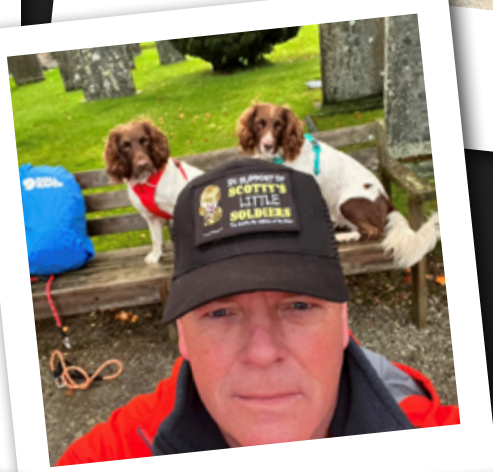
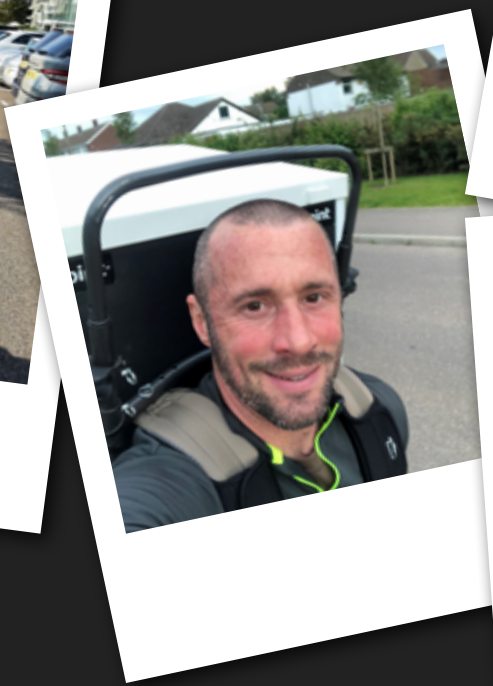
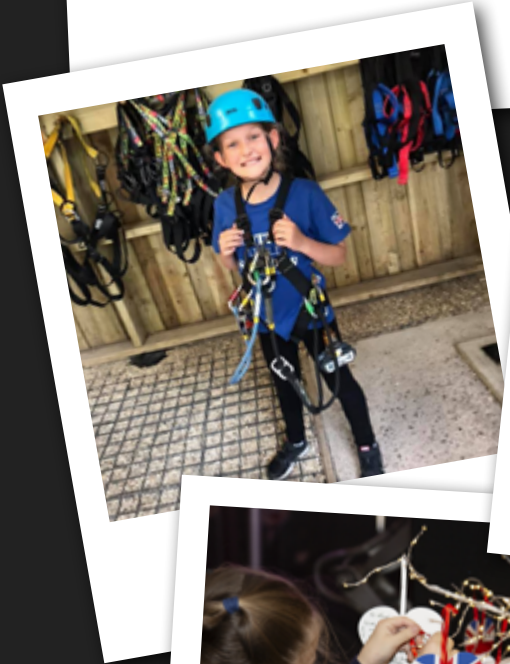




ON A MISSION SCOTTY'S



SCOTT'S LITTLE SOLDIERS
The year we got back to 'normal'!



OUR MISSION

To provide relief from the effects of bereavement to children & young people who have experienced the death of a parent who served with the British Armed Forces.

A NOTE FROM NIKKI

2021 will always stand out as the year we reviewed our services and increased our bereavement support.

We started the year in lockdown, once again unable to leave our homes and away from extended family and friends. At Scotty's, our priority was making sure we had the framework in place to give our Members and Springboarders the support they needed, and we wanted to develop a small team of bereavement support specialists with the expertise to guide the children and young people through their bereavement journeys.

Thanks to our amazing supporters we were able to fund these roles and we welcomed Lorna to take responsibility for the development of Scotty's service delivery, followed by Mark to provide direct one-to-one support sessions to children and young people, and Charlie to offer guidance to the parents and carers of Scotty Members.

Although I have been through grief myself and seen the devastating impact on children, I felt it was time I became qualified in bereavement. In 2021 I began my Working In

Childhood Bereavement Certificate, alongside Mark. We now have a greater understanding of why some bereaved children need specialist support and how we can improve our services to make sure the charity is meeting the needs of children and young people who have experienced the death of a parent.

The withdrawal from Afghanistan triggered emotions for many military families. It was a very upsetting and challenging time. We created videos to help Scotty Members understand the situation, produced a letter for schools so that our Members' teachers had the relevant guidance to help, and we provided one-to-one support as it was needed.

"It feels incredible to know that we now have a strong team in place with the skills and knowledge to offer guidance and support to Members and Springboarders through the extra tough times, offering invaluable guidance and reassurance when it is needed most."

As lockdown restrictions eased, we were finally able to get together for in-person events. 45 of our Members and Springboarders took part in the Remembrance Sunday Cenotaph parade, honouring their parents who served our country. It meant so much to the children to be together as they marched with pride.

The year ended on a high with our annual Christmas party for our Members held at the Concorde Conference Centre. It was amazing looking around the room and seeing so many smiling faces as they took part in loads of fun activities. At the end of the party, 10-year-old Tori, whose mum died by suicide the previous year, said, "I loved the party and enjoyed making friends. It makes me feel more normal." She summed up perfectly the reason Scotty's is here.

Nikki Scott, BEM
Founder, Scotty's Little Soldiers



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- Our Core Values**
- Our Work**
- Case Studies**
- Fundraising**
- Future**
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- Get Involved**



OUR PROMISES

WE WANT EVERY BEREAVED FORCES CHILD AND YOUNG PERSON TO HAVE:



Access to the very best emotional health and well-being support



Outstanding development opportunities



The chance to smile again

OUR CORE VALUES



FAMILIES COME FIRST

Our beneficiaries are the sole reason we are here. For every decision we make and every action we take, we ask ourselves how this takes us closer to completing our Mission.



EVERYONE A SUPPORTER, EVERY SUPPORTER A V.I.P

Everyone who walks through our doors has the potential to support the charity. Without that support we can't achieve our Mission. Everyone is a potential supporter & every supporter should be treated like a V.I.P.



LOVE WHAT YOU DO

When you truly love what you do it shouldn't feel like work, and when it doesn't feel like work you can achieve great things. We work as a team towards one goal, our Mission.



REMEMBER EVERY DAY

For our beneficiaries Remembrance isn't just one day of the year, it's everyday of the year. We remember the sacrifices made by these families, everyday.

In early 2021 we undertook a complete Service Delivery Review to ensure that what we offer bereaved Service children & young people is still relevant to the challenges they are facing today.

To compliment the 3 key promises we have made to bereaved young people from the military community, we agreed 10 'Golden Goals' around which all of our Service Delivery flows.

Every activity we undertake at Scotty's must tick at least one of these Golden Goals.

Our Service Review concluded that the structure of our offering, via our four Family Programmes: SMILES, SUPPORT, STRIDES and SPRINGBOARD, was still relevant to our beneficiaries' needs today, but there were opportunities to further develop some of the activities within those programmes.

Our SUPPORT Programme in particular was highlighted as the area which could have the most significant impact on bereaved young people, and has been our centre of focus over the past 12 months. We recruited Lorna Vyse, an experienced and well respected young person bereavement specialist. A first for Scotty's, Mark Hawkins to provide direct one-to-one support for children and young people themselves, followed by Charlie Houlder-Moat to support the parent and carers of bereaved young people.

One of the positive outcomes following the COVID-19 pandemic has been the adoption of technology such as Zoom and Microsoft Teams. This has allowed us to create an efficient model of direct support for young people nationwide which would otherwise have been prohibitive.

In the latter part of 2022 and into 2023 we will turn our attention to the STRIDES and SPRINGBOARD Programmes, focusing on how we can improve our offering around educational support and for young adults aged 18-25.

01

TO PROVIDE AGE-APPROPRIATE INFORMATION, RESOURCES AND SUPPORT TO HELP MEMBERS AND SPRINGBOARDERS COPE WITH THE EFFECTS OF THEIR BEREAVEMENT.

02

TO HELP PROMOTE MEMBERS AND SPRINGBOARDERS' EMOTIONAL WELLBEING, BY ASSISTING THEM TO UNDERSTAND AND EXPRESS THEIR FEELINGS AND EMOTIONS.

03

TO FACILITATE OPPORTUNITIES FOR MEMBERS AND SPRINGBOARDERS TO MEET AND INTERACT WITH PEERS WHO HAVE HAD SIMILAR BEREAVEMENT EXPERIENCES.

04

TO OFFER MEMBERS AND SPRINGBOARDERS OPPORTUNITIES TO REMEMBER THEIR PARENT WHO HAS DIED.

05

TO ACKNOWLEDGE ANNIVERSARY AND KEY DATES FOR MEMBERS AND SPRINGBOARDERS TO HELP REDUCE ANY FEELINGS OF ISOLATION AND ENSURE THEY DO NOT FEEL ALONE IN THEIR GRIEF.

06

TO PROVIDE APPROPRIATE OPPORTUNITIES FOR MEMBERS AND SPRINGBOARDERS TO INCREASE AND/OR BOOST THEIR CONFIDENCE AND SELF-ESTEEM.

07

TO PROMOTE SELF-DEVELOPMENT AND LEARNING OPPORTUNITIES TO ENSURE THAT MEMBERS AND SPRINGBOARDERS ARE NOT DISADVANTAGED BECAUSE OF THEIR BEREAVEMENT.

08

TO ENCOURAGE MEMBERS AND SPRINGBOARDERS TO HAVE FUN AND SMILE AGAIN.

09

TO PROVIDE BEREAVEMENT RELATED INFORMATION, GUIDANCE AND SUPPORT TO PARENTS AND CARERS TO ASSIST THEM IN SUPPORTING THEIR CHILD(REN) FOLLOWING THE DEATH OF A PARENT.

10

TO PROVIDE A VOICE FOR BEREAVED FORCES CHILDREN, YOUNG PEOPLE AND YOUNG ADULTS.

GOLDEN GOALS

2021
AT A GLANCE



405 SCOTTY
MEMBERS



99 SCOTTY
SPRINGBOARDERS

+57
NEW MEMBERS



49 NEW MEMBER
PACKS SENT

403



CHRISTMAS GIFTS SENT



HIGHER
15 EDUCATION
AND TRAINING
GRANTS ISSUED

40

SCOTTY MEMBERS
ATTENDED
FAB CAMP
(FAMILY ACTIVITY BREAK)

112

MEMBERS
ATTENDED OUR



CHILDREN &
YOUNG PERSON
BEREAVEMENT
SUPPORT WORKER
APPOINTED



FAMILIES TEAM
PROJECTS WORKER
APPOINTED



12 EASTER EGG
COMPETITION
ENTRANTS

17 NEW SCHOOL
GRANTS



CHRISTMAS
EVENT



460



REMEMBRANCE
VOUCHERS SENT



10 MEMBERS ATTENDED
REMEMBRANCE VIDEO
SUPPORT CALLS

12 DRIVING
LESSON
GRANTS



52 EASTER
EGG KITS
SENT

478



PARENTS AND CARERS COMPLETED
OUR FAMILIES PROGRAMME
DEVELOPMENT SURVEY

SUPPORT PROGRAMME:

137 NEW
SUPPORT CASES OPEN

36

MEMBERS ATTENDED
REMEMBRANCE
PARADE



17



MEMBERS ATTENDED
GOODWOOD
FESTIVAL
OF SPEED

32

YEAR
SEVEN
MEMBERS
TRANSITION
PACKS SENT



3 SUPER GRANTS
ISSUED

112 SCOTTY
ALLOWANCES ISSUED



473



ANNIVERSARY
VOUCHERS SENT

57 NEW
CASES OPEN



74

SUPPORT PROGRAMME:
1:1 ONLINE BEREAVEMENT
SUPPORT SESSIONS HELD

60 NEW
CASES OPEN



11

MEMBERS ATTENDED
YEAR GROUP
VIDEO CALLS
(APACHE & CHALLENGER)

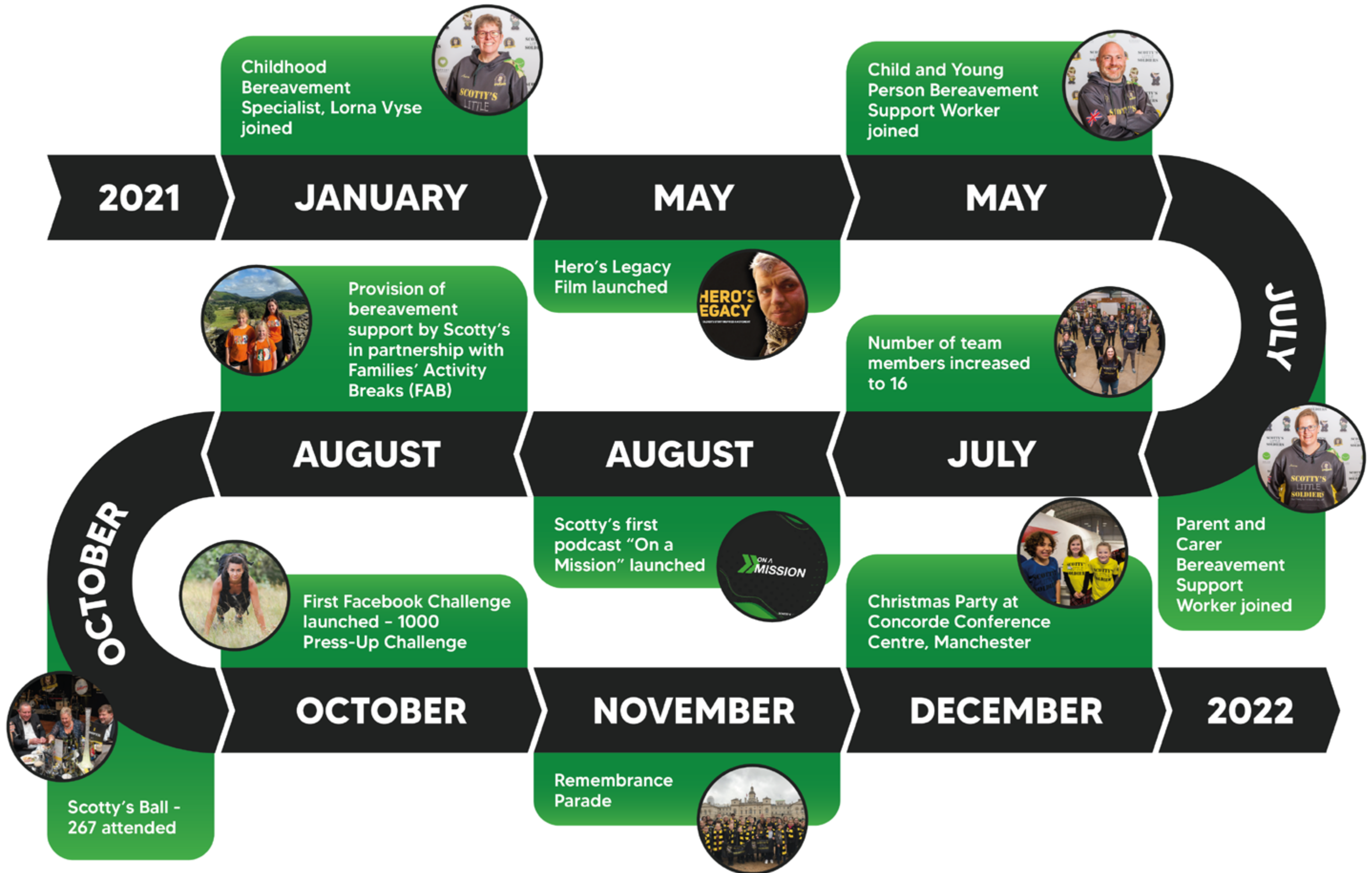


FAMILY
SUPPORT
WORKER
APPOINTED

178 MEMBERS WENT ON
RESPIRE
BREAKS



2021 AT SCOTTY'S



OUR IMPACT



SMILES FUN & ENGAGEMENT

“It gave us the chance to remember him and talk about him.”

97% of families stated their Scotty respite break offered them an opportunity to remember the parent who had died.



98% of Members attending the Christmas Party rated it as 😊

“The gifts he receives from Scotty’s make him happy and reassure him that people are thinking about him.”

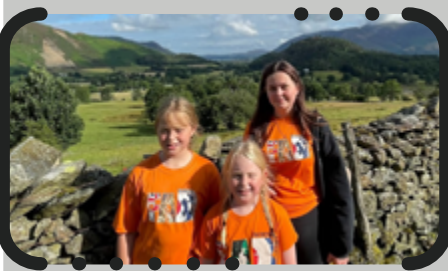
1841 gifts and vouchers were sent to Members and Springboarders at the extra tough times of the year to remind them that they are not alone.



STRIDES EDUCATION & DEVELOPMENT

“The grant allowed me to equip my accommodation and purchase stationary and textbooks for my course.”

Delivered 159 grants to support Members and Springboarders with their education and development.



Supported our Members and Springboarders to enhance and develop their skills.

“What a great pack full of fabulous information and affirmations. Thank you.”

Launched Challenger Year Group and sent out 32 Transition packs to help with Members’ move from primary to secondary school.



SUPPORT EMOTIONAL HEALTH & WELLBEING



Recruited our first Child and Young Person Support Worker.

“The help she received was 2nd to none. Tailored specifically to her needs throughout that crucial time.”


Provided individual tailored support and guidance to 43 parents & carers and, as a result, 21 Members were referred for 1:1 bereavement support.

“I feel like I can now recognise and deal with my emotions whereas before I used to make myself frustrated because I couldn’t understand the feelings that I was going through.”

Provided 74 1:1 online bereavement support sessions.



SPRINGBOARD 18-25 YEAR OLDS



Introduced a new financial grant for Springboarders to support their education and development. The Springboard Allowance.

“When I saw in the email there was an opening to host the podcast, it felt like a chance to give something back.”

Launched regular communications to Springboarders to promote our services, which resulted in 59% of Springboarders opening our monthly emails.

“Thank you so much for your support yesterday. The materials you suggested sound amazing.”

We held 57 1:1 sessions for our Springboarders and provided targeted information and guidance on a wide range of life issues.



PHOEBE

When she was 10 years old, Phoebe's dad, Navy Operator Mechanic (OM1) James Thompson died shortly after being diagnosed with melanoma. Everything she experienced as a child, and the support she's received from Scotty's Little Soldiers, has inspired her to pursue a career in child psychology.

"Scotty's has helped me in so many ways," said Phoebe, now 18. "There were times after my dad died that I felt so low, but Scotty's were always there and helped pick me back up again. Going back to school after dad died was particularly difficult, as a lot of my friends didn't understand what I was going through, which was really hard. It got a lot easier when I joined Scotty's as I felt supported. I was able to talk to other children who were just like me and were going

through exactly what I was going through."

"There were times after my dad died that I felt so low, but Scotty's were always there and helped pick me back up again."

With the aid of Scotty's SPRINGBOARD Programme, which supports members aged 18 to 25, Phoebe will continue to receive support through to the end of her education and beginning of her career, assisting with opportunities to develop her education and life skills.

"Scotty's has inspired me to do what I want to do," said Phoebe. "Having gone through all that I went through as a child, I know I want to follow a pathway that means I can help other children, which is why I want to look at a career in child psychology. Having Scotty's support over the years has hugely influenced my decision on what to study as I've seen personally over the years how important it is. Although I'm older, there are still times when I feel emotional about what happened to dad, that won't ever go away. Knowing that there is always someone there to talk to when I need them is greatly reassuring."

ERIN

15-year-old Erin's dad, Lance Corporal Ross Nicholls was killed in Afghanistan just a few months after she was born. Over the years, Erin has struggled with not being able to remember her dad and found talking about him incredibly hard to do, until she joined Scotty's.

"Scotty's is my military connection" she said. "It reminds me of my dad. Everyone at Scotty's has gone through the same thing and understands what you're going through. When you're with other people from Scotty's you don't need to pretend or worry about talking about your parent. Everyone just gets it."

One of the events Erin took part in that made her feel more connected to her dad was the national

Remembrance Day parade in London. Erin marched alongside 45 other Members and Springboarders of Scotty's Little Soldiers wearing her Scotty's scarf with pride.

"When you're with other people from Scotty's you don't need to pretend or worry about talking about your parent. Everyone just gets it."

She said: "It made me feel so proud of my dad and walking next to other Scotty Members

made the day a lot more special."

Another event Erin finds beneficial is the annual Scotty's Christmas party, which gives Members the opportunity to come together and have fun knowing they are with other children and young people who understand what they're going through.

"What's great about the Scotty's Christmas party and other events is that it's all families like ours who are missing someone. I used to think that when you go to events like that, it would be wrong to laugh and be happy, but I know now that it's not. It's better to be happy and laugh. It's good to laugh and remember things and talk about it."



JAMIE

Jamie Small was just eight when his dad, Corporal Christopher Small, died by suicide after struggling to adapt to life after the British Army. Jamie is a huge football fan and Liverpool supporter – something he shared with his dad.

“Football helps me feel connected to my dad and reminds me of the time we spent together,” said Jamie, now 14. “We always used to play together and watch Liverpool on the TV, screaming whenever someone scored.”

But football isn’t the only thing Jamie holds close to his heart. For the past three years, he has been supported by Scotty’s Little Soldiers and benefitted from services including respite breaks, gifts and ‘Thinking of You’

vouchers on the anniversary of his dad’s death, and our Scotty’s events and Christmas parties, where he’s been able to make friends with other children who have also experienced the death of a military parent.

“There are people who say ‘I know what you’re going through’ when they don’t, but people from Scotty’s really do.”

Jamie explains: “Scotty’s is a place where I don’t have to hide my feelings – I can completely be myself because I know if I want to

talk about my dad everyone there will get it. Going to those Christmas parties and other Scotty events, meeting people who have experienced similar things to me... it’s all really helpful. Being able to have those conversations with people who understand you, even it’s just a quick 5-minute chat, can really boost someone’s spirit. There are people who say ‘I know what you’re going through’ when they don’t, but people from Scotty’s really do.”

ANGEL

Angel’s mum was 20 weeks pregnant with her when her dad, Major Matthew Titchener, was killed in Iraq. Being part of Scotty’s Little Soldiers has been hugely beneficial to Angel, who has struggled with never being able to know her dad.

Angel is now 18, and over the years the charity has helped reassure Angel that she’s not alone in her grief. Through Scotty’s, Angel has met many children and young people in the same position, who have no memories of their dad, and many who, like her, were not even born before their dad died.

“Scotty’s helps me feel like I’m not alone,” said Angel. “I’ve made so many good friends who have experienced something similar, and just being able to talk to them,

knowing they understand exactly what I’m going through, is so comforting.”

“Scotty’s helps me feel like I’m not alone.”

As part of Scotty’s STRIDES Programme, Angel has also received grants that have allowed her to go on educational trips with her school and, more recently, assisted with university fees.

Angel said: “It’s hard to put into words what Scotty’s means to me. It’s so special to

have them in my life. Without them I’d feel very alone. The Christmas parties every year are one of the best things about the charity, as I really enjoy getting together with other members, and just knowing that I’m amongst people who understand.”

WANT TO READ MORE CASE STUDIES?

You can read more case studies like these, by visiting our website or clicking [here](#).



“ No matter how much pain I suffer through the races, I know that it will be nothing compared to the suffering of our Armed Forces children. Anything we can do to make their lives better and spirits higher is incredibly worthwhile. ”

FUNDRAISING

2021 saw us continuing to ride the wave of the Covid pandemic but as with 2020, we perhaps bucked the trend of what many charities were experiencing.

With us looking to move our support forward every year, it's not surprising that the income required also increases. Thanks to grant funders, corporate supporters, individuals, and community groups we were able to achieve a significant fundraising milestone and reach £1 million for the first time.

We have very clear strategic plans for the charity and consistently, our supporters provide us with confidence that our plans are realistic and achievable. Here's a little insight into what some of that support looked like in 2021.

Individual fundraising and donations

Following on from the trend of virtual fundraising challenges which really took hold during the national lockdowns, we held our annual Tour de Scotty and May Marathon challenges and also introduced a 1,000 Press Up Challenge during October. We were delighted to see more than 300 people taking part in these virtual challenges which raised over £36,000! It was also great to see individuals supporting the charity in different ways including Matthew Bamber who hiked 50km with a fridge on his back and Rachel Murphy who is mum to two of our members who dedicated her wedding day to raising funds for Scotty's.

Corporate Partners

We are grateful that Annington Homes have committed to continue supporting Scotty's. They have been funding our SUPPORT Programme for two years and agreed to support the costs of a new holiday lodge. The new accommodation will be located at Devon Cliffs and means we will be able to accommodate even more Scotty families on our respite breaks in 2023. Last year also saw Incentive FM reach a milestone in their fundraising for us and reach over £100,000 raised. Employees have walked hundreds of miles, pushed out 1,000 press ups and turned into elves as part of a festive fundraiser. We love the creativity of our supporters! We are also incredibly grateful to Network Rail who provided free rail travel for some of our Members and their living

parent to attend the march at the Cenotaph in November.

Grants and Trusts

Our relationships with grant funders remain integral to our growth, their support forms a significant part of our income for 2021. The Veteran's Foundation, Forces Support, Armed Forces Covenant Fund Trust, ABF The Soldiers Charity, RAF Benevolent Fund, Lest We Forget and RNRMC have provided funding for a range of projects including covering the salaries of some of our Families Team, respite breaks, Member birthday gifts and vouchers that are sent on the anniversary of their parent's death. To support this vital income stream, we appointed a full-time member of staff in early 2021 to help us grow and develop this funding source.

Regular Giving

During 2021, we continued focus on growing our regular giving initiatives. Our Overwatch programme, which was launched in 2020, guarantees that 100% of a supporter's contribution goes straight to our Family Programmes. Regular behind the scenes video content is made exclusively available to our Overwatch subscribers via a secure portal helping them see exactly how we are spending their contributions. We also operate a 'no frills' regular giving scheme where a supporter can give with confidence knowing that their donation will be spent where it is needed most. As we look to develop and grow sustainable income streams for the charity, regular giving will be a key area of focus for us in 2022.

Fear Naught

Scotty's Little Soldiers is powered by Fear Naught, our clothing brand where 100% of profits are donated to the charity. Fear Naught is the motto of the RTR (Royal Tank Regiment) in which Cpl. Lee Scott served. Lee embodied the spirit of Fear Naught – be afraid of nothing. He paid the ultimate sacrifice but through this, hundreds of bereaved British Forces children and young people are benefitting from his legacy. We know that Fear Naught can deliver much more value than just clothing and so we are looking forward to developing this initiative more during 2022. Keep your eyes peeled for further news about that!

THE FUTURE: 2022 AND BEYOND

OUR BIG HAIRY AUDACIOUS GOAL

TO BE SUPPORTING 1,000+ YOUNG PEOPLE ANNUALLY BY 2030

504

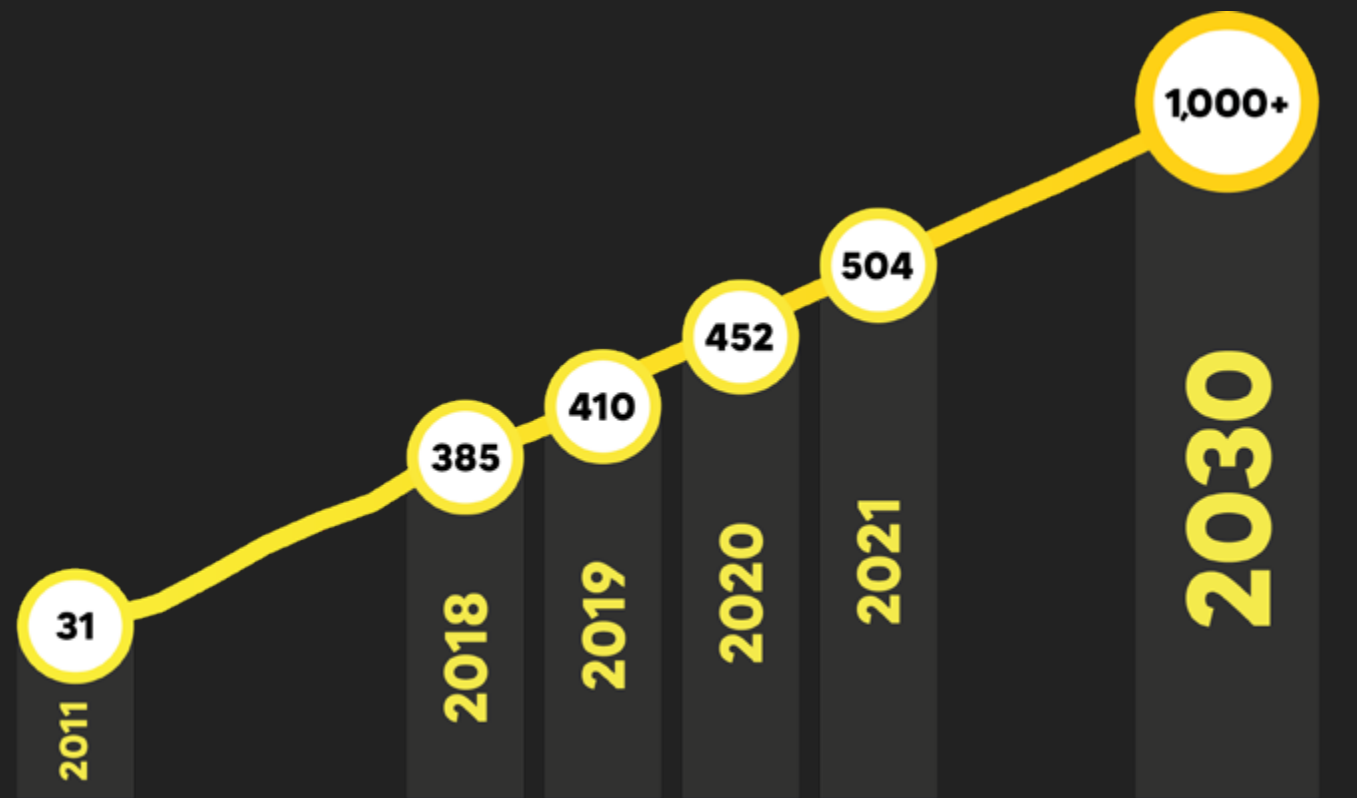
1000

We supported 504 children & young people during 2021...

In 2019 we set ourselves what we call the BHAG (Big Hairy Audacious Goal) of supporting 1,000+ bereaved children and young people annually by 2030. This is the number which continually drives us forward.

We know that there are sadly hundreds of young people who have experienced the death of a parent who served in the British Armed Forces already out there, and unfortunately, we know that this number will continue to

grow. It's our job to create a sustainable charity that will be there to support these young people and others like them for many years to come.



In order to provide the right type and level of support to this number of brave young people we created a vision of what the charity will need to look like in 5 years' time, if we are to be in a position to achieve this long-term goal. Then we broke this vision down into smaller, more manageable chunks for to focus on going forward, to help us create a charity which reflects that vision. We call this plan the One Page Strategy Plan or OPSP for short.

Our OPSP, as the name suggests, fits on a single page of A3 and contains a wide range of key drivers, financial targets, goals and priorities. For us to ensure we move towards realising our longer term goals, we created five key thrusts for the next 5-years.

Our Key 5-Year Priorities to help us achieve our goals.

1. Establish a Schools and Education Providers Offer.

a. Other than experiencing the death of a parent who served in our Armed Forces, education in one form or another is the one thing which all our Scotty Members and

Springboarders will go through. Our four Family Programmes well established but we already know that longer term we will need a dedicated offer for the education sector.

2. Outreach & accessibility.

a. Whilst there will be tweaks and improvements to our Family Programmes the core service offer has proven to be highly impactful. What we do need to focus on more going forward, is ensuring that the maximum number of young people have access to that support.

3. Develop 4-5 sustainable income streams including non-public funding to cover 50% of running costs.

a. We have amazing supporters who have been incredibly proactive in supporting the charity but in the coming years we will need to develop a more diverse split of income and to take more control over those channels. Running costs are essential to keep the charity going but we appreciate that many of the public prefer their donations or fundraising

to be spent directly on our Family Programmes. We aim to create a way to cover our running costs through specific channels, thus allowing 100% of public donations to be spent directly on our Family Programmes.

4. Increase Scotty's Little Soldiers Profile & rank number 1 for our key words.

a. We don't want to be famous for the sake of being famous but we do realise that in order to achieve our 5 year goals the profile of the charity will need to increase. That means if there is a conversation which involves children, the military, and bereavement - we need to be involved in it within 5 years at any level.

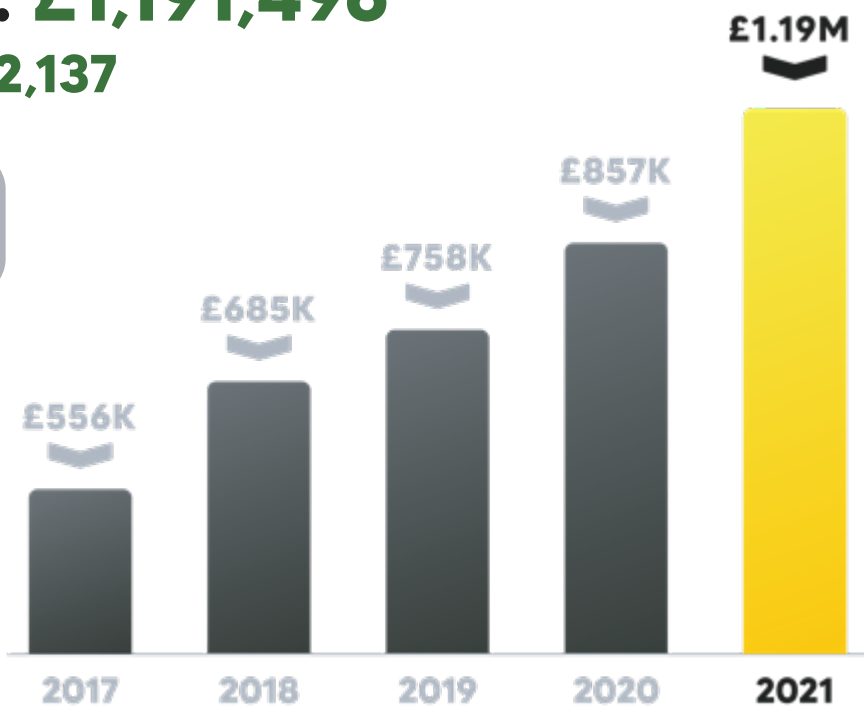
5. A great place to work.

a. The final 5-year thrust recognises that we can't do any of the above, or achieve any of our goals without a great team, and the best way to develop a great team is to create a great place to work. We'd love to be ranked in The times top 25 charities to work for in 5 years time.

FINANCES

INCOME 2021: £1,191,496*
INCOME 2020: £892,137

*Figures include trading company



In many ways the year following the outbreak of the global pandemic was more difficult than 2020 itself. The availability of emergency grants began to slow whilst, due to continued restrictions, we still didn't see a full return to 'in-person' fundraising events.

Despite these challenges the charity needs to continue to grow. Our work over the past couple of years has highlighted significant gaps in the support available to bereaved military children & young people, on top of the fact that we already know that there are hundreds more Armed Forces families out there who could benefit from the charity's help. This means our service not only has to grow

in terms of its offering to those families, but we also need to make it available to significantly more families.

This support will need to be fuelled by our ability to fundraise, which creates a sizeable challenge for the charity on the back of the global pandemic and uncertain economic outlook. We need to double our income in the next 5 years to meet this need, during a time when fundraising will be at its most difficult.

Despite these challenges we have continue our momentum and managed to stay ahead of our increasing costs. I must pay tribute to the team at Scotty's for this achievement this and

to our committed supporters, without whom the genuinely would be no charity.

Throughout 2021 our focus was on developing our Support Programme and ensuring that we effectively communicated our plans and our impact to Supporters. This meant that we experienced a noteworthy increase in our cost of Charitable Activities year on year, but our cost of Fundraising only increased slightly versus 2021. We anticipate a greater increase in Fundraising costs during 2022 as we attempt to adapt to the ever-changing landscape and the need to be more proactive with our income generation.

EXPENDITURE 2021: £1,054,973*
EXPENDITURE 2020: £806,562



CHARITABLE ACTIVITIES COST OF RAISING FUNDS CASH AT YEAR END**

**These are the funds we had available to use at the end of the year and equates to approximately 6 months of operation expenditure.

2022 will also see the final full year of our original Trust charity status as we continue the transition to the more modern CIO structure. This has unfortunately meant the creating of a whole new charity entity and we are in the process moving our operations from one to the other.

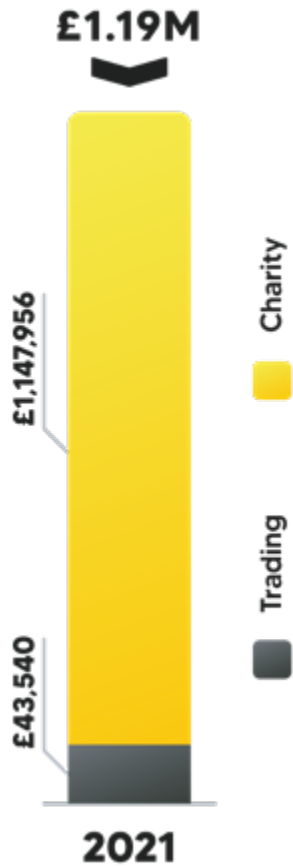
Our small trading entity which sells charity merchandise is 100% owned by the CIO and as such our consolidated CIO 'group' accounts include all income and expenditure from both the charity and trading.

As always, we publish this supporter focused Annual Review on our website and our fully audited financial report

on the Charity Commission website.

Stuart

Chief Executive Officer
 Scotty's Little Soldiers



GET INVOLVED

2021: The year we went digital

During 2021, we adopted a fully digital approach to supporting Scotty's and even withdrew all collection pots and buckets, instead making use of QR codes and online donation platforms. Experts suggest that cash payments are likely to fall to as little as 10 per cent of all UK transactions within the next 15 years. At Scotty's we've certainly seen a greater number of people using digital donation methods to support our charity. The steps we've taken are helping to future proof the charity and enables us to remain committed to staying focused on our goal and using our modest level of resource as efficiently and effectively as possible.

With our goal being to support 1000+ children and young people annually by 2030 we must ensure that the organisation has capacity to grow and develop and let's not beat around the bush, in order to do that we need to significantly increase awareness of Scotty's and our income.

What action could you take?

DONATE MONTHLY

Help ensure long term support remains available for bereaved British Forces children and young people. The impact of a parental death is huge and the loss of connection to the military community further compounds that feeling. Together, we can lessen the impact.

How much could you donate each month? Start your commitment [here](#).



JOIN THE FEAR NAUGHT COMMUNITY

Fear Naught are the words chosen for the brave men and women of the Royal Tank Regiment in which our hero Cpl. Lee Scott served. Become part of our Fear Naught community by shopping our clothing range, signing up to a true FN challenge or signing up to Overwatch. Visit the FN website [here](#) to find out more.

FEAR NAUGHT

CAN YOU SHARE A POST ON SOCIAL MEDIA?

It's not all about the money, awareness is just as important. Follow us on social media and if you feel you get value from any of our posts why not share them with your friends and network. Just search for 'Scotty's Little Soldiers' on your social media channels or click to follow us.



2021 SUPPORTERS

THANK YOU

We would like to say thank you to all who committed to ensuring bereaved British Forces children have access to long term support by making a donation to us in 2021. All donations, no matter what size, make a huge difference, and we'd like to give a special mention to the trusts and companies that supported us with particularly generous contributions during 2021.

ABF The Soldiers Charity

Annington Management Limited

Armed Forces Covenant Fund Trust

Forces Support

Gamesys Foundation

Incentive FM

Norfolk Community Foundation

Royal Navy and Royal Marines Charity

Sharegift

Tesco Community Grant

The Childwick Trust

The Forces Trust

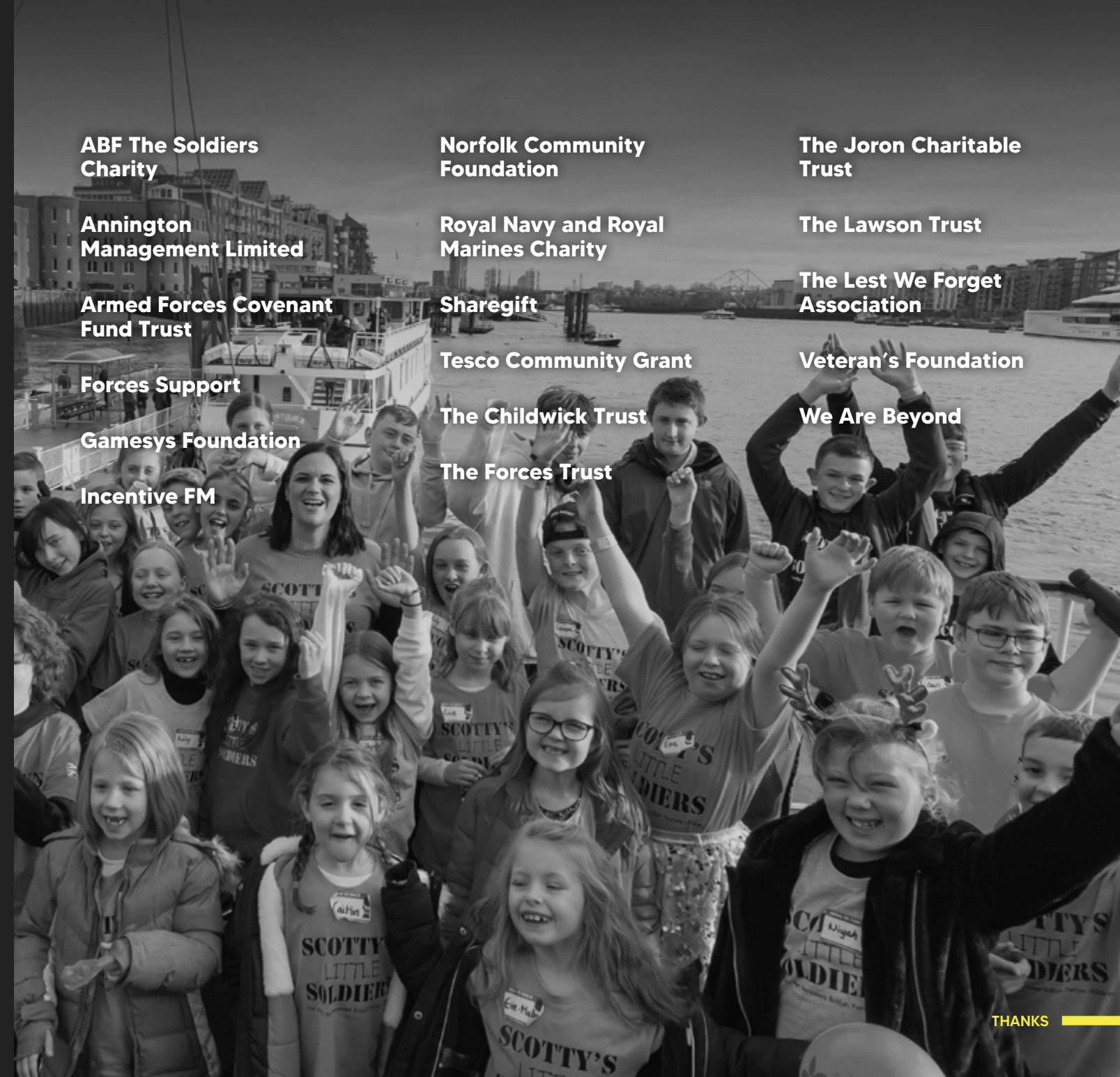
The Joron Charitable Trust

The Lawson Trust

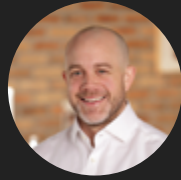
The Lest We Forget Association

Veteran's Foundation

We Are Beyond



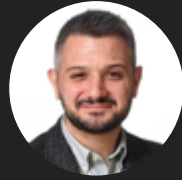
THE TRUSTEES' REPORT



Jason Worthy
Chair



Luke Priestley



Steven Ward



Simon Millar



Jonathan James



Eamonn O'Sullivan



Ellen Plumer



Megan Harris-Dilnut
Resigned 16th July 2021

The Trustees present their report and financial statements for the year ended 31 December 2021.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with Scotty's Little Soldiers' (The "CIO") governing document, the Charities Act 2011 and the 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 (FRS102).

Scotty's Little Soldiers is a Charitable Incorporated Organisation which was set up on 2nd December 2016. The original 'Scotty's Little Soldiers (The "Charity" 1136854) was established in 2010 as an unincorporated charity. Following guidance from the Charity Commission the CIO was established and became the sole trustee of the Charity on 27th November 2018. The charitable activities will be fully transferred to the CIO and the Charity will be dissolved once all existing lease agreements established by the Charity have expired. This was agreed as the preferred course of action due to the cost and logistical complications of transferring existing leases. This process plans to take place in the main on 31 December 2022, with the original Charity to be largely dormant during 2023 and then dissolved at the close of the year.

Objectives and activities

The Charity's mission is to provide relief from the effects of bereavement to children and young people who have experienced the death of a parent who served with the Armed Forces of the Crown.

Our Promises:

We want every bereaved Service child and young person to have:

1. Access to the very best emotional health and well-being support.
2. Outstanding development opportunities.
3. The chance to smile again.

Review of charitable activities and achievements for the public benefit

Relief is delivered through our four Family Programmes:



Each Programme has four guiding principles around which its activities are focused:

Smiles:

- Creating a trusted and supportive community for bereaved Forces children and young people.
- Building support networks and developing friendships.
- Regular engagement throughout the year with fun and exciting opportunities.
- Encouraging bereaved Forces children and young people to smile again.

Support:

- Resources and information to support bereaved Forces children and young people.
- Guidance for parents and carers to help them support their child from the effects of bereavement.
- Individual bereavement support and referral on to specialised services.
- Bereavement based activities and events to help bereaved Forces children and young people cope with their bereavement and remember their parent.

Strides:

- Reducing any barriers and disadvantages faced by bereaved Forces children and young people.
- Promoting a positive attitude to education and learning and providing opportunities to develop life skills.
- Encouraging bereaved Forces children and young people to develop resilience and thrive.
- Providing opportunities for bereaved Forces children and young people to achieve, succeed and celebrate successes.

Springboard:

- To provide young adults with opportunities to develop their education and learning, career, volunteering and life skills.
- To encourage, promote and celebrate young adult's achievements.
- Reducing any barriers and disadvantages faced due to their bereavement.
- Providing networking opportunities and help to build connections and friendships.

During 2021 the charity helped 504 bereaved children and young people.

The Trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the Charity should undertake.

Grant Making Policy

The charity supports beneficiaries through the use of a number of small grants (less than £1,000) as part of the STRIDES Programme. There are 5 grant schemes available, all designed to help disadvantaged young people with educational and personal development aims; The Scotty Allowance, New School Grant, Scotty's Driving Grant, Scotty's Higher Education Grant and The Super Grant. Applications are submitted year round via the charity's online portal and the specific criteria for each grant is explained on the charity's website.

Financial review

The Trustees are pleased to report that financially the organisation is in good health and continues on its planned growth trajectory, breaking the one million pound barrier for the first time and in a difficult climate achieving a surplus of £136,523.

Throughout 2021, COVID19 continued to impact on both the need of our beneficiaries and our fundraising. This was reflected in a significant increase in charitable activity spend up from £577,182 in 2020 to £842,613 in 2021. Total expenditure for the year was £1,054,973 (from £806,562 in 2020).

Fundraising was challenging but the charity managed to maintain growth and to cover increased costs by raising £1,191,496 (from £892,137 in 2020).

Trading subsidiary

The Trustees continue to value the Trading company for commercial activities handled on behalf of the Charity. Our Fear Naught branded has shown there is a large opportunity for future growth and further promotion of this brand will provide an additional way to engage with supporters. The operations of the Charity always take priority but the Trustees are committed to the long term income potential of the Trading company.

Reserves Policy

The Trustee Board have agreed a Reserves policy in line with the organisation objectives that all reserves shall be applied solely towards promotion of the object of the charity. In the event of dissolution of the charity the reserves would be first used for severance payments and winding up costs. The constitution states that any surplus must be either used directly for the objects of the charity, be transferred to another charity with like for like objects or in any other manner approved by the Charity Commission. Following several years of operating with around 4 months of operating expenses it has been the aim of the charity to increase its cash reserves to between 6 and 9 months of operational costs. The present level of cash reserves held is £489,634 (2020 £419,064). The charity's total reserves which includes assets such as our 6 holiday homes is £1,124,547 (2020 £988,024). £907,446 (2020 £921,264) of the reserves held are categorised as unrestricted funds, £217,101 (2020 £66,760) are categorised as restricted funds.

Principal sources of income and how expenditure meets objectives

COVID19 restrictions throughout 2021 meant that mass participation events were still limited and resulted in the cancellation of numerous activities including a planned corporate dinner in London. Emergency grants were fewer, but the charity further developed its strength in specific military focused grant funding during the year.

Grant fundraising has become the leading income stream for the charity and whilst the board believe there are even more opportunities within this channel, the charity will be focusing on developing other income streams over the next 5 years. Our goal is to have 4 to 5 consistent and sustainable income channels by 2026.

Other income during 2021 predominately came from public peer-to-peer fundraising & individual donations.

Risk Management

The Trustees have assessed the major risks to which the Charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks. The Trustees have a risk management review which comprises; a continuing review of the risks the charity may face; the establishment of systems and procedures to mitigate those identified risks and the implementation of procedures designed to minimise the potential impact on the charity should those risks materialise.

Plans for the future

More detail on our plans for the future can be read earlier in the charity's Supporter Annual Review. Future plans are centred around a 5-year strategy plan which will see the charity moving closer to its longer term goal of supporting 1,000+ bereaved children and young people annually by 2030.

In the more immediate term plans for 2022 will include:

- A new campaign to reach more unsupported children and young people.
- A yearlong project to implement a new automated impact reporting system.
- The recruitment of two critical function posts (finance and information technology).
- Delivering £100k+ from a new income project.
- A project to move the charity to a fit-for-purpose, long-term home.



STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Document

The CIO is governed by its Constitution dated 02 December 2016. It was registered as a charity with the Charity Commission on 02 December 2016.

The Charity is governed by its Constitution dated 17 April 2010. It was registered as a charity with the Charity Commission on 13 July 2010.

Trustees

The CIO currently has seven Trustees. Eamonn O'Sullivan, Ellen Plummer, Jason Worthy (Chair), Jonathan James, Luke Priestley, Simon Millar & Steven Ward.

The Trustees meet quarterly with the Chief Executive, Stuart Robinson and the Charity's Founder, Nikki Scott, to whom the day to day operations are delegated.

Appointment of new Trustees

The CIO has a formal Trustee Recruitment policy and process. New Trustees positions can be advertised by the CIO or nominations from the management team and the existing Trustees can be put forward. Those nominated and appointed are elected at the first AGM following appointment. The CIO plans to add further Trustees over the next 2 years to fill gaps in the board's current skill set with several new Trustees already in place to join the board in January 2022.

Organisation

The Charity is administered by a committee containing no less than 3 Trustees of the CIO. This committee meets 4 times per year. To facilitate effective operations the Chief Executive Officer has delegated authority, within terms of delegation approved by the Trustees, for operational matters including finance and employment. The CEO reports frequently to the Trustees, usually on a monthly basis via written reports and conference calls.

Related parties

Mrs Nikki Scott, and Mr Stuart Robinson are listed as Officers of the Limited Trading Company Scotty's Little Soldiers Trading Ltd. This company was created to sell merchandise on behalf of the Charity, the profits from which are all donated to the Charity. No dividends or salaries are taken from the Limited Company. The CIO was confirmed by Companies House as the relevant legal entity with significant control of Scotty's Little Soldiers Trading Ltd on 11/01/2019. No Trustees were reimbursed for their personal expenses during 2021.

Auditor

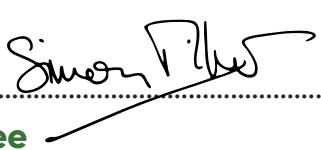
In accordance with the charity's governing document, a resolution proposing that Mapus-Smith & Lemmon LLP be reappointed as auditor of the company will be put at a General Meeting.

Disclosure of information to auditor

Each of the Trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

The Trustee report was approved by the Board of Trustees.

.....
Trustee 

.....
Trustee 

Dated: 17/10/2022



SCOTTY'S LITTLE SOLDIERS
CONSOLIDATED ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

SCOTTY'S LITTLE SOLDIERS

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Steven Ward Jason Worthy Luke Priestley Megan Harris Simon Millar Jonathan James Ellen Plumer Eamonn O'Sullivan
Charity number	1170528
Principal address	21 Bergen Way North Lynn Industrial Estate King's Lynn PE30 2JG
Auditor	Mapus-Smith & Lemmon LLP 48 King Street King's Lynn Norfolk PE30 1HE
Bankers	HSBC Bank PLC 19 Minster St Salisbury SP1 1TE
Solicitors	Stone King Thirty Station Road Cambridge Cambridgeshire CB1 2RE

SCOTTY'S LITTLE SOLDIERS

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Independent auditor's report	2 - 5
Consolidated statement of financial activities	6
Consolidated balance sheet	7
Consolidated statement of cash flows	8
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SCOTTY'S LITTLE SOLDIERS

STATEMENT OF TRUSTEE RESPONSIBILITIES

FOR THE YEAR ENDED 31 DECEMBER 2021

The Trustees are responsible for preparing the Trustee Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the CIO and of the incoming resources and application of resources of the CIO for that year.

In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Trustees are responsible for keeping sufficient accounting records that disclose with reasonable accuracy at any time the financial position of the CIO and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the CIO and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

SCOTTY'S LITTLE SOLDIERS

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF SCOTTYS LITTLE SOLDIERS

Opinion

We have audited the consolidated financial statements of Scotty's Little Soldiers (the 'CIO') and its subsidiaries (the "Group") for the year ended 31 December 2021 which comprise the consolidated statement of financial activities, the consolidated balance sheet, 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 Financial Reporting Standard 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 the parent CIO's affairs as at 31 December 2020 and of the Group's incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of 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 financial statements section of our report. We are independent of the Group 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 Trustee 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 the Group'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 annual report other than the 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 financial statements does not cover the other information and 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 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 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.

SCOTTY'S LITTLE SOLDIERS

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF SCOTTYS LITTLE SOLDIERS

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the trustees' report is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Trustees

As explained more fully in the statement of Trustee responsibilities, the Trustees 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 CIO Charity's and Group'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 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 as auditor under section 145 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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, is detailed below.

The extent to which the audit was considered capable of detecting irregularities including fraud

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the charity through discussions with trustees and other management;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the Group, including the Charities Act 2011, taxation legislation, and employment legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

SCOTTY'S LITTLE SOLDIERS

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF SCOTTYS LITTLE SOLDIERS

We assessed the susceptibility of the Group's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journals to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance; and
- enquiring of management as to actual and potential litigation and claims.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the trustees and other management and the inspection of regulatory and legal correspondence, if any. Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <https://www.frc.org.uk/Our-Work/Audit/Audit-and-assurance/Standards-and-guidance/Standards-and-guidance-for-auditors/Auditors-responsibilities-for-audit/Description-of-auditors-responsibilities-for-audit.aspx>. This description forms part of our auditor's report.

Other matter

Your attention is drawn to the fact that the Group has prepared financial statements 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)" (as amended) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has now been withdrawn.

This has been done in order for the financial statements to provide a true and fair view in accordance with Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2016.

SCOTTY'S LITTLE SOLDIERS

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF SCOTTYS LITTLE SOLDIERS

Use of our report

This report is made solely to the CIO's trustees, as a body, in accordance with part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the CIO's trustees those matters we are required to state to them in an auditors' 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 CIO and the CIO's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Sharon Edwards (Senior Statutory Auditor)

for and on behalf of Mapus-Smith & Lemmon LLP

21/12/2022

**Chartered Accountants
Statutory Auditor**

48 King Street
King's Lynn
Norfolk
PE30 1HE

Mapus-Smith & Lemmon LLP is eligible for appointment as auditor of the CIO by virtue of its eligibility for appointment as auditor of a company under of section 1212 of the Companies Act 2006

SCOTTY'S LITTLE SOLDIERS

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2021

	Notes	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £	Total 2020 £
Income from:					
Restricted donation income	2	607,223	540,733	1,147,956	846,216
Commercial trading operation		43,540	-	43,540	45,921
Total income received		<u>650,763</u>	<u>540,733</u>	<u>1,191,496</u>	<u>892,137</u>
Expenditure on:					
Raising funds	3	212,977	-	212,977	230,040
Charitable activities	4	452,221	390,392	842,613	577,182
Taxation	7	(617)	-	(617)	(660)
Total resources expended		<u>664,581</u>	<u>390,392</u>	<u>1,054,973</u>	<u>806,562</u>
Net (expenditure)/income for the year/ Net movement in funds		(13,818)	150,341	136,523	85,575
Fund balances at 1 January 2021		<u>921,264</u>	<u>66,760</u>	<u>988,024</u>	<u>902,449</u>
Fund balances at 31 December 2021		<u><u>907,446</u></u>	<u><u>217,101</u></u>	<u><u>1,124,547</u></u>	<u><u>988,024</u></u>

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

SCOTTY'S LITTLE SOLDIERS

CONSOLIDATED BALANCE SHEET

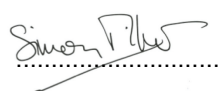
AS AT 31 DECEMBER 2021

	Notes	Group 2021 £	Group 2020 £	CIO 2021 £	CIO 2020 £
Fixed assets					
Intangible assets	10	21,578	-	-	-
Tangible assets	11	459,662	470,063	-	-
Investments	12	-	-	3	3
		<u>481,240</u>	<u>470,063</u>	<u>3</u>	<u>3</u>
Current assets:					
Stocks	14	83,860	83,440	-	-
Debtors	15	119,910	62,245	-	-
Cash at bank and in hand		489,634	419,064	-	-
		<u>693,404</u>	<u>564,749</u>	<u>-</u>	<u>-</u>
Creditors: amounts falling due within one year	16	<u>(50,097)</u>	<u>(46,171)</u>	<u>-</u>	<u>-</u>
Net current assets		<u>643,307</u>	<u>518,578</u>	<u>-</u>	<u>-</u>
Provisions for liabilities	17	-	(617)	-	-
		<u>-</u>	<u>(617)</u>	<u>-</u>	<u>-</u>
Total assets less current liabilities		<u>1,124,547</u>	<u>988,024</u>	<u>3</u>	<u>3</u>
Income funds					
Restricted funds	20	217,101	66,760	-	-
Unrestricted funds		907,446	921,264	3	3
		<u>1,124,547</u>	<u>988,024</u>	<u>3</u>	<u>3</u>

The financial statements were approved by the Trustees on 20/10/2022



JASON WORTHY
Chairman



SIMON MILLAR
Trustee

SCOTTY'S LITTLE SOLDIERS

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2021

	Notes	£	2021 £	£	2020 £
Cash flows from operating activities					
Cash generated from/(absorbed by) operations	26		117,846		130,890
Income taxes paid			-		(785)
Investing activities					
Purchase of intangible fixed assets		(23,976)			
Purchase of tangible fixed assets		(23,300)		(5,778)	
Cash introduced on acquisitions		-		-	
Net cash used in investing activities			(47,276)		(5,778)
Net cash used in financing activities			-		-
Net increase/(decrease) in cash and cash equivalents			70,570		124,327
Cash and cash equivalents at beginning of year			419,064		294,737
Cash and cash equivalents at end of year			489,634		419,064

SCOTTY'S LITTLE SOLDIERS

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

Charity information

Scotty's Little Soldiers is a charitable incorporated organisation (CIO). The principal office for the CIO and its two subsidiaries is 21 Bergen Way, North Lynn Industrial Estate, King's Lynn, Norfolk, PE30 2JG.

1.1 Accounting convention

The financial statements have been prepared in accordance with the CIO's governing document, the Charities Act 2011 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)" (effective 1 January 2019). The Charity is a Public Benefit Entity as defined by FRS 102.

The financial statements have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a true and fair view. This departure has involved following the Statement of Recommended Practice for charities applying FRS 102 rather than the version of the Statement of Recommended Practice which is referred to in the Regulations but which has since been withdrawn.

The financial statements are prepared in sterling, which is the functional currency of the Group. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Basis of accounting and consolidation

These financial statements consolidate the results of the CIO, its unincorporated charitable subsidiary Scotty's Little Soldiers (charity number 1136854) and its trading subsidiary Scotty's Little Soldiers Trading Limited (company number 07667490). The trading subsidiary is a private company limited shares, registered in England and Wales.

A separate statement of financial activities is not presented for the CIO itself following the exemptions available under the Charities SORP.

1.3 Going concern

The trustees consider that there are no material uncertainties about the Group's ability to continue as a going concern.

At the time of approving the financial statements, the trustees have a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements. The COVID-19 pandemic does not appear to have affected the finances of the Group to such a degree that going concern is an issue.

1.4 Charitable funds

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of their charitable objectives unless the funds have been designated for other purposes.

The Charity has a restricted income fund to account for situations where a donor or grant provider requires that a donation or grant must be spent on a particular purpose or where funds have been raised for a particular purpose. All other funds are unrestricted income funds.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the Charity.

SCOTTY'S LITTLE SOLDIERS

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

1.5 Incoming resources

Income is recognised when the Charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the Charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Assets for distribution are recognised only when distributed. Assets given for use by the Charity are recognised when receivable. Stocks of undistributed donated goods are not valued for balance sheet purposes.

Legacies are recognised on receipt or otherwise if the Charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

Grant income is recognised when the Charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Scotty's Little Soldiers Trading Limited

Turnover represents amounts receivable for goods and services net of VAT and trade discounts. Turnover also includes amounts received from fund raising events. Amounts receivable from, goods are recognised at despatch of the goods and amounts generated from fund raising events are recognised at the date received.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer (usually on dispatch of the goods), the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

1.6 Resources expended

Expenditure is recognised when a liability is incurred. Contractual arrangements and performance related grants are recognised as goods or services are supplied. Other grant payments are recognised when a constructive obligation arises that results in the payment being unavoidable.

- Costs of generating funds are those costs incurred in trading activities that raise funds.
- Governance costs include those incurred in the governance of the charity and its assets and are primarily associated with the constitutional and statutory requirements.

Costs for charitable activities are recognised when the liability is incurred.

1.7 Intangible fixed assets other than goodwill

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

Intangible assets acquired on business combinations are recognised separately from goodwill at the acquisition date where it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity and the fair value of the asset can be measured reliably; the intangible asset arises from contractual or other legal rights; and the intangible asset is separable from the entity.

Amortisation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Software	10% straight line basis
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1.8 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

SCOTTY'S LITTLE SOLDIERS

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Capitalisation of fixed assets

Tangible fixed assets are capitalised at original cost of acquisition. Donated tangible fixed assets which do not have a cost to the Charity are capitalised at their current value at the date of donation.

Lodges	4% straight line basis.
Lodge and office equipment	25% straight line basis
Computers	25% reducing balance basis
Motor vehicles	25% reducing balance basis
<i>Scotty's Little Soldiers Trading Limited</i>	
Fixtures and fittings	15% reducing balance basis

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

SCOTTY'S LITTLE SOLDIERS

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

1.9 Impairment of fixed assets

At each reporting end date, the Charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.10 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition. Items held for distribution at no or nominal consideration are measured the lower of replacement cost and cost.

Net realisable value is the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

1.11 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.12 Financial instruments

The Charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the Charity's balance sheet when the Charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

SCOTTY'S LITTLE SOLDIERS

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

1.12 Financial instruments cont:

Derecognition of financial liabilities

Financial liabilities are derecognised when the Charity's contractual obligations expire or are discharged or cancelled.

1.13 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the Charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.14 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.15 Leases

Rentals payable under operating leases, including any lease incentives received, are charged as an expense on a straight line basis over the term of the relevant lease.

1.16 Taxation

Scotty's Little Soldiers Trading Limited

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

1.17 Judgements and key sources of estimation uncertainty

Scotty's Little Soldiers Trading Limited

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

SCOTTY'S LITTLE SOLDIERS

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

2 Donation and fundraising Income

		Unrestricted funds	Restricted funds	Total	Total
	Notes	2021 £	2021 £	2021 £	2020 £
Donations and gifts		513,184	50,000	563,184	607,260
Legacies receivable		1,000	-	1,000	-
Other general grants		58,175	490,733	548,908	238,956
Overwatch	18	34,864	-	34,864	-
		<u>607,223</u>	<u>540,733</u>	<u>1,147,956</u>	<u>846,216</u>
For the year ended 31 December 2020		<u>592,260</u>	<u>253,956</u>		<u>846,216</u>

Grants includes £- (2020 - £25,000) support from the government in relation to the Covid-19 pandemic.

3 Raising funds

	Unrestricted funds	Total
	2021 £	2020 £
<u>Fundraising and publicity</u>		
Seeking donations, grants and legacies	45,738	51,963
Team costs	79,639	65,954
Support costs	60,438	64,506
	<u>185,815</u>	<u>182,423</u>
Fundraising and publicity		
Commercial trading operation	27,162	47,617
	<u>212,977</u>	<u>230,040</u>

SCOTTY'S LITTLE SOLDIERS

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

4 Charitable activities

	Smiles Programme	Strides Programme	Spring Board Programme	Support Programme	Family Programme Activities	Total 2021	Total 2020
	2021	2021	2021	2021	2021		
	£	£	£	£	£	£	£
Team costs	27,410	15,192	15,192	44,690	103,509	205,993	148,689
Beneficiary gifts & vouchers	49,464	-	-	-	-	49,464	53,109
Beneficiary events	68,483	-	-	-	-	68,483	19,080
Respite breaks	120,973	-	-	-	-	120,973	111,952
Beneficiary Bereavement resources	663	9,550	7,718	8,150	19,604	45,685	26,383
	<u>266,993</u>	<u>24,742</u>	<u>22,910</u>	<u>52,840</u>	<u>123,113</u>	<u>490,598</u>	<u>359,213</u>
Grant funding of activities (see note 5)	-	18,103	12,318	-	-	30,421	26,190
Share of support costs (see note 6)	39,627	-	-	-	269,397	309,024	178,663
Share of governance costs (see note 6)	-	-	-	-	12,570	12,570	13,116
	<u>306,620</u>	<u>42,845</u>	<u>35,228</u>	<u>52,840</u>	<u>405,080</u>	<u>842,613</u>	<u>577,182</u>
Analysis by fund							
Unrestricted funds	62,860	30,845	25,228	5,524	327,764	452,221	329,580
Restricted funds	243,760	12,000	10,000	47,316	77,316	390,392	247,602
	<u>306,620</u>	<u>42,845</u>	<u>35,228</u>	<u>52,840</u>	<u>405,080</u>	<u>842,613</u>	<u>577,182</u>

SCOTTY'S LITTLE SOLDIERS

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

4 Charitable activities (Continued)

For the year ended 31 December 2020

	Smiles Programme	Strides Programme	Spring Board Programme	Support Programme	Family Programme Activities	Total 2020
	£	£	£	£	£	£
Team costs	13,767	9,047	7,182	36,199	82,494	148,689
Beneficiary gifts & vouchers	53,109	-	-	-	-	53,109
Beneficiary events	19,080	-	-	-	-	19,080
Respite breaks	111,952	-	-	-	-	111,952
Beneficiary Bereavement resources	3,037	809	394	5,992	16,151	26,383
	<u>200,945</u>	<u>9,856</u>	<u>7,576</u>	<u>42,191</u>	<u>98,645</u>	<u>359,213</u>
Grant funding of activities (see note 5)	-	26,190	-	-	-	26,190
Share of support costs (see note 6)	28,189	-	-	-	150,474	178,663
Share of governance costs (see note 6)	-	-	-	-	13,116	13,116
	<u>229,134</u>	<u>36,046</u>	<u>7,576</u>	<u>42,191</u>	<u>262,235</u>	<u>577,182</u>
Analysis by fund						
Unrestricted funds	140,737	26,631	5,857	4,322	152,033	329,580
Restricted funds	88,397	9,415	1,719	37,869	110,202	247,602
	<u>229,134</u>	<u>36,046</u>	<u>7,576</u>	<u>42,191</u>	<u>262,235</u>	<u>577,182</u>

SCOTTY'S LITTLE SOLDIERS

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

5 Grants payable

	Strides Programme	Spring Board Programme	Total	2020
	£	£	£	£
Grants to individuals: Beneficiaries' grants	18,103	12,318	30,421	26,190
	<u>18,103</u>	<u>12,318</u>	<u>30,421</u>	<u>26,190</u>

6 Support costs

	Support costs	Governance costs	2021	2020
	£	£	£	£
Team costs	202,449	-	202,449	132,828
Depreciation	35,523	-	35,523	28,189
Other office costs	40,484	-	40,484	36,252
Premises expenses	1,456	-	1,456	609
Marketing	74,681	-	74,681	41,090
Insurance	1,101	-	1,101	-
Subscriptions	6,270	-	6,270	3,113
Bank charges	2,110	-	2,110	712
Training and other costs	1,284	-	1,284	376
Vehicle costs	4,104	-	4,104	-
Accountancy	-	12,570	12,570	13,116
	<u>369,462</u>	<u>12,570</u>	<u>382,032</u>	<u>256,285</u>
Analysed between				
Fundraising	60,438	-	60,438	64,506
Charitable activities	309,024	12,570	321,594	191,779
	<u>369,462</u>	<u>12,570</u>	<u>382,032</u>	<u>256,285</u>

Governance costs includes payments to the auditors of £8,675 (2020- £8,500) for audit fees, and £3,895 (2020- £4,616) for non-audit fees.

SCOTTY'S LITTLE SOLDIERS

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

7 Taxation

	Group 2021 £	Group 2020 £	CIO 2021 £	CIO 2020 £
UK Corporation tax charge on profit for the year	-	(926)	-	-
Origination and reversal of timing differences	(617)	266	-	-
	<u>(617)</u>	<u>(660)</u>	<u>-</u>	<u>-</u>

8 Trustees

None of the trustees of the CIO or group (or any persons connected with them) other than set out below received any remuneration during the year.

During the year, the following expenses were paid to the following trustees or those closely connected to trustees:

*Simon Millar - training courses £- (2020 - £339)

* - Simon Millar is a trustee of the CIO parent entity. The arrangement with Simon Millar was agreed by all the trustees of the CIO and approved in a trustees meeting, along Stuart Robinson as CEO via reference to the charity's governing documents.

9 Employees

Number of employees

The average monthly number of employees during the year was:

	2021 Number	2020 Number
	<u>16</u>	<u>12</u>
Employment costs	2021 £	2020 £
Wages and salaries	441,403	314,943
Social security costs	37,816	25,665
Other pension costs	8,862	6,863
	<u>488,081</u>	<u>347,471</u>

SCOTTY'S LITTLE SOLDIERS

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

9 Employees (continued)

The total employee benefits of the key management personnel for the Charity were £108,319 (2020 - £102,617).

The number of employees whose annual remuneration was £60,000 or more were:

	2021 Number	2020 Number
£60,001 - £70,000	1	1

10 Intangible fixed assets GROUP

Cost

As at 1 January 2021

Additions - separately acquired

At 31 December 2021

Amortisation and impairment

As at 1 January 2021

Amortisation charged for the year

At 31 December 2021

Carrying amount

At 31 December 2021

At 31 December 2020

Software
£

-

23,976

23,976

-

2,398

2,398

21,578

-

The CIO did not hold any intangible fixed assets as at 31 December 2021.

SCOTTY'S LITTLE SOLDIERS

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

11 Tangible fixed assets GROUP

	Lodges	Equipment, fixtures & fittings	Computers	Motor vehicles	Total
	£	£	£	£	£
Cost					
At 1 January 2021	620,352	19,216	11,770	9,825	661,163
Additions	-	-	5,312	17,988	23,300
Disposals	-	(1,222)	(330)	-	(1,552)
	<u>620,352</u>	<u>17,994</u>	<u>16,752</u>	<u>27,813</u>	<u>682,911</u>
At 31 December 2021	620,352	17,994	16,752	27,813	682,911
Depreciation and impairment					
At 1 January 2021	162,899	16,133	5,352	6,716	191,100
Depreciation charged in the period	24,814	443	2,897	5,274	33,428
Eliminated on disposals	-	(1,088)	(191)	-	(1,279)
	<u>187,713</u>	<u>15,488</u>	<u>8,058</u>	<u>11,990</u>	<u>223,249</u>
At 31 December 2021	187,713	15,488	8,058	11,990	223,249
Carrying amount					
At 31 December 2021	<u>432,639</u>	<u>2,506</u>	<u>8,694</u>	<u>15,823</u>	<u>459,662</u>
At 31 December 2020	<u>457,453</u>	<u>3,083</u>	<u>6,418</u>	<u>3,109</u>	<u>470,063</u>

The CIO did not hold any tangible fixed assets as at 31 December 2021.

SCOTTY'S LITTLE SOLDIERS

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

12 Fixed asset investments

	2021 £	2020 £
Investments in trading subsidiaries	3	3

Movements in fixed asset investments

	Shares £
Cost or valuation	
As at 1 January 2021	3
At 31 December 2021	3
Carrying amount	
At 31 December 2021	3
At 31 December 2020	3

Details of the group's subsidiaries at 31 December 2021 are as follows:

Name of undertaking	Country of incorporation or residency	Nature of business	Class of shareholding	% Held DirectIndirect	
Scotty's Little Soldiers Trading Limited (reg 07667490)	United Kingdom	Trading company	Ordinary	100.00	-
Scotty's Little Soldiers (reg 1136854)	United Kingdom	Unincorporated charity	N/A		

A summary of the subsidiaries performance and assets is shown below:

	Trading 2021 £	Charity 2021 £	Trading 2020 £	Charity 2020 £
Income	43,540	1,164,951	45,921	857,076
Expenditure	(43,540)	(1,028,428)	(57,817)	(759,605)
Surplus/(deficit)	(-)	136,523	(11,896)	97,471
Net assets	3,021	1,121,527	3,021	985,004

SCOTTY'S LITTLE SOLDIERS

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

13	Financial instruments			2021	2020
				£	£
	GROUP				
	Carrying amount of financial assets				
	Debt instruments measured at amortised cost			565,402	423,354
	Carrying amount of financial liabilities				
	Measured at amortised cost			50,097	46,171
	CIO				
	Carrying amount of financial assets				
	Debt instruments measured at amortised cost			-	-
	Equity instruments measured at cost less impairment			3	3
	Carrying amount of financial liabilities				
	Measured at amortised cost			-	-
14	Stocks				
		Group	Group	CIO	CIO
		2021	2020	2021	2020
	Finished goods and goods for resale	83,860	83,440	-	-
		83,860	83,440	-	-
15	Debtors				
		Group	Group	CIO	CIO
		2021	2020	2021	2020
		£	£	£	£
	Amounts falling due within one year:				
	Trade debtors	75,767	8,923	-	-
	Other debtors	6,416	4,864	-	-
	Prepayments and accrued income	37,727	48,458	-	-
		119,910	62,245	-	-
16	Creditors: amounts falling due within one year				
		Group	Group	CIO	CIO
		2021	2020	2021	2020
		£	£	£	£
	Trade creditors	21,048	9,175	-	-
	Other creditors	14,023	10,751	-	-
	Accruals and deferred income	15,026	26,245	-	-
		50,097	46,171	-	-

SCOTTY'S LITTLE SOLDIERS

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

17 Provisions for liabilities

	Group 2021 £	Group 2020 £	CIO 2021 £	CIO 2020 £
Deferred taxation	-	617	-	-
	<u>-</u>	<u>617</u>	<u>-</u>	<u>-</u>
	-	617	-	-
	<u>-</u>	<u>617</u>	<u>-</u>	<u>-</u>

18 Designated funds

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

	Balance at 1 January 2021 £	Incoming resources £	Resources expended 31 December 2021 £	Balance at 31 December 2021 £
Overwatch	-	34,864	(34,864)	-
	<u>-</u>	<u>34,864</u>	<u>(34,864)</u>	<u>-</u>
	-	34,864	(34,864)	-
	<u>-</u>	<u>34,864</u>	<u>(34,864)</u>	<u>-</u>

The Overwatch programme is a subscription based programme available to its members and supporters can have exclusive access to Scotty's additional content.

The designated funds during the year was spent on family programmes.

19 Retirement benefit schemes

Defined contribution schemes

The subsidiary charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the Charity in an independently administered fund.

The charge to profit or loss in respect of defined contribution schemes was £8,862 (2020 - £6,863).

SCOTTY'S LITTLE SOLDIERS

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

20 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Movement in funds			Movement in funds			
	Balance at 1 January 2020	Incoming resources	Resources expended	Balance at 1 January 2021	Incoming resources	Resources expended	Balance at 31 December 2021
	£	£	£	£	£	£	£
Smiles Programme	-	57,150	(57,150)	-	267,853	(232,853)	35,000
Strides Programme	-	598	(598)	-	12,000	(12,000)	-
Springboard Programme	-	-	-	-	95,000	(25,000)	70,000
Support Programme	40,406	67,958	(72,104)	36,260	110,880	(90,039)	57,101
Family Activities Programme	20,000	128,250	(117,750)	30,500	55,000	(30,500)	55,000
	<u>60,406</u>	<u>253,956</u>	<u>(247,602)</u>	<u>66,760</u>	<u>540,733</u>	<u>(390,392)</u>	<u>217,101</u>

SCOTTY'S LITTLE SOLDIERS

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

20 Restricted funds cont.

The charitable activities have been supported by the following donors

Funding is acknowledged under the terms and conditions of the following grants and donations:

Funder		Value
ABF	- Army Beneficiaries	10,000.00
Annington Trust	- Support Programme	50,000.00
Armed Forces Covenant Fund Trust	- Stronger Together Project	70,000.00
Armed Forces Covenant Fund Trust	- Sustainability Project	19,418.00
Armed Forces Covenant Fund Trust	- Sustainability Project	21,462.00
Childwick Trust	- Gifts & Vouchers	10,000.00
Forces Support Limited	- Respite Breaks	136,516.64
Gamesys Foundation	- Bereavement Resources	15,000.00
Groundwork UK	- Gifts & Vouchers	4,000.00
Groundwork UK	- Gifts & Vouchers	1,000.00
Groundwork UK	- Gifts & Vouchers	11,500.00
RNRMC	- Royal Navy & Royal Marines Beneficiaries	15,000.00
Royal Warrant Holders Association	- Scotty Allowance Grant	2,000.00
The Forces	- Gifts & Vouchers	10,000.00
The Hedley Foundation	- Stronger Together Project	3,000.00
The Hobson Charity Limited	- Higher Education Grants	12,000.00
The Lawson Trust	- Gifts & Vouchers	5,000.00
The Lest We Forget Association	- Remembrance Project	14,070.42
Veterans Foundation	- Gifts & Vouchers	15,766.00
Veterans Foundation	- Beneficiary Christmas Event	30,000.00
Veterans Foundation	- Gifts & Vouchers	30,000.00
Veterans Foundation	- Families Team Bereavement Salary	30,000.00
Veterans Foundation	- Strides & Springboard Salary	10,000.00
Veterans Foundation	- Strides & Springboard Salary	10,000.00
We Are Beyond	- Childhood Bereavement Training	5,000.00
		£540,733.06

21 Analysis of net assets between funds

	Unrestricted 2021 £	Restricted 2021 £	Total 2021 £	Total 2020 £
Fund balances at 31 December 2021 are represented by:				
Intangible fixed assets	21,578		21,578	-
Tangible assets	458,441	1,221	459,662	470,063
Current assets/(liabilities)	427,427	215,880	643,307	517,961
	<u>907,446</u>	<u>217,101</u>	<u>1,124,547</u>	<u>988,024</u>

22 Operating lease commitments

At the reporting end date, the Group had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2021 £	2020 £
Within one year	-	7,078
	<u>-</u>	<u>7,078</u>

SCOTTY'S LITTLE SOLDIERS

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

23 Capital commitments	2021	2020
	£	£
At 31 December 2021 the Charity had capital commitments as follows:		
Contracted for but not provided in the financial statements:		
Acquisition of property, plant and equipment	-	11,988
	<u> </u>	<u> </u>

The charity had entered into a commitment to pay the remaining 50% of Salesforce website and bespoke software installation costs, upon completion of the project.

24 Events after the reporting date

It is planned for the charity to move all assets, and legalities with regards to donations pledged, to the CIO company, with effect from 31 December 2022. The charity will remain in existence for one more year, until all legal obligations with regards to incoming resources are met.

25 Related party transactions

Scotty Little Soldiers Trading Limited paid for expenses on behalf of Scotty's Little Soldiers (Charity) totalling £- during the period ended 31 December 2021 (2020 - £3,014). These expenses mainly related to office running costs for the charity's operations and have been treated as a donation to the charity by Scotty's Little Soldiers Trading Limited.

Scotty's Little Soldiers (Charity) paid for expenses on behalf of Scotty Little Soldiers Trading Limited totalling £367 during the period ended 31 December 2021 (2020 - £NIL).

Scotty Little Soldiers Trading Limited also organised some charitable events on behalf of Scotty's Little Soldiers totalling £5,824. The proceeds from these treated as a donation to the charity by Scotty's Little Soldiers Trading Limited.

As at 31 December 2021, Scotty's Little Soldiers Trading Limited owed Scotty's Little Soldiers £54,536 (2020- £37,173) in respect of a loan provided for the purchase of merchandise and paid expenses. A strategic plan is in place to ensure that Trading pays the loan off to Charity over the course of the next few years.

SCOTTY'S LITTLE SOLDIERS

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

26	Cash generated from operations	2021 £	2020 £
	Surplus for the year	136,523	85,875
	Adjustments for:		
	Taxation (credited)	(617)	(660)
	Depreciation and impairment of tangible fixed assets	33,428	28,734
	Depreciation and impairment of intangible fixed assets	2,398	-
	Loss on disposal of tangible fixed assets	273	-
	Movements in working capital:		
	(Increase)/decrease in stock	(420)	8,743
	(Increase)/decrease in debtors	(57,665)	3,994
	Increase in creditors	3,926	4,504
	Cash generated from/(absorbed by) operations	<u>117,846</u>	<u>130,890</u>



#HelpTheirChildrenSmile



SCOTTY'S LITTLE SOLDIERS

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Registered Charity No. 1170528

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