worse. The Commission’s laissez-faire attitude is typically seen by dominant/bullying trustees/chairs as endorsing their actions and giving them carte-blanche to continue without fear of retribution.

As a consequence, callers with such issues now have to be told that we are unable to help because, even if we find there to be verifiable evidence of a case to be answered, there is little likelihood that the Commission will act on it. The time spent on researching and collating the evidence is not only wasted, it raises the distress and stress levels of both the affected persons and the volunteers trying to help them, and its subsequent cursory dismissal by the Commission only encourages the perpetrators to continue with renewed vigour.

### 3.3. Collaboration with the Small Charities Coalition

Small Charity Support is a member of the Small Charities Coalition:

[www.smallcharities.org.uk](http://www.smallcharities.org.uk)

and as well as benefiting from its support, the Principal Trustee (on behalf of Small Charity Support) has actively contributed to the work of the Coalition through its Skills Sharing and Mentoring programmes and by staffing its telephone HelpLine. Indeed, the majority of the activities undertaken by the Principal Trustee had their initial origin via the Small Charities Coalition.

#### 3.3.1. Telephone HelpLine

The Small Charities Coalition provides a weekly HelpLine service whereby callers with issues relating to the running of a small charity can call in to seek help and guidance.

The main HelpLine service normally operates 10am to 2pm on Mondays & Thursdays. Callers at other times are usually directed to a pre-arranged 30min appointment during HelpLine hours (though very simple enquiries at other times may be dealt with “on the spot”).

The HelpLine is always very clear that it does not offer a professional advice service – callers seeking such advice are usually directed to appropriate professional services (lawyers, accountants, HR) via the Coalition’s website resources pages.

Due to changes in the way that the HelpLine service was being developed, the Principal Trustee ceased contributing to the service in February 2018, though he still responds to some enquiries forwarded by e-mail.

### 3.4. Website

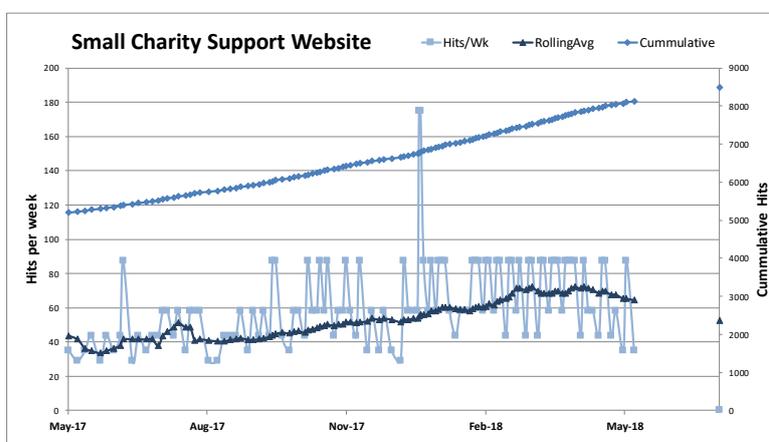
Small Charity Support maintains a web-site – [www.smallcharitysupport.uk](http://www.smallcharitysupport.uk) whi has recently been substantially updated.

Prior to the update the website was receiving a modest level of ~70 “hits” per week (higher than last year). It now appears to be receiving a much higher level of “hits”, but it is too early to draw any conclusions about that.

As well as providing general information about the services that Small Charity Support provides, the more important function of the website is to

make a significant amount of material freely available to download for use by other small charities.

The currently available downloadable materials include:



### 3.4.1. Starting a Small Charity

The “Starting a Small Charity” guidance leaflets remain readily available and downloadable as PDF files from the Small Charity Support website and continue to be a valuable resource. They regularly receive complimentary comments.

Some updates and additions have been made, but a more in-depth review is fast becoming appropriate.

There are currently 15 leaflets in the series, totalling around 185 pages of text, with a further 5 in preparation or planned. Although there have been some minor revisions and additions, the bulk of the guidance leaflets are essentially unchanged from last year. They are:

- 0 Overview
- 1 Outputs & Outcomes
- 2: **a: Charitable Purposes/Objects**
  - b: Example Charitable Purposes
  - c: *Case Studies {Not yet available}*
- 3: Governing Document
- 4: a: Trustees
  - b: *Officers {Not yet available}*
  - c: Payments to Trustees
- 5: A “Minute Book”
- 6: A Bank Account
- 7: a: A Way of Recording & Managing Your Funds
  - b: Preparing the Annual Report – Unincorp.Associations
  - c: Preparing the Annual Report – CIOs
  - d: *Receipts & Payments vs Accruals Accounting {Not yet available}*
- 8: A Business Plan & Risk Management
- 9: Policies & Procedures
- 10: Registering with the Charity Commission
  - a: The questions in the on-line registration form
  - b: Responding to the questions
- 11: *Gift Aid Registration with HM Revenue & Customs {Not yet available}*
- 12: *A Register of the Members of the Charity {Not yet available}*

### 3.4.2. Example Policies

A major problem, particularly for the lay-trustees of small charities who have no wider experience to call on – is knowing where to start when trying to draft policies for their own charities.

The following model policies are provided (in both PDF and, on request, word-processor formats) for small charities to download and adapt to their own requirements.

Bullying & Harassment	Code of Behaviour
Conflicts of Interest	Equal Opportunities
Financial Management	Large Legacies & Donations
On Becoming a Charity Trustee	Reimbursing Expenses & Purchases
Safeguarding Children & Young People	Safeguarding Vulnerable Adults
Safe Recruitment	Supervision
Volunteering (A link to the WCVA model policy)	Whistle-Blowing

As with the Starting a Small Charity guidance leaflets, an in-depth review of the model policies is fast becoming appropriate

### 3.4.3. Simple Accounts Spreadsheet System

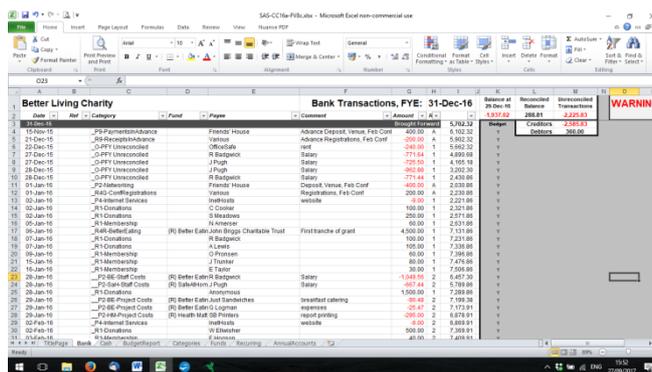
Small Charity Support has developed a simple accounts system suitable for small charities, churches and not-for-profit organisations which do not have the resources (financial or technical) to use commercially available accounts software or to develop their own “in house” system.

The system is primarily for small organisations which run their accounts on a Receipts & Payments basis but it can be adapted for organisations which are required to produce their accounts on an

accruals basis (eg: small charitable companies) provided that the "overlap" from one year to another (eg: prepayments, deferred income, creditors, debtors) is not complex.

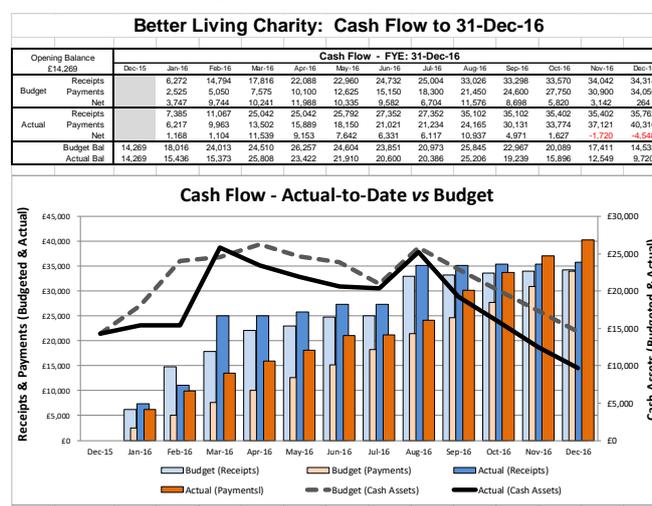
The system is compatible with both Microsoft Excel and OpenOffice-Calc (a freeware spreadsheet readily available on the internet).

The system is not intended to be a fully functional "up and running out of the box" system but rather a set of ideas which anyone with reasonable "amateur" competence in spreadsheet software would be able to develop and customise to their own requirements. The spreadsheet is therefore built on the "open source" principle – ie: all the coding is fully accessible to the user for them to adapt and enhance as they see fit.



The system is not in huge demand – but Small Charity Support continues to receive a steady "trickle" of requests for permission to use the software (all of which have been granted). It is impossible to know how many organisations are using the system without having requested permission or, having requested permission, are still continuing to use it.

During the course of the year some substantial improvements have been made to the spreadsheet including: provision for individual funds management; an additional worksheet for deposit/savings accounts; an additional worksheet for graphical presentation of cash-flow management (comparison of budgeted and actual cash flow); the provision of an entirely blank spreadsheet (in addition to the example spreadsheet); and the inclusion of more efficient and effective formulae. This also involved a significant update to the instructions manual.



The concepts and techniques employed in the system are copyright to the maximum extent provided by law, but the spreadsheet will normally be made available, on request, free of charge to small charities, churches and other not-for-profit organisations on an "as is" basis. As such, the system is not provided with any warranty or guaranteed support service, neither on-line, by e-mail nor by telephone, though reasonable attempts are made to resolve any user-difficulties, particularly where so-doing would enhance the overall functionality and usefulness of the system.

The system has now been in use for several years by a number of charities and has been successfully used to complete their annual Statement of Financial Activity in compliance with Charity Commission guidelines (and SORP requirements for charities producing their accounts on an accruals basis). A small number of additional requests for the spreadsheet were received in this financial year.

### 3.4.4. Business Planning Guidance & Documentation

During the year a small number of requests have been received and fulfilled for copies of the Small Charity Support Business Planning materials.



### 3.4.5. Quiz Night Score Board

Some time ago the Principal Trustee created an MS-Excel spreadsheet as a score-board for a charity fund-raising quiz event. Following a request for its use elsewhere the Score-Board Spreadsheet was upgraded and was subsequently put on the Small Charity Support website as a “just a bit of fun” resource for other charities running their own fund-raising quiz events.

Round	A	B	C	D	E	F	G	H	I
1: General Knowledge	5	6	6	8	7	1	5	7	8
2: Music	7	5	7	3	7	4	7	8	8
3: Television	6	7	7	5	9	7	8	8	7
4: Around the World									
5: Misc and Math									
6: Sport									
7: Films									
8: General Knowledge									
<b>Total Score</b>	<b>18</b>	<b>18</b>	<b>29</b>	<b>16</b>	<b>23</b>	<b>21</b>	<b>20</b>	<b>27</b>	<b>25</b>

## 3.5. Independent Examination of Charity Accounts

The Principal Trustee has registered as an Affiliate of the Association of Charity Independent Examiners.

During the year he has carried out the Independent Examination for the Judith Trust, and the Stanmore Choral Society.

However, Small Charity Support does NOT intend to offer Independent Examination of charity accounts as a "free-standing" service, *ie*: as a service unrelated to any provision of governance & management support, which is the main focus of Small Charity Support's charitable purpose. The primary intention of seeking registration as an Independent Examiner is to ensure that the financial guidance given to beneficiaries in the course of more general governance & management support is of the highest standard and fully compliant with Charity Commission & Companies House guidelines for the independent examination of the accounts of small charities.

## 3.6. EU General Data Protection Regulation (GDPR)

Small Charity Support has implemented what it believes to be appropriate and proportionate Policies, Procedures and Privacy Notices commensurate with the small quantity of personal data that it holds, the severity of the impact in the event of any data breaches, and the non-intrusive purposes for which it holds, processes and uses the data.

## 3.7. On-Line Comment: Blogs & Publications

The Principal Trustee occasionally publishes comments and articles in the *Third Sector* journal, on Facebook and responds to on-line blogs on charity issues.

# 4 Achievements & Performance

For reasons of confidentiality, the individual detail of Small Charity Support's involvement with its beneficiary organisations is not disclosed in a public document.

## 4.1. How the Public Have Benefitted.

As described in its charitable objects, Small Charity Support delivers public benefit indirectly through the management, governance and other support that it provides to other small charities to enable them to function more efficiently and effectively.

Small Charity Support informally monitors feedback from its beneficiaries but does not have the resources to conduct its own in-depth impartial reviews of its activities.

However, the feedback from beneficiaries introduced to Small Charity Support through its collaboration with the Small Charities Coalition's programmes (*ie*: Telephone Helpline; Skill Sharing & Mentoring; Trustee Matching) are more formally monitored by the Small Charities Coalition.

## 4.2. Contributing to Activities Run by Other Organisations

- Annual Report Usability Testing Meeting, 10 Oct'17 – run by the Charity Commission;
- CommUNITY Barnet AGM, 5 Dec'17;
- Supporting regulatory compliance across smaller fundraising charities, 23 Jan'18 – run by the Fundraising Regulator
- AGM of Hillingdon North MENCAP, 21 May'18
- Small Charity Week, Policy Day Reception, 20 Jun'18 – run by the FSI.

## 4.3. Estimated Commercial Value of the Support Services Provided

During the year to June'17 the aggregate number of hours delivered to beneficiaries is estimated to equivalent to 0.60 WTE (0.60WTE in previous year) based on a 37.5hr working week).

The aggregate commercial value of the services provided is therefore estimated as approximately £77,500 (at £75/hr).

There are no independent bench-marks for the figure of £75/hr as there doesn't appear to be any charity consultancy service which is willing to publish its hourly or daily rates.

## 4.4. Trustee Development

Trustees are encouraged to participate in development opportunities as and when appropriate.

During the year the Principal Trustee participated in:

- Workshop on Preparing & Examining Charity Accounts, 28-29mNov'17 – run by the ACIE;
- GDPR Workshop, 30 Jan'18 – run by the Foundation for Social Improvement;
- GDPR Workshop, 15 Feb'18 – run by the Small Charities Coalition;
- GDPR Webinar, 15 Mar'18 – run by the National Council of Voluntary Organisations;

# 5 Financial Review

## 5.1. Details of Any Funds Materially in Deficit

The Charity has no funds which are materially in deficit.

## 5.2. Policy on Reserves

The Charity's policy on reserves is to generate and maintain a balance which is sufficient:

- a) to preserve the financial viability of the Charity in the event that unforeseen and/or unavoidable circumstance precipitate a short-term fall in its income;
- b) to enable the Charity, in the interests of meeting its objectives, to undertake from time to time the setting up of new and innovative projects on a pilot basis to demonstrate the viability and potential benefits of such activities as a precursor to securing the external funding necessary to maintain such projects on an on-going basis.

For these purposes the Charity will endeavour to generate and maintain reserves which are at least 50% of its annual turnover.

## 5.3. Principal Sources of Funding and Outgoings

Small Charity Support's principal source of funds is private donations. It has not engaged in any specific applications for grants or fundraising activities in the current year to 30 June 2018.

Gift Aid is reclaimed on donations where the donor indicates that is their wish.

Small Charity Support does not make any charge or professional fees for the consultancy and support services that it provides to recipient charities, not-for-profit organisations or social entrepreneurs. But beneficiaries are invited to reimburse identified out-of-pocket expenses (eg: travel, stationery, postage) and, where appropriate, to make a voluntary donation to Small Charity Support's funds in recognition of the services received.

However, where a charity, organisation or individual is unable to contribute to the cost of Small Charity Support's involvement, any out-of-pocket expenses incurred are met from Small Charity Support's own resources.

Small Charity Support's principal outgoings are on car mileage (charged at the current marginal cost of fuel, 30p/mile), parking, occasional public transport and the printing of reports and other documents. As the Principal Trustee works from home, Small Charity Support has minimal administrative outgoings and no accommodation expenses.

## 5.4. Remuneration of Trustees

All Trustees act in a voluntary capacity and receive no remuneration or other material benefits from their services to the Charity.

Out-of-pocket expenses necessarily and reasonably incurred by Trustees in promoting the purposes of the Charity are reimbursed at cost.

## 5.5. Financial Status

Though modest, Small Charity Support's current resources from private unrestricted donations are more than sufficient to meet its outgoings for at least next year.

All the indications are that this will remain the case for the foreseeable future.

## 5.6. Statutory Statements on Liabilities

The Trustees declare that:

- ✓ The charity has given no guarantees where potential liability under the guarantee is outstanding at the date of this statement (eg: any outstanding/ongoing contract or legal undertaking to buy or provide specific services);
- ✓ The charity has no debt outstanding at the date of this statement which is owed by the CIO and which is secured by an express charge on any assets of the CIO (eg: a mortgage on property owned by the charity);

Approved by the Trustees and signed on their behalf,



Brian Seaton, Principal Trustee

25 September 2018

## 6 Statement of Financial Activity

### 6.1. Receipts & Payments Accounts for the Financial Year Ended 30-Jun-18

	Current Financial Year, 01-Jul-17 to 30-Jun-18				Last Year
	Unrestricted Funds	Designated Funds	Restricted Funds	Total	Total
	£	£	£	£	£
<b>RECEIPTS</b>					
Voluntary Income	23			23	40
Income Generation	0			0	0
Charitable Income	0			0	0
<b>TOTAL RECEIPTS</b>	<b>23</b>			<b>23</b>	<b>40</b>
<b>PAYMENTS</b>	<b>£</b>			<b>£</b>	<b>£</b>
Costs of Generating Funds	0			0	0
Charitable Activities	158			158	46
Support Costs					
Governance	35			35	35
Administration	60			60	143
Sub-total	95			95	178
<b>TOTAL PAYMENTS</b>	<b>253</b>			<b>253</b>	<b>224</b>
<b>NET RECEIPTS-PAYMENTS</b>	<b>-229</b>			<b>-229</b>	<b>-184</b>

#### 6.1.1. Summary of Receipts & Payments Accounts

	Current Year FYE 30-Jun-18	Previous Year FYE 30-Jun-17
	£	£
Total Receipts	23	40
Total Payments	253	224
<b>Net Receipts Less Payments</b>	<b>-229</b>	<b>-184</b>
Brought forward from previous year	395	1,079
Interest-free loan	-	-500
<b>Carried forward to next year</b>	<b>166</b>	<b>395</b>

#### 6.1.2. Statement of Assets and Liabilities

	Current Year FYE 30-Jun-18	Previous Year FYE 30-Jun-17
	£	£
<b>MONETARY ASSETS</b>		
Cash	0	0
Bank	116	395
Investments	0	0
	116	395
<b>NON-MONETARY ASSETS</b>		
Tangible Fixed Assets	0	0
<b>MONIES DUE TO THE CHARITY</b>		
Sundry Debtors	50	0
Gift Aid Recoverable	0	0
<b>LIABILITIES</b>		
Sundry Creditors	0	0
<b>NET ASSETS</b>	<b>166</b>	<b>395</b>

### 6.1.3. Disposition of Funds

The Charity has no designated or restricted funds

### 6.1.4. Approval of the Board of Trustees

The Trustees declare that they have approved the above Annual Report & Statement of Financial Activity.

Signed on behalf of the Trustees



Brian Seaton, Principal Trustee.

25 September 2018

## 6.2. Notes to the Accounts

### a) Accounting Policies

The financial statements have been prepared in accordance with the Charities Act 2011 Section 133, using the Receipts and Payments basis available to small charities and the charity's own Simple Accounts Spreadsheet.

### b) Reimbursement of Out-of-Pocket Expenses

Where out-of-pocket expenses incurred in the course of a project are reimbursed by the beneficiary organisation the expenses claim is made by the Principal Trustee directly to the beneficiary. The expenses thus incurred and reimbursed by the beneficiary organisation are recorded in the charity's accounts as an internal contra between the relevant nominal accounts but the amount does not pass through the charity's bank account.

Out-of-pocket expenses incurred by the Principal Trustee which are not reimbursed by a beneficiary charity/organisation are reimbursed from Small Charity Support funds in accordance with the prevailing Financial Policies & Procedures.

The Principal Trustee was reimbursed for £94 of out-of-pocket expenses in the financial year.

### c) Salaries & Professional Fees

Small Charity Support does not charge any professional fees for the consultancy and support services that it provides to beneficiary charities/organisations.

No trustee receives any payments for the services they provide to the charity.

In the current financial year the charity employed no staff or external contractors;

### d) Fixed Assets

The charity has not purchased or disposed of any fixed assets in the current financial year;

### e) Creditors

Cheques issued prior to the end of the financial year but not appearing in the end of financial year bank statement are only reported as outstanding creditors if they remain unrepresented at the time of producing the financial statements.

### f) Rounding Discrepancies

All amounts are recorded to the penny, but in these accounts are shown as digitally rounded to the nearest pound. This can occasionally result in a total apparently not being the sum of its constituent amounts. All individual amounts, and their totals, are nevertheless correct.

### g) Banking Technical Errors

During the course of the year a number of unrecognised deposits were made into the charity's accounts. These deposits were reported to the bank (CAF Bank) which investigated them and verified that they were due to technical banking errors and were not intended for Small Charity Support. The bank also verified that there was no reason to suppose that the deposits were fraudulent or in breach of UK banking regulations. Accordingly the deposits were returned to the payer and have not been recorded in the charity's accounts.

The charity suffered no financial loss and was not exposed to any financial risk as a consequence of those banking technical errors.

## 6.3. Independent Examiner's Report on the Accounts

### **Report to the Trustees/Members of Small Charity Support on the accounts for the year ended 30 June 2018 set out on pages 12 to 13**

#### 6.3.1. Responsibilities and Basis of the Report

As the charity trustees of the Trust you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the Trust's accounts carried out under section 145 of the 2011 Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

#### 6.3.2. Independent Examiner's Statement

I have completed my examination.

I confirm that no material 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 Trust as required by section 130 of the Act;  
*or*
2. the accounts do not accord with those records.

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.

  
Malcolm Gill  
3 Scotsraig, Gills Hill Lane, Radlett, Herts WD7 8LH

3 October 2018

Date

## 7 Comments by Users of Small Charity Support's Services

The following are comments taken from e-mails received by Small Charity Support from people who have used Small Charity Support's services.

---

*27 September 2018*

Thank you very much for taking the time and effort to respond with such a comprehensive reply. I thought that I was being thick but it seems not.

---

*24 September 2018*

This is all very useful information, thank you!

We have been reconsidering whether a charity is really the right structure for us and have been considering that perhaps the Community Interest Company might be a better option!

Thank you very much for your very thorough, honest and insightful replies. They really have been very useful.

---

*20 September 2018*

I am sure you get thanked all the time, but what you do really is incredibly helpful to 'budding' charities like ours and we are very grateful. Over the last few months I have found lots of advice that doesn't say much more than the Charity Commission Guidance, so having your take on things is a breath of fresh air. I appreciate that it's only opinion, but it's still great to have. Thank you.

I am not sure what I can offer in return, but as I have spent the last 18 months developing this, I have learnt a great deal about starting a charity (most of it the hard way) and if you ever need me to speak to someone to let them know my thoughts and what I did, then I would be more than happy to help out.

---

*13 September 2018*

Thank you for the incredible support you have been providing to small charities - I couldn't have done my role without having you to rely on.

---

*10 August 2018*

Thank-you so much for your advice. I think deep down I knew I probably shouldn't send the letter as written (no matter how much I want to) & I'm very grateful to be reigned in. I've attached what I hope will be acceptable. It's pretty much what you wrote with a few slight changes.

---

*26 July 2018*

Many thanks for your comprehensive response. Gives me some food for thought!!

---

*3 July 2018*

Pleased to let you know we have got there! {Successful registration of a new charity}

Thank you SO much for all your wonderful help. I could not have managed without it!

---

*14 June 2018*

That's superb guidance - thank you.

---

*1 June 2018*

Thank you very much for these interesting and useful reflections.

---

*24 May 2018*

As you see we do keep going and our members keep coming, so that is the priority.

We do have in mind your helpful advice and hope to start implementation sometime soon, will keep you updated.

---

*14 May 2018*

That is very helpful and a much better and simpler workaround.

From our point of view, the issue is not about trying to suppress the legitimate views of Trustees, but about ensuring that we take on Trustees who are a fit for the organisation, after a few unfortunate experiences recently, which could have been potentially very damaging to our new charity.

---

*9 May 2018*

Thank you so much for these forms.

They are very thorough and I think you have covered every area. It's a tricky one I know to cover...

I will forward them to my trustees and get their thoughts.

---

*1 May 2018*

Thank you very much for your help. I'm picking my way through the minefield of paperwork and templates are a godsend as a starting point rather than staring at a blank sheet of paper!

---

*29 April 2018*

Thank you for your input. It was not only thorough, but also very helpful!

---

*27 April 2018*

Thank-you so much for such a comprehensive response. That is so helpful & really clarifies the situation for me.

---

*25 April 2018*

We are delighted to have found your website <http://www.smallcharitysupport.uk/Policies.html>. THANK YOU for all your work.

Please could we take you up on your kind offer to send some model policies in draft in WORD (doc) format?