

Charity registration number: 528347

# The Social Policy Association

Annual Report and Financial Statements

for the Year Ended 31 December 2019

David Dixie F C A  
AIMS Accountants

167 Black Haynes Road  
Selly Oak  
Birmingham  
B29 4RE

# **The Social Policy Association**

## **Contents**

Reference and Administrative Details	1
Trustees' Report	2 to 5
Statement of Trustees' Responsibilities	6
Independent Examiner's Report	7
Statement of Financial Activities	8
Balance Sheet	9
Notes to the Financial Statements	10 to 15

# **The Social Policy Association**

## **Reference and Administrative Details**

### **Trustees**

Professor Jane Millar, Chair (resigned 10 July 2019)  
Dr Steve Iafrati, Vice Chair  
Dr Rachael Dobson, Secretary (resigned 10 July 2019)  
Dr Kevin Farnsworth, Treasurer (resigned 10 July 2019)  
Dr Theo Papadopoulos  
Dr Lee James Gregory  
Dr Zoe Irving (resigned 10 July 2019)  
Dr Markus Ketola, Secretary  
Dr Antonios Roumpakis  
Dr Elke Heins  
Dr Rod Hick  
Professor Anya Ahmed, Treasurer (from 10 July 2019)  
Dr Claire Williams (resigned 10 July 2019)  
Professor Karen Rowlingson, Chair (appointed 10 July 2019)  
Dr Vikki Borland  
Dr Joan Abbas (resigned 10 July 2019)  
Dr Chui Man Chau (appointed 10 July 2019)  
Dr Enrico Reuter  
Dr Ellen Stewart (appointed 10 July 2019)

### **Principal Office**

10 Queen Street Place  
London  
EC4R 1BE

### **Charity Registration Number**

528347

### **Bankers**

NatWest Bank plc  
CAF Bank (Charities Aid Foundation)

### **Independent Examiner**

David Dixie F C A  
AIMS Accountants  
  
167 Black Haynes Road  
Selly Oak  
Birmingham  
B29 4RE

# **The Social Policy Association**

## **Trustees' Report**

The trustees present the annual report together with the financial statements of the charity for the year ended 31 December 2019.

### **Objectives and activities**

#### ***Objects and aims***

The Social Policy Association (SPA), formerly the Social Administration Association was founded in 1967 and is a registered charity. Its objectives are:

- ~ To advance education and learning and in particular to advance teaching, research and the dissemination of knowledge in the field of social policy and administration.
- ~ To organise or assist in organising lectures, classes, meetings, conferences and other courses of study for the benefit of its members.
- ~ To conduct or commission research and publish its results.
- ~ To print, publish and distribute books and other publications that facilitate networks within, and encourage the development of, the field of social policy.
- ~ To make representation to government and other relevant agencies about the activities of the association.
- ~ To spend funds and employ people in order to further the purposes of the association.

#### ***Public benefit***

The trustees confirm that they have complied with the requirements of section 4 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

### **Achievements and performance**

We are delighted to report that the finances of the association continue to be healthy and sound. As of December 31st, 2019, the end of our financial year, we have total net assets of £255,311, compared with £245,102 at year end 2018 and £204,282 at year end 2017. In 2019 our total income was £68,178; total expenditure was £57,968 meaning that net movement totalled +£10,210.

New executive officers (Chair, Secretary and Treasurer – Karen Rowlingson, Markus Ketola and Anya Ahmed) took over the reins on the 10th July 2019 (as of the end of the 2019 SPA AGM). They inherited an association which is financially robust with clear targets embedded in a previously agreed five-year plan identifying affordable spending priorities which benefit and invest in members and the future of the SPA.

In January 2020 we launched the new membership platform SPA Online. This allows for membership sign-up and renewal to be automatic, thus making the process easier for members and relevant Executive members involved in this process. The platform also offers an opportunity to develop and offer new membership benefits and to streamline communications as we will be able to generate automatic emails to members with SPA branding. Although only 4 months into existence the SPA is starting to develop a range of ways in which members can engage with the SPA through the platform and access a range of member benefits. This opens up some new possibilities for expanding the member offer in the future.

# **The Social Policy Association**

## **Trustees' Report**

The relevance of this cannot be understated. As with other learned societies we are experiencing a downward trend in our membership and this year, due to Covid-19, we will not get the conference membership boost. The platform does help us monitor and approach expired/expiring members to try and improve retention. However, the focus of the Membership Secretary on the development of and member engagement with SPA Online has resulted in less time to promote the society and try to recruit members. As such the Executive is creating a new Strategy and Marketing portfolio which will help in part to restore the capacity to promote the society and seek to recruit members.

In 2019 the SPA made some significant investments: The Journal of International and Comparative Social Policy was purchased (for £20,000, with £10,000 paid in 2019, the remaining £10,000 balance will be paid in 2020). Expenditure on Small Grants totalled just under £10,000. Investment in the website also amounted to just under £5,000. The SPA also commissioned an independent audit report on 'race' in Social Policy teaching and learning (£2,500).

### **Trends in income**

Conference income in 2019 made up 27% of our overall income. Membership income made up 47% with the remaining 26% being made up of royalty payments.

Conference income in 2019 at £18,805 was considerably less than 2018 when it was £85,205. It is however not possible to make meaningful comparisons as the model in 2019 reverted to the previous arrangements of profit share (rather than 'in-house' as run for the first time in 2018) to honour previous commitments to run the conference in Durham for a second year. For future years, the in-house model will be adopted.

The financial models employed in respect of the 2018 and 2019 conferences were different and the reporting also differs. Because the SPA ran the conference 'in-house' in York in 2018, the 2018 Annual Report records full income and expenditure lines relating to that conference. The total recorded income and expenditure for the SPA in 2018 increased significantly as a result. The difference between conference income and expenditure represented the 'surplus' or profit from the 2018 conference. In 2019, the conference was outsourced to Durham (as it had been in previous years) and this year's accounts list only the surplus (profit) from the Durham conference (recorded as an income line). The most important and meaningful comparison to be made is that in 2018 the profit from the conference was £15,204.65, and in 2019 it was £18,805.71.

Membership income in 2019 £31,719 up from 2018 when it was £28,494.

Membership income is determined both by the rate but also the level that members contribute at. As well as ensuring that membership fees keep pace with inflation, it is also important to ensure that members are contributing at the correct level. Given that salaries in the sector have been relatively stagnant for the last few years over this period and many members are reporting less generous institutional fees were not raised last year. We are currently in the process of reviewing the fee structure which has been delayed previously due to financial penalties many members would have experienced from strike action within the sector.

# The Social Policy Association

## Trustees' Report

### Details of membership 2019

Type of membership	Number	Fee
UK Band 1	105	40
UK Band 2	50	75
UK Band 3	110	95
UK Band 4	85	125
International Band 1 (inc PhD)	17	40
International Band 2	11	75
International Band 3	7	95
International Band 4	8	125
UK Organisational	4	100
International Organisational £50	0	50
Economic South £10	28	10
Missing data	4	
Total	429	

\*There are four missing in the membership data. This was due to missing payband data which was corrected when we moved to SPA Online.

Royalties income was £17,491 in 2019, down slightly from 2018 when it was £19,173. This includes royalties paid in respect of our journals plus other publications (e.g. our joint publications with Policy Press).

It should be noted that the SPA experienced a relatively tough few years between 2010 and 2013 when our membership and conference income dipped. Since 2013 the finances have steadily recovered. However, it is important not to be complacent and we need to work hard to protect each of our income streams which also means ensuring that our income is not eroded by inflation.

### Financial instruments

#### *Objectives and policies*

The charity's activities expose it to a number of financial risks including credit risk, cash flow risk and liquidity risk. The use of financial derivatives is governed by the charity's policies approved by the board of trustees, which provide written principles on the use of financial derivatives to manage these risks. The charity does not use derivative financial instruments for speculative purposes.

#### *Credit risk*

The charity's principal financial assets are bank balances and cash, trade and other receivables, and investments. The charity's credit risk is primarily attributable to its trade receivables. The amounts presented in the balance sheet are net of allowances for doubtful receivables. An allowance for impairment is made where there is an identified loss event which, based on previous experience, is evidence of a reduction in the recoverability of the cash flows. The credit risk on liquid funds and derivative financial instruments is limited because the counterparties are banks with high credit-ratings assigned by international credit-rating agencies. The charity has no significant concentration of credit risk, with exposure spread over a large number of counterparties and customers.

# **The Social Policy Association**

## **Trustees' Report**

### ***Reserves Policy***

In line with our commitment to ensure the financial stability of the Association, we decided to formalise our financial reserves policy and the policy to set our current reserve at £130,000 was adopted by the Trustees of the SPA at our April 2019 Executive meeting.

## **The Social Policy Association**

### **Statement of Trustees' Responsibilities**

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

The law applicable to charities 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 charity and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable 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 business.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the applicable Charities (Accounts and Reports) Regulations, and the provisions of the constitution. The trustees are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by the trustees of the charity on ..... and signed on its behalf by:

.....  
Professor Karen Rowlingson  
Trustee



## **The Social Policy Association**

### **Independent Examiner's Report to the trustees of The Social Policy Association**

I report on the accounts of the charity for the year ended 31 December 2019 which are set out on pages 8 to 15.

#### **Respective responsibilities of trustees and examiner**

The trustees are responsible for the preparation of the accounts. The trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed.

It is my responsibility to:

- examine the accounts under section 145 of the 2011 Act;
- to follow the procedures laid down in the general Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act; and
- to state whether particular matters have come to my attention.

#### **Basis of independent examiner's report**

My examination was carried out in accordance with the general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the next statement.

#### **Independent examiner's statement**

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

(1) which gives me reasonable cause to believe that in any material respect the requirements:

- to keep accounting records in accordance with section 130 of the Charities Act 2011; and
- to prepare accounts which accord with the accounting records and comply with the accounting requirements of the 2011 Act

have not been met; or

(2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

.....  
David Dixie F C A

AIMS Accountants

167 Black Haynes Road  
Selly Oak  
Birmingham  
B29 4RE

Date:.....

# The Social Policy Association

## Statement of Financial Activities for the Year Ended 31 December 2019

	Note	Unrestricted funds £	Total 2019 £
<b>Income and Endowments from:</b>			
Charitable activities		68,016	68,016
Investment income	3	<u>162</u>	<u>162</u>
Total Income		<u>68,178</u>	<u>68,178</u>
<b>Expenditure on:</b>			
Charitable activities		<u>(57,968)</u>	<u>(57,968)</u>
Total Expenditure		<u>(57,968)</u>	<u>(57,968)</u>
Net movement in funds		10,210	10,210
<b>Reconciliation of funds</b>			
Total funds brought forward		<u>245,101</u>	<u>245,101</u>
Total funds carried forward	10	<u>255,311</u>	<u>255,311</u>
		<b>Unrestricted funds £</b>	<b>Total 2018 £</b>
<b>Income and Endowments from:</b>			
Charitable activities		132,872	132,872
Investment income	3	<u>59</u>	<u>59</u>
Total Income		<u>132,931</u>	<u>132,931</u>
<b>Expenditure on:</b>			
Charitable activities		<u>(92,111)</u>	<u>(92,111)</u>
Total Expenditure		<u>(92,111)</u>	<u>(92,111)</u>
Net movement in funds		40,820	40,820
<b>Reconciliation of funds</b>			
Total funds brought forward		<u>204,282</u>	<u>204,282</u>
Total funds carried forward	10	<u>245,102</u>	<u>245,102</u>

All of the charity's activities derive from continuing operations during the above two periods.

The funds breakdown for 2018 is shown in note 10.

**The Social Policy Association**  
**(Registration number: 528347)**  
**Balance Sheet as at 31 December 2019**

	Note	2019 £	2018 £
<b>Current assets</b>			
Debtors	8	9,571	-
Cash at bank and in hand		<u>246,459</u>	<u>245,821</u>
		256,030	245,821
<b>Creditors: Amounts falling due within one year</b>	9	<u>(719)</u>	<u>(719)</u>
<b>Net assets</b>		<u>255,311</u>	<u>245,102</u>
<b>Funds of the charity:</b>			
<b>Unrestricted income funds</b>			
Unrestricted funds		<u>255,311</u>	<u>245,102</u>
<b>Total funds</b>	10	<u>255,311</u>	<u>245,102</u>

The financial statements on pages 8 to 15 were approved by the trustees, and authorised for issue on ..... and signed on their behalf by:

.....  
Professor Anya Ahmed  
Trustee

.....  
Professor Karen Rowlingson  
Trustee

# **The Social Policy Association**

## **Notes to the Financial Statements for the Year Ended 31 December 2019**

### **1 Accounting policies**

#### **Statement of compliance**

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

#### **Basis of preparation**

The Social Policy Association meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

#### **Exemption from preparing a cash flow statement**

The charity opted to early adopt Bulletin 1 published on 2 February 2016 and have therefore not included a cash flow statement in these financial statements.

#### **Going concern**

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

#### **Income and endowments**

#### **Expenditure**

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

#### **Charitable activities**

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

#### **Governance costs**

These include the costs attributable to the charity's compliance with constitutional and statutory requirements, including audit, strategic management and trustees's meetings and reimbursed expenses.

## **The Social Policy Association**

### **Notes to the Financial Statements for the Year Ended 31 December 2019**

#### **Taxation**

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

#### **Research and development**

Research and development expenditure is written off as incurred.

#### **Trade debtors**

are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of is established when there is objective evidence that the will not be able to collect all amounts due according to the original terms of the receivables.

#### **Cash and cash equivalents**

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

#### **Fund structure**

Unrestricted income funds are general funds that are available for use at the trustees's discretion in furtherance of the objectives of the charity.

#### **Financial instruments**

##### ***Classification***

Financial assets and financial liabilities are recognised when the charity becomes a party to the contractual provisions of the instrument.

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the charity after deducting all of its liabilities.

# The Social Policy Association

## Notes to the Financial Statements for the Year Ended 31 December 2019

### *Recognition and measurement*

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets and liabilities are only offset in the statement of financial position when, and only when there exists a legally enforceable right to set off the recognised amounts and the charity intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Financial assets are derecognised when and only when a) the contractual rights to the cash flows from the financial asset expire or are settled, b) the charity transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or c) the charity, despite having retained some, but not all, significant risks and rewards of ownership, has transferred control of the asset to another party.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

### 2 Income from charitable activities

	Unrestricted funds		
	General	Total	Total
	£	2019	2018
	£	£	£
Conferences	18,806	18,806	85,205
Royalties	17,491	17,491	19,173
Subscriptions from members	31,719	31,719	28,494
	<u>68,016</u>	<u>68,016</u>	<u>132,872</u>

### 3 Investment income

	Unrestricted funds		
	General	Total	Total
	£	2019	2018
	£	£	£
Interest receivable and similar income;			
Interest receivable on bank deposits	162	162	59
	<u>162</u>	<u>162</u>	<u>59</u>

# The Social Policy Association

## Notes to the Financial Statements for the Year Ended 31 December 2019

### 4 Expenditure on charitable activities

		Unrestricted funds		
	Note	General £	Total 2019 £	Total 2018 £
Conferences		1,472	1,472	58,524
Other events		2,694	2,694	2,528
Publications		17,872	17,872	5,350
Grants		9,929	9,929	10,739
Administration etc.		12,416	12,416	5,020
Website and member services		3,840	3,840	1,824
Bank charges		60	60	60
Governance costs		9,685	9,685	8,066
		<u>57,968</u>	<u>57,968</u>	<u>92,111</u>

### 5 Analysis of governance and support costs

#### Governance costs

		Unrestricted funds		
		General £	Total 2019 £	Total 2018 £
Independent examiner fees				
Examination of the financial statements		720	720	720
Legal fees		300	300	-
Other governance costs		8,665	8,665	7,346
		<u>9,685</u>	<u>9,685</u>	<u>8,066</u>

### 6 Trustees remuneration and expenses

No trustees, nor any persons connected with them, have received any remuneration from the charity during the year.

# The Social Policy Association

## Notes to the Financial Statements for the Year Ended 31 December 2019

### 7 Taxation

The charity is a registered charity and is therefore exempt from taxation.

### 8 Debtors

	2019 £
Prepayments	9,571

### 9 Creditors: amounts falling due within one year

	2019 £	2018 £
Other creditors	(1)	(1)
Accruals	720	720
	719	719

### 10 Funds

	Balance at 1 January 2019 £	Incoming resources £	Resources expended £	Balance at 31 December 2019 £
<b>Unrestricted funds</b>				
General	(245,101)	(68,178)	57,968	(255,311)

	Balance at 1 January 2018 £	Incoming resources £	Resources expended £	Balance at 31 December 2018 £
<b>Unrestricted funds</b>				
General	(201,782)	(132,931)	89,611	(245,102)
Designated	(2,500)	-	2,500	-
<b>Total funds</b>	(204,282)	(132,931)	92,111	(245,102)

### 11 Analysis of net assets between funds



# **The Social Policy Association**

## **Notes to the Financial Statements for the Year Ended 31 December 2019**

	<b>Unrestricted funds General £</b>	<b>Total funds £</b>
Current assets	256,030	256,030
Current liabilities	(719)	(719)
Total net assets	<u>255,311</u>	<u>255,311</u>

### **12 Analysis of net funds**

	<b>At 1 January 2019 £</b>	<b>Cash flow £</b>	<b>At 31 December 2019 £</b>
Cash at bank and in hand	245,821	638	246,459
Net debt	<u>245,821</u>	<u>638</u>	<u>246,459</u>