

Company number: 06902258

Charity number: 1133179

Charity Digital Trust

Report and financial statements

For the year ended 31 March 2022

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For the year ended 31 March 2022

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Charity Digital Trust

Reference and administrative details

For the year ended 31 March 2022

Registered name	Charity Digital Trust	(formerly Tech Trust)
Trading names	Charity Digital	
Company number	06902258	
Country of incorporation	England and Wales	
Charity number	1133179	
Principal office	Pennine Place 2a Charing Cross Road London WC2H 0HF	
Registered office	Camburgh House, 27 New Dover Road CANTERBURY, CT1 3DN	
Trustees	Ms C Tavernier Mr S Dunne Ms Z Amar Mr P Jacobs Ms E MacKenzie Ms M Brewis Mr R George Mr R Taylor Mr J Nathenson (Appointed 4 th August 2022)	
Accountants	Burgess Hodgson Camburgh House, 27 New Dover Road Canterbury CT1 3DN	
Bankers	NatWest Bank plc The Strand London WC2N 5JB	
Solicitors	Wright Hassall LLP Olympus Avenue Royal Leamington Spa CV34 6BF	
Auditors	Sayer Vincent LLP Chartered Accountants and Statutory Auditors Invicta House, 108–114 Golden Lane London EC1Y 0TL	

The trustees are pleased to present their annual directors' report together with the consolidated financial statements of the charity and its subsidiaries for the year ending 31 March 2022 which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and 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).

Our purposes and activities

- The objects of the charity are to advance in any part of the world such purposes as are recognised as being exclusively charitable in accordance with the law in England and Wales as the trustees shall in their absolute discretion think fit to support or establish.
- Our vision is that technology can create a better world.
- Our mission is to empower not-for-profits to accelerate their own mission through technology.
- Our objectives are to deliver significant software procurement savings, see digital platforms raise significant funds for charities, and demystify technology to make it easier for charities and other social impact not-for-profit organisations (not-for-profits) to be more efficient and effective using digital tools.

The charity and its subsidiaries derive most of their income from trading activities offering products and services to other not-for-profits, either delivering significant cost savings, unique products or levels of support unavailable elsewhere. The trustees have considered this trading position with respect to the Charities SORP, FRS102 and the Charity Commission's guidance on public benefit including:

- Public benefit: the public benefit requirement (PB1)
- Public benefit: running a charity (PB2)
- Public benefit: reporting (PB3)

The trustees are clear that the trading activity model delivers significant benefit to not-for-profits that could not be delivered by a commercial organisation, and that the charity, whilst run on a trading basis, has clear charitable impact objectives which can be quantified and publicly reported.

We have four primary vehicles to deliver our impact:

- Donated and discounted software solutions
- Mail marketing and other engagement services
- Information, education, advice and guidance for not-for-profits
- The provision of fundraising solutions / financial settlement services

Our values

We believe technology used in the right way and to the right extent can be enormously beneficial to society as a whole. We want technology to be fully utilised for the benefit of not-for-profits and their beneficiaries. Charity Digital Trust (Charity Digital) believes it can do this as a charity trading in a commercial way through collaboration with the technology community whilst maintaining a balanced and agnostic view on the choice of solutions.

We aim to be friendly, honest, supportive, open-minded and humble in our approach to supporting UK not-for-profits.

Achievements and performance

This report covers the second year of the COVID-19 pandemic and, though it was a year of significant challenge for organisations across the country and not-for-profits in particular, the Charity, supported by a great board of trustees, performed strongly.

Our central purpose has essentially remained the same – helping not-for-profits throughout the UK adjust to and embrace the opportunities and challenges of an increasingly digital world. This has led the organisation to focus on doing 3 things:

- Becoming the UK's central resource for helping not-for-profits access digital products and services at no or very low cost from multiple 3rd party providers;
- Providing information, education, guidance and advice on how not-for-profits can do things more effectively or efficiently – typically using digital platforms and technology (through our Charity Digital publishing platform, our webinars and events and training programmes);
- Providing some of our own platforms where provision wasn't great for not-for-profits (donor email management, payment processing services).

The achievements of the charity are significant, delivering:

- In excess of £284m of savings and discounts for the not-for-profit sector on their software and hardware purchases
- Annual hard cash savings now running at £12m a year on items they would have otherwise paid a lot more for
- Over £322m in donations & payments collected for not-for-profits
- Over 77,000 not-for-profits supported and helped with our discount and donations services
- Over 81,000 not-for-profits accessing our information and advice services on a regular basis to improve what they do and how they do it
- As a result of all of the above, helping not-for-profits with additional funding, resources and capabilities to significantly improve the services they ultimately provide to their beneficiaries.

As a trading charity we typically generate enough income from activities to sustain the charity and add to reserves for the future. Our current annual revenue stands at £2.3m (2020/21 £2.05m) with a surplus of £25k and cash reserves of over £1.2m.

Though lockdown was less of a feature in 2021/2022 than in the previous year, the COVID-19 pandemic continued to affect the sector with reduced income from public fundraising for many charities and demand for charitable services continuing to increase. The year also saw the start of the so-called cost-of-living crisis which has continued to have a significant effect through 2022/2023.

We were pleased to continue to receive strong levels of support from the tech sector in providing the above services and this together with high levels of not-for-profit demand resulted in a strong financial year for the Charity.

Software and Related Services – Charity Digital Exchange

We have been operating the donation programme in the UK since 2006 in close collaboration with our partner TechSoup in the USA. Software partners like Microsoft, Adobe and Zoom, and hardware providers like Cisco, make their products available to us. We then give eligible not-for-profits access to those products at free or heavily discounted prices, charging an administration fee for each product taken, which funds the eligibility assessment, marketing and customer support.

In 2021/22 7,404 (2020/21 6,204) not-for-profits received a donation from the exchange programme, generating administration fees for Charity Digital of £845k (£885k in 2020/21), cumulatively saving not-for-profits around £12m (2020/21 £12m) versus fair market value. During the year, 2,925 new not-for-profits registered (5,349 in 2020/21) and became eligible to receive donated software. By the financial year end, a total of 77,014 not-for-profits had registered on the programme since 2006, saving a total of around £284m in procurement costs.

The drop in administration fees in the year was anticipated and is linked to Microsoft transitioning its Charity offering to the Cloud. Administration fees are anticipated to fall further in 2022/23, as in October 2021 Microsoft announced the end of its on-premise software donation programme, other than for the Windows Operating System and those not-for-profits running publicly shared computer resources (i.e. libraries and computer training labs). The changes which took effect on April 4th 2022 were also reported in the 2020/21 annual report and accelerated a review of the Charity Digital strategy.

We continually monitor not-for-profit satisfaction and value for money when using the Exchange programme through Trust Pilot. We have consistently maintained a 5-star rating and have an ongoing programme of improvement to address any specific issues and complaints.

Since 2006 we have built considerable experience validating UK not-for-profits for access to discounted technology on the Exchange. We now offer bespoke validation services to Microsoft for Office 365, and Google for their Workspace for Nonprofits programmes. This has accelerated the number of not-for-profits we interact with, especially the larger ones. During 2021/22 8,231 (2020/21 11,159) not-for-profits registered for these supplementary services bringing the total number of registered and eligible not-for-profits to 36,688. The reduced number of validations

compared to 2020/21 reflects a return to the levels seen prior to the pandemic, after a one-off increase at its onset. The reduced number of validations is reflected in a reduction in total product-related validation income to £118k (2020/21 £154k).

Software and Related Services – Charity Digital Mail

We bulk buy millions of e-mails a month from dotdigital (previously known as DotMailer), a specialist marketing automation provider, and then pass the volume discount we achieve back to the not-for-profits. They are able to send out templated and branded e-mails to their donors, supporters and service users via a white-labelled dotdigital platform. So that not-for-profits can get the maximum impact from the platform, we provide initial technical training and also ongoing support and training including know-how on improving open rates and click-throughs.

In 2021/22, we sent over 48m million e-mails on behalf of UK not-for-profits (49 million 2020/21). The slight decrease was caused by one significant customer deciding to move to another e-mail marketing platform. Despite this customer loss, the service remains very popular with a retention rate of 99% in the year. Underlying mail volumes continuing to increase.

Information and Education Services – Advertiser-Funded Activity

We know from our many years' experience that not-for-profits struggle to keep pace with changing technology and are quite often daunted by the prospect of IT related projects. Our information and education platform, previously known as CDN but migrated to our new Affino platform in March 2020, was created to provide a unique daily feed of case studies and helpful advice, aiding not-for-profits in achieving more with digital tools.

Page views were stable at 1.9m in 2021/22 (1.9m in 2020/21) despite publishers more generally reporting a weakening in demand for online content in the second year of the pandemic. The Affino platform was key in enabling us to support users in accessing this information and we continued to invest in developing its capability. Across the year our newer content types continued to do well with videos generating 27,840 views, podcasts generating 12,100 listens (11,663 in 2020/21) and webinars generating 8,214 participants (8,780 in 2020/21).

With uncertainty over physical events at the start of the year, the plan for 2021/22 was for three significant virtual events and a return of our physical conference in March 2022. We started with our virtual Digital Marketing Day in May 2021, this was followed in June with Digital Strategy Day and October 2021 saw the successful return of our #BeMoreDigital Fundraising Day. These three virtual events engaged 1,174 live participants for a total of 148k minutes and a further 2,141 engagements with event recordings in the year. Unfortunately, the onset of the Omicron variant of COVID-19 forced us to postpone our physical conference to June 2022. In its place, we ran a content take-over called "Digital Transformation Week". This delivered a good level of engagement, but more modest sponsorship revenues.

Our information and education services have traditionally been funded from advertising, sponsorship and lead generation campaigns delivered for a mixture of large corporate and focused niche suppliers to the not-for-profit market. Despite the loss of the conference-related revenues in Q4, we achieved revenues of £367k an increase on 2020/21 (£342k).

Information and Education Services – Grant Funded

In the 2021/22 year, the level of grant funded activity undertaken by the Charity increased significantly to £288k (2020/21 £62k). Grants enable us to deliver programmes which have more focused impact and would not be fundable by our other income streams. Some of these grants were received directly from funders such as from the Heritage Fund (for the Heritage Digital Academy which is managed by Charity Digital but delivered by a consortium) and others indirectly such as the Digital Questions Project which is also funded from the Heritage Fund but paid by the Heritage Alliance who are managing that project.

Significant funding was also received from the Okta for Good Fund via the TIDES foundation for a new programme called Accelerating Digital Strategy. This programme, which supports a cohort of not-for-profits on a 12-month accelerator combining learning and doing, started in March 2022 but will be substantially delivered in the 2022/23 financial year.

In the 2021/22 Charity Digital also became the custodian for the Charity Digital Code. The Code was developed by a consortium of voluntary sector contributors, chaired by Zoe Amar (who is also a Charity Digital Trustee). Some initial grant funding was transferred to Charity Digital to support some activities in the year and more substantial funding is being sought to enable a major update and increased promotion of the code.

Most of the grant funded activity the Charity undertakes leverages the Affino platform, our virtual event capability and our reach into the not-for-profit sector to cost effectively deliver significant impact.

Settlement Services

CTT Charity Payments has continued to invest in its Direct Debit processing solution for UK lotteries, processing around 152,000 direct debits a month compared to 151,00 in 2020/21. The aim is to continue to offer the lowest costs solution available to maximise the proportion of ticket proceeds going to each charity.

Financial review

The consolidated unrestricted fund position as of 31 March 2022 is £864,389 compared with £914,448 as at 31 March 2021. Consolidated income of £2,260,611 was up on the 2020/21 figure of £2,045,849 whilst total expenditure was at £2,235,210 versus £1,881,937 in the previous year.

The surplus of income over expenditure in the year has led to an increase in funds carried forward at year end to £944,350.

Reserves policy and going concern

The reserves policy aims to ensure that the charity (and group) has sufficient reserves to continue its core activities of providing services to the charity sector, even when there are significant deviations from its business plans. The level of reserves is further considered in the context of approved contingent charity activities investment. The level of reserves needed to achieve this

objective is reviewed on an annual basis, and for the 2021/22 financial year the target level was held in line with the policy at a target of £200,000. This target of free reserves is calculated as being Net Assets less Fixed Assets. This free reserves target was reviewed specifically by the Board at its full board meeting in March 2022 and deemed to be sufficient.

In conducting this review, a number of factors are taken into account including the degree of risk associated with future income streams, the level of fixed costs and forecast cash flow requirements.

At year-end the amount of unrestricted funds to be carried forward was £864,389. Using the calculation of Net Assets less Fixed Assets as above, unrestricted free reserves at 31 March 2022 were £830,928 thereby exceeding the free reserves target of £200,000. The end of most of the Microsoft on-premise donation programme in April 2022 is resulting in a significant loss of income in 2022/23, the Charity is therefore investing some of its reserves in developing new income streams. It is also investing in further growing its audience to increase the number of not-for-profits that will benefit from its services and content.

The Financial Sub-Committee will continue to review the financial situation carefully on a regular basis, identifying risks and potential remedies versus the monthly reforecasting.

The trustees are confident that the activities contained within the subsidiary, CTT Charity Payments Limited, continue to provide value to the charity, both in terms of its complementary activity and benefit to the charity and charitable impact to the charity community. A small profit has been forecast for the coming year, and future years will deliver similar if not higher excess funds for use in the charity. It should also be noted that included in the subsidiary's forecast profit expected in the next financial year are apportionments of fixed cost and expense incurred in, and recharged by, the charity to the subsidiary, which would not be avoided should the subsidiary be closed. As in previous years the provision for intercompany indebtedness in the Charity has been adjusted to reflect the amount outstanding as at 31 March 2022 and provided for in full as at that date and the trustees will continue to review this position in the future.

Plans for future periods

Following the significant changes to the Microsoft donation programme it was decided to fully review and update the Charity Digital Strategy.

Working closely in the first half of 2022 the trustees and executive team refined the strategy, building on the elements agreed in 2018, with 5 key focus areas:

- 1) To significantly grow the Charity Digital user base and content engagement to continue to excite and educate not-for-profits about the potential of digital to increase their impact
- 2) To continue to grow the base of organisations financially supporting Charity Digital activities including:
 - a. commercial sponsors engaging to support the achievement of their commercial aims

- b. Corporate Social Responsibility (CSR) organisations engaging to help them achieve their desired impact aims (these can include both commercial and non-commercial organisations), and
 - c. grant-givers and foundations engaging to fulfil their charitable objectives
- 3) To continue to evolve the organisation to deploy more need-based models of engaging with not-for-profits. Our highly rated customer function will provide the starting platform for this
- 4) To invest in our capability to deliver high-impact grant-based programmes
- 5) To continue to develop and deliver managed service offerings which support not-for-profits in using new digital technology solutions, particularly in areas which are not well supported by commercial organisations

Executing this strategy will be important in both increasing impact and building financial resilience following the major changes to the Microsoft on-premise Exchange programme. This will involve further investment in both people and platform development.

Together with TechSoup Global, we will continue to work with partners like Microsoft, Google and Adobe to help not-for-profits transition to the cloud whilst adapting existing commercial models to work in a subscription world.

The continuous improvement principles applied over the last ten years will continue with a focus on using technology to improve efficiency and negotiating the best possible commercial deals with suppliers.

All products and services will be reviewed for impact and their ability to generate a margin versus the complexity, risk and investment surrounding their operation. The likelihood is that we will see a more focussed list of products and services in future years and greater integration between product and content on the Charity Digital platform.

Principal risks

Our approach to risk management and control is described on page 10. Following review by the Trustees, the principal risks and uncertainties facing Charity Digital and its subsidiaries are listed here, together with a summary of our approach to managing those risks.

Risk	Our Response
Financial Challenge	
We operate in a dynamic environment and the viability of our business model cannot be assumed to continue. In addition, we are exposed to the impact of the broader economic environment on our customers.	We keep our business performance under constant review. We are actively seeking to both grow our existing revenue streams and to seek new avenues for the generation of income.
People and Culture	
Current market conditions mean that it may be difficult for the Charity to recruit and retain the right calibres of staff and hence achieve its strategic goals.	We place significant emphasis on ensuring our employees feel connected to the Charity and its mission. We aim to maintain a remuneration package that is competitive within our sector including a performance-linked bonus scheme.
Internal Factors	
Our activities are highly dependent upon our I.T. systems and in common with other organisations cyber threats are a serious risk.	Our I. T. environment and systems are overseen by a dedicated resource. The security of our systems and our plans to ensure the continuity of operations are kept under review.

Governing document

Charity Digital Trust is a company limited by guarantee governed by its Memorandum and Articles of Association dated 05 October 2018. It is registered as a charity with the Charity Commission in England and Wales.

Leadership induction and training

New trustees undergo an orientation meeting on: their legal obligations under charity and company law, the Charity Commission guidance on public benefit, and inform them of the content of the Memorandum and Articles of Association, decision-making processes, the strategy, the business plan, the budgets and recent financial performance of the charity. An induction document is updated annually.

Leadership

During the year the charity had up to 8 voluntary trustees that met formally four times to review the operations and strategy of the charity and its subsidiary and provide guidance and support to management. The trustees continue to delegate the day-to-day operational decision making to the Chief Executive and to the directors of CTT Charity Payments Limited (CTTCP).

Charity Code of Governance

The Trustees are guided by the principles of the Charity Code of Governance. The composition of the Board is reviewed regularly to ensure that the right mix of skills is present to guide the Charity. Throughout the Charity equality, diversity and inclusion is a guiding principle and the Board reviews the composition of our team regularly both in terms of composition and remuneration. The Board works closely with management through several sub-committees which help to ensure that the right decisions are taken to advance the mission of the Charity. The adequacy of the internal control environment is monitored by the Risk Committee each quarter and reported to the Board.

Related parties and co-operation with other organisations

None of our trustees receive remuneration or other benefits from their work with the charity. However, some of the trustees own or manage companies that the charity partners with and any payments to those organisations for services are logged on the conflict of interest register. Any new potential conflicts are declared at each board meeting

Pay policy for senior staff

All trustees give of their time freely and none have received remuneration in the year (2020/21: £Nil)

The pay of the staff is reviewed annually and normally increased in accordance with average earnings and a view on the cost of living.

The CEO salary is reviewed annually by the trustees benchmarking against levels in other charities, social enterprises and commercial organisations. The salary of the CEO was last reviewed in April 2022 at the same time as other staff members.

Risk management

The Trustees are responsible for identifying and managing the major risks facing the charity. Trustees regularly consider risk management in a broad and strategic manner, considering all relevant internal and external factors that might alter or undermine the capacity of the charity to fulfil its charitable objectives, its mission and its strategy. Risk registers provide comprehensive assurance of the following areas of risk and control:

- Financial sustainability including sustaining and growing our income streams,
- People and culture,
- Operations and processes,
- Compliance with relevant laws and regulations,
- Strategy and impact.

Our risk review process assesses each of the major risks and the effectiveness of the arrangements for managing them. The resulting report is reviewed by the Risk Subcommittee and Trustees every quarter and in greater depth once each year. The Risk Appetite statement is also reviewed by the Trustees annually. The Trustees are satisfied that the principal risks have been identified and are being effectively managed.

To ensure our future viability we continue to employ continuous improvement principles in operational and financial areas with a specific focus on being more effective and efficient at what we do whilst having the lowest cost levels possible. We have introduced several digital solutions to facilitate this whilst focussing on supplier cost reduction.

The trustees are confident that the risks and safeguards contained in the risk assessment have been properly documented and addressed over the course of the financial year. In addition, the trustees have reviewed the internal controls within the charity and its subsidiaries to ensure that they were operating effectively throughout the year as well as ensuring that they will safeguard the assets of the charity.

Trustees' responsibilities in relation to the financial statements

The charity trustees are responsible for preparing the report of the trustees and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the charity trustees to prepare financial statements for each year which give a true and fair view of the state of affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group for that period. In preparing the 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 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 business.

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charity 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 charity and the group and hence 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.

Statement as to disclosure to our auditors

In so far as the trustees are aware at the time of approving the report of the trustees:

- there is no relevant information, being information needed by the auditor in connection with preparing their report, of which the group's auditor is unaware the trustees, having made enquiries of fellow directors and the group's auditor that they ought to have individually taken, have each taken all steps that he/she is obliged to take as a director in order to make themselves aware of any relevant audit information and to
- establish that the auditor is aware of that information.

By order of the board of trustees

Claire Tavernier (Chair)

12th December 2022

Opinion

We have audited the financial statements of Charity Digital Trust (the 'parent charitable company') and its subsidiary (the 'group') for the year ended 31 March 2022 which comprise the consolidated statement of financial activities, the group and parent charitable company balance sheets, the consolidated statement of cash flows and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- Give a true and fair view of the state of the group's and of the parent charitable company's affairs as at 31 March 2022 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice
- Have been prepared in accordance with the requirements of the Companies Act 2006 and the Charities Act 2011

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the group financial statements section of our report. We are independent of the group and parent charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on Charity Digital Trust's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other Information

The other information comprises the information included in the trustees' annual report, other than the group financial statements and our auditor's report thereon. The trustees are responsible

for the other information contained within the annual report. Our opinion on the group financial statements does not cover the other information, and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the group financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the group financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- The information given in the trustees' annual report, for the financial year for which the financial statements are prepared is consistent with the financial statements
- The trustees' annual report, has been prepared in accordance with applicable legal requirements

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the trustees' annual report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and Charities Act 2011 requires us to report to you if, in our opinion:

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

Responsibilities of trustees

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

In preparing the financial statements, the trustees are responsible for assessing the group's and the parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the group or the parent charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed auditor under the Companies Act 2006 and section 151 of the Charities Act 2011 and report in accordance with those Acts.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud are set out below.

Capability of the audit in detecting irregularities

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- We enquired of management, audit committee, which included obtaining and reviewing supporting documentation, concerning the group's policies and procedures relating to:
 - Identifying, evaluating, and complying with laws and regulations and whether they were aware of any instances of non-compliance;
 - Detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected, or alleged fraud;
 - The internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.
- We inspected the minutes of meetings of those charged with governance.
- We obtained an understanding of the legal and regulatory framework that the group operates in, focusing on those laws and regulations that had a material effect on the financial statements or that had a fundamental effect on the operations of the group from our professional and sector experience.
- We communicated applicable laws and regulations throughout the audit team and remained alert to any indications of non-compliance throughout the audit.
- We reviewed any reports made to regulators.
- We reviewed the financial statement disclosures and tested these to supporting documentation to assess compliance with applicable laws and regulations.

Independent auditor's report to the members of Charity Digital Trust

For the year ended 31 March 2022

- We performed analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.
- In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments, assessed whether the judgements made in making accounting estimates are indicative of a potential bias and tested significant transactions that are unusual or those outside the normal course of business.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities is available on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charitable company's members as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and section 144 of the Charities Act 2011 and regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Joanna Pittman (Senior statutory auditor)

15 December 2022

for and on behalf of Sayer Vincent LLP, Statutory Auditor

Invicta House, 108–114 Golden Lane, LONDON, EC1Y 0TL

Sayer Vincent LLP is eligible to act as auditor in terms of section 1212 of the Companies Act 2006

Consolidated statement of financial activities (incorporating an income and expenditure account)

For the year ended 31 March 2022

				2022			2021
	Note	Unrestricted £	Restricted £	Total £	Unrestricted £	Restricted £	Total £
Income from:							
Grants		2,719	284,847	287,566	51,962	9,788	61,750
Charitable activities							
Software and related services		1,440,862	–	1,440,862	1,470,430	–	1,470,430
Information and education services		367,474	–	367,474	342,328	–	342,328
Settlement services		163,277	–	163,277	168,731	–	168,731
Other		1,432	–	1,432	2,611	–	2,611
Total income		1,975,764	284,847	2,260,611	2,036,062	9,788	2,045,850
Expenditure on:							
Charitable activities							
Software and related services		1,073,413	209,386	1,282,799	1,150,599	9,788	1,160,387
Information and education services		738,486	–	738,486	557,750	–	557,750
Settlement services		199,889	–	199,889	159,642	–	159,642
Other		14,036	–	14,036	4,158	–	4,158
Total expenditure	2,3	2,025,824	209,386	2,235,210	1,872,149	9,788	1,881,937
Net movement in funds		(50,060)	75,461	25,401	163,913	–	163,913
Reconciliation of funds:							
Total funds brought forward	18	914,449	4,500	918,949	750,537	4,500	755,037
Total funds carried forward		864,389	79,961	944,350	914,449	4,500	918,949

There were no other recognised gains or losses other than those stated above. All activities are continuing. Movements in funds are disclosed in note 19 to the financial statements.

As at 31 March 2022

	Note	The group 2022 £	2021 £	The charity 2022 £	2021 £
Fixed assets:					
Tangible assets	9	33,461	65,419	33,461	65,419
		33,461	65,419	33,461	65,419
Current assets:					
Debtors	12	185,589	121,806	524,568	581,684
Short term deposits		170,049	170,000	170,049	170,000
Cash at bank and in hand		1,522,927	1,259,728	1,224,262	939,604
		1,878,565	1,551,534	1,918,879	1,691,288
Liabilities:					
Creditors: amounts falling due within one year	13	(967,676)	(698,005)	(680,053)	(484,536)
Net current assets		910,889	853,529	1,238,826	1,206,752
Total assets less current liabilities		944,350	918,948	1,272,287	1,272,171
Creditors: amounts falling due after one year	15	–	–	(447,446)	(447,446)
Total net assets		944,350	918,948	824,841	824,725
Funds:					
Restricted income funds		79,961	4,500	79,961	4,500
Unrestricted general funds		864,389	914,448	744,880	820,225
Total funds	18, 19	944,350	918,948	824,841	824,725

Approved by the trustees on 12th December 2022 and signed on their behalf by

Claire Tavernier
Chairman of the Trustees

Consolidated statement of cash flows

For the year ended 31 March 2022

	Note	2022 £	£	2021 £	£
Cash flows from operating activities					
Net cash provided by / (used in) operating activities	20		267,769		241,509
Cash flows from investing activities:					
Purchase of fixed assets		(4,522)		(2,898)	
Amounts placed on short term deposit		(48)		47	
Net cash used in investing activities			(4,570)		(2,851)
Change in cash and cash equivalents in the year			263,199		238,660
Cash and cash equivalents at the beginning of the year			1,259,728		1,021,068
Cash and cash equivalents at the end of the year			1,522,927		1,259,728

1 Accounting policies

a) Statutory information

Charity Digital Trust is a charitable company limited by guarantee and is incorporated in England and Wales. The registered office address is Camburgh House, 27 New Dover Road, Canterbury CT1 3DN and its main place of business is Pennine Place, 2a Charing Cross Road, London WC2H 0HF.

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) – (Charities SORP FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) 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.

These financial statements consolidate the results of the charitable company and its wholly-owned subsidiary CTT Charity Payments Limited on a line by line basis. Transactions and balances between the charitable company and its subsidiary have been eliminated from the consolidated financial statements. Balances between the two companies are disclosed in the notes of the charitable company's balance sheet. A separate statement of financial activities, or income and expenditure account, for the charitable company itself is not presented because the charitable company has taken advantage of the exemptions afforded by section 408 of the Companies Act 2006.

c) Public benefit entity

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

d) Going concern

The trustees consider that there are no material uncertainties about the charitable company's ability to continue as a going concern and meet its liabilities as they fall due. The impact of Covid has been considered in reaching this assessment.

The trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period. There has been no material impact on trading through the Covid period and there is no expectation that there will be in the rest of the financial year.

e) 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.

Income from grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

Income received in advance of the provision of a specified service is deferred until the criteria for income recognition are met. Such deferment is also applied to grants and donations until those services for which the grant or donation was made, have been provided.

f) Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

1 Accounting policies (continued)

g) Fund accounting

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund.

Unrestricted funds are donations and other incoming resources received or generated for the charitable purposes.

h) Expenditure and irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

Expenditure is classified under the following activity headings:

- Costs of raising funds relate to the costs incurred by the charitable company in inducing third parties to make voluntary contributions to it, as well as the cost of any activities with a fundraising purpose
- Expenditure on charitable activities includes the costs of the group's charitable activities undertaken to further the purposes of the group and their associated support costs
- Other expenditure represents those items not falling into any other heading

i) Allocation of support costs

Resources expended are allocated to the particular activity where the cost relates directly to that activity. However, the cost of overall direction and administration of each activity, comprising the salary and overhead costs of the central function, is apportioned on the following basis which are an estimate, based on estimates of activity and/or staff time, of the amount attributable to each activity.

Support and governance costs are re-allocated to each of the activities on the following basis which is an estimate, based on either staff time or turnover creating the following ratios:

	Support %	Governance %
● Software and related services	31	66
● Marketing services	49	17
● Settlement services	–	8
● Other	–	9
● Governance	20	–

Governance costs are the costs associated with the governance arrangements of the charity. These costs are associated with constitutional and statutory requirements and include any costs associated with the strategic management of the charity's activities.

j) Operating leases

The Charity had no operating leases or rentals in the financial period other than that of a short term lease for accommodation (shown in Note 21 below); the cost of which is charged as it is incurred on a straight line basis.

k) Tangible fixed assets

Items of equipment are capitalised where the purchase price exceeds £200. Depreciation costs are allocated to activities on the basis of the use of the related assets in those activities. Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their net realisable value and value in use.

Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The depreciation rates in use are as follows:

- Fixtures and fittings 3 years
- Computer equipment and software 3 years

1 Accounting policies (continued)

l) Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

m) Cash at bank and in hand

Cash at bank and cash in hand only includes balances held in accounts with instant access.

n) Short term deposits

Short term deposits includes cash balances that are invested in accounts with maturity dates of greater than 90 days.

o) 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.

p) Financial instruments

Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

q) Pensions

The Charity operates a defined contribution pension scheme which is available to all members of staff. The Charity contributes a fixed 5% (2021:5%).

2 Analysis of expenditure (current year)

	Charitable activities							
	Software & related services	Information and Education services	Settlement services	Other	Governance costs	Support costs	2022 Total	2021 Total
	£	£	£	£	£	£	£	£
Staff costs (Note 5)	246,756	367,471	–	–	–	263,713	877,940	738,258
Cost of sales	692,376	90,306	171,249	–	–	–	953,931	822,527
Other staff related costs	15,494	24,584	–	–	10,093	–	50,172	22,741
Marketing	39,631	–	–	–	–	–	39,631	15,625
IT and transaction cost	83,066	–	–	–	–	–	83,066	68,010
Consultancy, legal & prof.	–	24,741	15,138	–	–	34,881	74,760	68,795
Auditors remuneration	–	–	–	–	13,500	–	13,500	13,200
Accommodation and office	–	–	5,472	–	–	85,506	90,978	86,738
Depreciation	–	–	–	–	–	36,480	36,480	36,148
Other	–	–	–	–	–	14,752	14,752	9,895
	1,077,324	507,102	191,859	–	23,593	435,332	2,235,210	1,881,937
Support costs	134,441	213,313	–	–	87,578	(435,332)	–	–
Governance costs	71,034	18,072	8,030	14,036	(111,171)	–	–	–
Total expenditure 2022	1,282,799	738,486	199,889	14,036		–	2,235,210	1,881,937
Total expenditure 2021	1,160,387	557,750	159,642	4,158	–	–	1,881,937	

Of the £2,218,778 (2020 – £1,881,937) £2,081,012 was unrestricted (2021 – £1,855,491) and £137,766 was restricted (2021 – £26,446)

3 Analysis of expenditure (prior year)

	Charitable activities						
	Re stated Software & related services £	Restated Information and Education services £	Settlement services £	Other £	Governance costs £	Support costs £	2021 Total £
Staff costs	181,698	256,241	–	–	–	300,319	738,258
Cost of sales	640,151	62,591	119,785	–	–	–	822,527
Other staff related costs	7,374	9,468	–	–	5,899	–	22,741
Marketing	15,625	–	–	–	–	–	15,625
IT and transaction cost	68,010	–	–	–	–	–	68,010
Consultancy, legal & prof.	–	15,937	23,023	–	–	29,835	68,795
Auditors remuneration	–	–	–	–	13,200	–	13,200
Accommodation and office	–	–	5,472	–	–	81,266	86,738
Financing and Interest	–	–	–	–	–	–	–
Depreciation and amort.	–	–	–	–	–	36,148	36,148
Other	–	–	–	–	–	9,895	9,895
	912,858	344,237	148,280	–	19,099	457,463	1,881,937
Support costs	148,334	190,461	–	–	118,667	(457,463)	–
Governance costs	99,194	23,052	11,362	4,158	(137,766)	–	–
Total expenditure 2021	1,160,386	557,750	159,642	4,158	–	–	1,881,937

4 Net income for the year

This is stated after charging / (crediting):

	2022 £	2021 £
Depreciation	36,480	36,148
Operating lease rentals:		
Property	88,540	84,982
Equipment	120	120
Auditors' remuneration (excluding VAT):		
Audit – group	13,500	13,200
Over –accrual in prior year	1,200	900
Foreign exchange losses/(gains)	3,048	5,748

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

Staff costs were as follows:

	2022 £	2021 £
Salaries and wages	762,411	639,986
Social security costs	83,812	69,970
Employer's contribution to defined contribution pension schemes	26,533	21,406
Other forms of employee benefits	5,185	6,896
	877,940	738,258

The following number of employees received employee benefits (excluding employer pension costs and employer's national insurance) during the year between:

	2022 No.	2021 No.
£110,000 – £119,999	1	–
£100,000 – £109,999		1
£60,000 – £69,999	1	–

The total employee benefits (including pension contributions and employer's national insurance) of the key management personnel were £288,831 (2021: £196,791).

The charity trustees were neither paid nor received any other benefits from employment with the charity in the year (2021: £nil). No charity trustee received payment for professional or other services supplied to the charity (2021: £nil).

No travel or other expenses were paid to the Trustees in the financial year (2021: £nil).

6 Staff numbers

The average number of employees (head count based on number of staff employed) during the year was 17 (2021: 15.4).

Staff are split across the activities of the charitable company as follows:

	2022 No.	2021 No.
Software and support	5.3	5.0
Mail & marketing Services	8.3	6.4
Support	3.4	4.0
	<hr/> 17.0	<hr/> 15.4
	<hr/> <hr/>	<hr/> <hr/>

7 Related party transactions

During the year one of our Trustees, Zoe Amar, was instrumental in arranging the award of funding to Charity Digital in respect of the Charity Digital Code.

8 Taxation

The charity is exempt from corporation tax as all its income is charitable and is applied for charitable purposes. The charity's trading subsidiary CTT Charity payments made taxable profits in the year but no charge to corporation tax is expected due to the availability of tax losses brought forward, profit of £25,283 in 2021 (2021: £31,432).

9 Tangible fixed assets

The group and Charity

Cost

At the start of the year

Additions in year

At the end of the year

Depreciation

At the start of the year

Charge for the year

At the end of the year

Net book value

At the end of the year

At the start of the year

	Fixtures and fittings £	Computer equipment £	Total £
At the start of the year	51,302	182,619	233,921
Additions in year	–	4,522	4,522
At the end of the year	51,302	187,141	238,443
At the start of the year	50,584	117,918	168,502
Charge for the year	–	36,480	36,480
At the end of the year	50,584	154,398	204,982
At the end of the year	718	32,743	33,461
At the start of the year	718	64,701	65,419

All of the above assets are used for charitable purposes.

10 Subsidiary undertakings

The charitable company owns the whole of the issued ordinary share capital of CTT Charity Payments Limited, a company registered in England (4222881). The subsidiary is used for additional primary purpose trading activities. All activities have been consolidated on a line by line basis in the statement of financial activities.

	2022 £	2021 £
Turnover	163,277	168,731
Cost of sales	(85,029)	(81,441)
Gross profit	78,248	87,290
Administrative and direct expenses	(19,933)	(27,287)
Costs fairly apportioned from the parent charity	(33,072)	(29,050)
Operating profit	25,243	30,953
Interest receivable	40	479
Profit for the financial year	25,283	31,432
The aggregate of the assets, liabilities and funds was:		
Assets	339,794	360,000
Liabilities	(667,730)	(713,222)
Deficit in funds	(327,936)	(353,222)

11 Parent charity

The parent charity's gross income and the results for the year are disclosed as follows:

	2022 £	2021 £
Gross income	2,130,364	1,905,689
Result for the year	116	132,481

12 Debtors

	The group		The charity	
	2022 £	2021 £	2022 £	2021 £
Trade debtors	133,867	80,410	95,583	43,454
Other debtors	10,755	10,755	10,755	10,755
Prepayments and accrued income	40,967	30,641	38,122	27,723
Balance with subsidiaries	–	–	380,108	499,752
	185,589	121,806	524,568	581,684

13 Creditors: amounts falling due within one year

	The group		The charity	
	2022	2021	2022	2021
	£	£	£	£
Trade creditors	109,674	63,535	107,718	61,929
Taxation and social security	132,108	113,370	109,239	105,312
Other creditors	253,453	194,760	12,469	10,560
Accruals	147,057	135,093	125,243	115,488
Deferred income (note 14)	325,384	191,247	325,384	191,247
	967,676	698,005	680,053	484,536

14 Deferred income

Deferred income comprises unexpired elements of invoiced contract bundles for email marketing unused by clients at year end, billed but not delivered work undertaken on the Charity Digital News platform and deferred balances from grants received where performance specified under the donation is not completed.

	The group		The charity	
	2022	2021	2022	2021
	£	£	£	£
Balance at the beginning of the year	191,247	139,829	191,247	139,829
Amount released to income in the year	(663,466)	(139,829)	(663,466)	(139,829)
Amount deferred in the year	797,603	191,247	797,603	191,247
Balance at the end of the year	325,384	191,247	325,384	191,247

15 Creditors: amounts falling due after one year

	The group		The charity	
	2022	2021	2022	2021
	£	£	£	£
Other liabilities	–	–	447,446	447,446
	–	–	447,446	447,446

16 Analysis of group net assets between funds (current year)

	General unrestricted	Restricted funds	Total funds
	£	£	£
Tangible fixed assets	33,461	–	33,461
Net current assets	830,928	79,961	910,889
Net assets at 31 March 2022	864,389	79,961	944,350

17 Analysis of group net assets between funds (prior year)

	General unrestricted £	Restricted funds £	Total funds £
Tangible fixed assets	65,419	–	65,419
Net current assets	849,029	4,500	853,529
Net assets at 31 March 2021	914,448	4,500	918,948

18 Movements in funds (current year)

	At 1 April 2021 £	Income & gains £	Expenditure & losses £	At 31 March 2022 £
Restricted funds:				
Heritage Digital	–	180,088	(175,060)	5,028
Tides Foundation	–	74,404	(5,920)	68,484
TS Foundation	–	20,957	(16,406)	4,551
Code of practice	–	9,399	(7,500)	1,899
OCS	4,500	–	(4,500)	–
Total restricted funds	4,500	284,848	(209,386)	79,962
General funds	914,448	1,975,764	(2,025,824)	864,388
Total funds	918,948	2,260,612	(2,235,210)	944,350

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

19 Movements in funds (prior year)

	At 31 March 2020 £	Income & gains £	Expenditure & losses £	At 31 March 2021 £
Restricted funds:				
TS Foundation	–	9,788	(9,788)	–
OCS	4,500	–	–	4,500
Total restricted funds	4,500	9,788	(9,788)	4,500
General funds	750,536	2,036,061	(1,872,149)	914,447
Total funds	755,036	2,045,849	(1,881,937)	918,947

Purposes of restricted funds

Heritage Digital

Heritage Digital Academy is a programme managed by Charity Digital which seeks to support organisations in the Heritage sector in developing new practices around the use of digital tools and services.

Tides Foundation

Charity Digital has been awarded funding to deliver a programme entitled 'Accelerating Digital Strategy'. This will support a cohort of not for profits over a 12 month period and will be primarily delivered in the following financial year.

TS Foundation (Fundacja Techsoup– [Poland])

Grants were received in the year from TS Foundation as part of the roll out of SAP's european technology access programme designed to generate interest in computer coding in young people. Small individual grants were given to local groups working with young people to hold events promote coding.

Code of Practice

Charity Digital is the custodian of the Charity Digital Code of Practice. Developed by a number of sector participants, more funding is expected to further develop and promote the code.

OCS (Office for Civil Society)

Charity Digital ran a first and very successful multi strand conference event in March 2019. This event was attended by in excess of 200 delegates, many from small and very small charities. OCS provided a grant support to help charities with travel bursaries and ticket subsidy to promote representation among the smaller charities. In addition OCS helped promote a series of related webinars on subjects covered at the conference.

20 Reconciliation of net income to net cash flow from operating activities

	2022 £	2021 £
Net income for the reporting period (as per the statement of financial activities)	25,401	163,912
Depreciation charges	36,480	36,148
Decrease (Increase) in debtors	(63,783)	4,078
Increase in creditors	269,671	37,371
Net cash provided by operating activities	267,769	241,509

21 Operating lease commitments

The group's total future minimum lease payments under non-cancellable operating leases is as follows for each of the following periods:

	Property 2022 £	2021 £
Less than one year	89,400	88,200

22 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.