



Report and Financial Statements

for the year ended 31st December 2015

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Smalls for All is a Scottish Charitable Incorporated Organisation, registered number SC 041689

Registered office 108 Buchanan Crescent, Livingston EH54 7EF, Scotland

Trustees' Report

for the year ended 31st December 2015

The Trustees of Smalls for All are pleased to present their Annual Report together with the Financial Statements and the Independent Examiner's Report for the year ended 31st December 2015.

Structure, Governance and Management

Smalls for All was first registered with the Office of the Scottish Charity Regulator (OSCR) in August 2010. Its Registered Office is 108 Buchanan Crescent, Livingston, EH54 7EF, Scotland. This is its main operational address and the address for any correspondence.

Smalls for All was established originally as an Unincorporated Association, governed by a Constitution that was adopted by the Trustees on 30th July 2010. With effect from 7th August 2015, OSCR approved the charity's application to become a Scottish Charitable Incorporated Organisation (SCIO), subject to a new Constitution that had been approved by the Trustees on 7th May 2015.

As at 31st December 2015, administrative delays in the opening of a new bank account for the reconstituted charity meant that it was not possible to transfer the funds to a new bank account by the year-end. The new Account was finally opened with effect from 29th April 2016 and the bulk of the funds were transferred on 17th June 2016. The original Account will finally be closed and the closing balance transferred once arrangements have been completed to divert all regular payments to the new Account.

The following Trustees served during 2015:

| | |
|-------------------------|---|
| Ms. Maria Macnamara MBE | <i>Founder and Chief Executive</i> |
| Mr. David Robinson | <i>Chair</i> |
| Mr. Alastair Lonie | <i>Secretary & Treasurer (to 11th August 2015); Treasurer (from 12th August 2015)</i> |
| Ms. Nicki Lundy | <i>Trustee</i> |

| | |
|---------------------|---|
| Mrs. Gillian Smith | <i>Trustee</i> |
| Mrs. Linda McDonald | <i>Trustee (from 12th June 2015)</i> |
| Mrs. Maggie Ness | <i>Secretary (from 12th August 2015)</i> |

David Robinson has announced his intention to stand down as Chair of Smalls for All immediately after the Annual General Meeting to approve these Report and Accounts. It is anticipated that Maria Macnamara will then assume the role of Chair in addition to her role as CEO for a short interim period whilst a new independent Chair is appointed.

Trustees may serve for up to three years after appointment at an Annual General Meeting, after which time they are eligible for re-election to serve for one further term of three years.

The Trustees are responsible for the strategic direction and governance of the charity, whilst its day-to-day running is delegated to the Chief Executive, and in turn to other volunteers as appropriate. The Trustees met 9 times during 2015 (*7 times in 2014*) to discuss strategic, operational and governance issues.

The duties and powers of the Trustees are set out in the charity's Constitution.

The Trustees have assessed the major risks to which the charity is exposed and have taken steps to mitigate these, including the effecting of appropriate insurances.

The charity's Constitution provides that no payment may be made to the Trustees except to reimburse expenses properly incurred in the work of the charity. Any such expenses must be supported by a receipt. It is confirmed that no payments beyond reimbursement of expenses properly incurred and duly evidenced were made to the Trustees during the period.

Part-time volunteers who are Associates of Smalls for All have the authority to raise funds in the name of the charity and the Trustees must apply these funds only to further the Purposes of the charity.

The charity's bankers are the Co-operative Bank, Business Direct Branch, PO Box 250, Skelmersdale, WN8 6WT.

Smalls for All - Purposes

The charity's core purpose is: "To relieve the needs of disadvantaged or vulnerable children and adults in Africa and the Indian Sub-continent". In furthering these purposes, the organisation shall:

- i. help disadvantaged or vulnerable children and adults who do not possess adequate or any under-garments by providing them with underwear or managed money to purchase underwear;
- ii. help disadvantaged children and adults who wish to be self-sufficient by providing them with financial or other support to enable them to earn their own money;
- iii. fund the education of disadvantaged children or adults.

Progress in 2015

Underwear collection and distribution:

2015 was an exceptional year for Smalls for All on a number of fronts. In the year ended 31st December 2015, over 120,000 items of underwear were received by the charity (*23,000 in 2014*) with around 56,000 items (*18,000 in 2014*) distributed during the year to women and children in Africa. By the end of 2015, the total received since the charity's foundation exceeded 200,000 (*85,000 at end 2014*). Of these, over 126,000 (*70,000 at end 2014*) had already been distributed in accordance with the charity's Purposes. Items not yet distributed are held as stock to meet the future requirements of the various organisations in Africa currently supported by the charity.

Smalls for All has continued to support through the provision of underwear, the work in Kenya, Madagascar, Malawi and Sierra Leone of Scottish charity, the Freedom from Fistula Foundation. The charity has also continued to supply underwear to various orphanages, schools and slums in Kenya and Malawi.

Freedom from Fistula, Mothers Fighting for Others, Kenya Children's Home and Touch of Hope are regular recipients of underwear. In 2015 we were also pleased

to have been able to support Operation Christmas Child in Zambia and the 500 Miles Clinic and the Mother Teresa Orphanage both in Malawi.

Educational support:

Support for the education of children is an expanding area of the charity's work. There was a step change in this area during 2015, with Smalls for All taking on responsibility for the nursery education of over 300 pre-school children in Malili, Kuthanga and Makanga in Malawi from the Linda McDonald Charitable Trust (MUMs) which was in the process of winding down its operations. Smalls for All is working alongside charity Mary's Meals who have taken over the provision of basic food (phala) for the children.

In addition, the charity continues to sponsor a number of high school students as follows:

- 20 girls at an outreach centre in Suswa in Kenya's Rift Valley,
- 3 from St. Monica's Childrens' Home in Nairobi, Kenya;
- 4 from Mashimoni Squatters Primary School in Kibera, Kenya;
- 4 from Semuto in Uganda; and
- 20 from Suswa in Kenya

Founder and Chief Executive, Maria, is in regular contact with all these organisations, either directly or via the third parties who manage the day-to-day care of these children. Maria made two trips to Kenya and Malawi in 2015 and was able to meet a number of the girls being sponsored.

Profile and publicity

During the year, there was a marked advancement in the public profile of Smalls for All. Founder and CEO, Maria Macnamara, was honoured to receive a 'Point of Light' award from Prime Minister, David Cameron, for her work in establishing and growing Smalls for All. Point of Light awards recognise outstanding individual volunteers who are making a difference in their communities and inspiring others. In his commendation, Mr. Cameron said "*Maria has identified a direct way to make a huge difference in the lives of women in developing countries*". As a result of this award, Maria was interviewed live on BBC Radio Scotland and there was also coverage in the national and local press.

In addition, the social media presence of Smalls for All increased dramatically over the course of the year. The number of Facebook 'likes' increased from just a few hundred at the start of the year to over 70,000 by the year end. Over a two week period in July, the number of 'likes' increased from around 900 to over 50,000! This sudden surge brought a marked increase in the number of enquiries and donations of underwear and money, placing considerable strain on the organisation's ability to cope. Additional volunteer support had to be recruited and temporary storage facilities needed to be found for the surge in underwear donations, all at very short notice. Operational stability has now been restored, albeit at a higher activity level than before.

Fund-raising

2015 was also an exceptional year for Smalls for All on the Fund-raising front. As well as donations of underwear, the Charity needs to raise money every year to pay for the education of the large number of children now being supported, for administrative costs, for travel and on occasion also to cover any shortfalls in underwear donations.

In order to establish a regular, reliable source of income for Smalls for All, a lottery approved by West Lothian was set up with effect from April 2015. In a full year, this is expected to provide income of £6,000. 100% of the income from the lottery after payment of prize money is credited to Smalls for All; no administration costs are deducted.

With Smalls for All taking over responsibility for the pre school in Malawi from the Linda Macdonald Charitable Trust (MUMs), Smalls for All was pleased to be the recipient of £3,894 being the balance of funds in the MUMs bank account on the closure of that charity.

To mark the 5th anniversary of the approval of Smalls for All as a Scottish Registered Charity, a black tie fund-raising dinner was held on 3rd October 2015. After deduction of expenses, this raised over £5,000 for the charity.

As well as these one-off sources of income, a number of individuals and organisations supported Smalls for All in 2015 by making donations and holding fund-raising events. The increased social media profile of the charity led to a

considerable increase in this activity. The donations of all of the charity's individual and corporate supporters is very much appreciated.

Review of Financial Position

Income for the year ended 31st December 2015 amounted to £51,240 (*£20,153 in 2014*) including an initial transfer from the Linda McDonald Charitable Trust (MUMs) of £3,894. Expenditure amounted to £19,405 as detailed in the Receipts and Payments Account on page 10 of this Report leading to a surplus of £31,835 for the year (*£3,859 in 2014*).

Reserves

The Free Reserves of the charity stood at £40,294 at the end of the year (*£13,459 at end 2014*). In addition, the sum of £5,000 was held with its use to be restricted to the funding of administrative support in line with the wishes of the donor. The Trustees' policy is to hold funds to pay any creditors. Any remaining funds are available for application in realising the Charity's Purposes.

The majority of the funds are held as bank deposits, with a very small cash balance. The charity had additional assets at the year-end not included in the statement of balances, namely a storage building (The 'Pantagon') together with a stock of underwear and merchandise.

It will be noted that there was a considerable increase in the Charity's reserves during 2015. Much of the increase occurred in the final quarter of 2015 as a result in part of the increased social media interest in Smalls for All. Income has continued to grow in 2016 including a substantial single donation of £20,000. As a result, reserves exceeded £70,000 at the start of May 2016. This creates a wonderful opportunity to develop the Charity further in line with its Purposes.

The Trustees recognise their legal obligations to ensure that charitable funds are used within a reasonable period of receipt and in accordance with the Charity's Objects. Given the historical size of reserves, the Trustees have not hitherto needed to formulate a formal Reserves Policy. However, in view of the recent and very significant change to the Charity's fortunes, they now recognise the urgency of conducting a strategic review and of establishing a formal Reserves Policy. To that end, an independent consultant was commissioned to conduct a review of

Smalls for All in the first quarter of 2016. The Trustees will use the report to inform the strategy and reserves policy that will be developed over the next three months or so.

Acknowledgments

Smalls for All is a small charity run entirely by unpaid volunteers. During 2015, it continued to receive support from an increasing number of individuals and organisations. On behalf of all those who benefited from the charitable work undertaken by Smalls for All in 2015, the Trustees would like to place on record their debt of gratitude to everyone involved in whatever capacity. We look forward to their continuing support in 2016 and beyond.

The Annual Report and Financial Statements for the year ended 31st December 2015 were approved by the Trustees at the Annual General Meeting of Smalls for All on 16th June 2016 and signed on their behalf by:

Maria Macnamara MBE
Founder and Chief Executive

David G Robinson
Chair

Date: 30th June 2016

Independent Examiner's Report

for the period ended 31st December 2015

I, Christopher Patrick Stewart, being a Fellow of the Chartered Institute of Management Accountants, report on the Financial Statements of the charity, Smalls for All, for the period ended 31st December 2015, as set out on pages 10 and 11 of this Report.

Respective Responsibilities of Trustees and Examiner

The charity's Trustees are responsible for the preparation of the accounts in accordance with the terms of the Charities and Trustee Investment (Scotland) Act 2005 ("the 2005 Act") and the Charities Accounts (Scotland) Regulations 2006 (as amended) ("the 2006 Regulations"). The charity's Trustees consider that the audit requirement of Regulation 10(1)(d) of the 2006 Regulations does not apply.

It is my responsibility as Independent Examiner to examine the Accounts as required under section (44)(1)(c) of the 2005 Act and to state whether particular matters have come to my attention.

Basis of Independent Examiner's Statement

My examination is carried out in accordance with Regulation 11 of the 2006 Regulations. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts and seeks explanations from the Trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and, consequently, I do not express an audit opinion on the view given by the accounts.

Independent Examiner's Statement

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

1. which gives me reasonable cause to believe that, in any material respect, the requirements (i) to keep accounting records in accordance with section 44(1)(a) of the 2005 Act and Regulation 4 of the 2006 Regulations and (ii) to prepare accounts which accord with the accounting records and comply with Regulation 9 of the 2006 Regulations have not been met, or
2. to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Signed: 

Christopher Patrick Stewart FCMA

Address: 47 Balgreen Road,
Edinburgh EH12 5TY

Date: 28 June 2016

Statement of Receipts and Payments

for the year ended 31st December 2015

| | 2015 | 2014 |
|--------------------------------------|----------------------|----------------------|
| <u>Receipts</u> | £ | £ |
| Donations | 25,393 | 15,750 |
| Event income | 11,395 | 4,403 |
| Special purpose donation | 5,000 | - |
| Lottery | 5,165 | - |
| MUMS Transfer | 3,894 | - |
| Merchandise sales | 375 | 717 |
| Interest | 18 | 15 |
| Total receipts: | <u>51,240</u> | <u>20,885</u> |
| | | |
| <u>Payments</u> | | |
| Travel | 2,413 | 2,759 |
| Underwear | - | 95 |
| Educational fees | 2,193 | 6,790 |
| Merchandise and marketing | - | 3,155 |
| Fundraising including event expenses | 5,960 | 2,226 |
| Lottery | 3,240 | - |
| Miscellaneous | 5,599 | 2,001 |
| Total payments: | <u>19,405</u> | <u>17,026</u> |
| | | |
| Surplus for the year | 31,835 | 3,859 |
| | | |
| Closing balance | <u>45,294</u> | <u>13,459</u> |

Statement of Balances

| | 31/12/2015 | 31/12/2014 |
|---|-------------------|-------------------|
| <u>Funds reconciliation</u> | £ | £ |
| Opening balance | 13,459 | 9,600 |
| Surplus (loss) generated in year | 31,835 | 3,859 |
| Closing balance at 31st December | 45,294 | 13,459 |
| <u>Reserves</u> | | |
| Closing bank balance | 43,838 | 12,592 |
| Cash | 596 | 319 |
| <i>Sub-total</i> | 44,434 | 12,911 |
| Other assets | | |
| Unbanked PayPal and MyDonate income | 1,081 | 145 |
| Uncleared cheques | - | 403 |
| Other liabilities | | |
| Uncleared payments | (221) | - |
| Total assets | 45,294 | 13,459 |

£5,000 of the funds are held for the purpose of funding administrative support in accordance with the donor's wishes. All of the remaining funds are unrestricted.

Approved by the Trustees on 30th June 2016 and signed on their behalf by:

Maria Macnamara MBE
Founder and Chief Executive

David Robinson
Chair
