

REGISTERED COMPANY NUMBER: SC195896 (Scotland)
REGISTERED CHARITY NUMBER: SC023610

Report of the Trustees and
Unaudited Financial Statements for the Year Ended 31 March 2024
for
Befriending Networks Ltd

Gibson McKerrell Burrows Limited
28 Rutland Square
Edinburgh
EH1 2BW

Befriending Networks Ltd

**Contents of the Financial Statements
for the Year Ended 31 March 2024**

	Page
Report of the Trustees	1 to 7
Independent Examiner's Report	8
Statement of Financial Activities	9
Statement of Financial Position	10
Notes to the Financial Statements	11 to 15
Detailed Statement of Financial Activities	16 to 17

Befriending Networks Ltd

Report of the Trustees for the Year Ended 31 March 2024

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 March 2024. The trustees have adopted the provisions of 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).

OBJECTIVES AND ACTIVITIES

Objectives and aims

Befriending Networks is the network for befriending organisations. Established as a charity in 1994 we have thirty years of experience supporting and connecting befriending services.

Our vision is of a society where quality befriending support is available to everyone who needs it, and the importance of meaningful connection is recognised.

As an intermediary between our members, supporters and stakeholders, we strengthen the befriending sector. We aim to support organisations to deliver quality befriending services.

We achieve this by:

- Maintaining and expanding an effective and connected network of members.
- Providing information, resources, training, awards and consultancy for all aspects of befriending.
- Raising the profile and an understanding of befriending and its impact.
- Coordinating Befriending Week, our annual campaign taking place 1st to 7th November.

Befriending Networks Ltd

Report of the Trustees for the Year Ended 31 March 2024

ACHIEVEMENT AND PERFORMANCE

Charitable activities

"Being a member of Befriending Networks has been an incredibly rewarding and beneficial experience...the resources, training opportunities, and community networking have proven invaluable."

"Befriending Networks represent the befriending sector well at national and international events, and feedback to members... They are excellent at sharing good practice and encouraging peer support."

In our thirtieth year, Befriending Networks continues to provide a comprehensive range of support and services to befriending projects at all stages of development. We achieve this through our core activities including:

- Membership support and networking events
- Training, learning and development.
- The Quality in Befriending Award
- Resources and good practice guides
- Representation of the befriending sector, and partnership working
- Monthly newsletters, our website and our social media channels

Throughout this year we have prioritised membership engagement and support. We have invested in and strengthened our **membership services** team, ensuring we have the capacity and expertise to meet the needs of our membership journey and enquiries. In 2023/24 we provided 40 networking opportunities through our thematic networking, Q&A sessions, focus groups, and our Leaders and Managers Network.

"the free networking online events are useful and I have established links with another befriending organisation as a result."

Our **learning and development** offer remains of a very high standard, consistently evaluating positively with attendees. In 2023/24 we delivered training to 277 participants over 41 training events, covering 17 different topics.

"It is the most useful and the best-delivered training that I have been on in the last year. Great delivery, inclusive, good mixture of conversation and interaction."

Our **Quality in Befriending Award** continued to prove popular with members, with 9 organisations achieving the Award for the first time, and 48 organisations holding an award.

"The award has helped our organisation to boost volunteers as the independent verification gives volunteers confidence that we are working to a good standard. It boosts our reputation and we believe it strengthens funding applications."

The sector came together in November to celebrate **Befriending Week**, our national campaign made nearly 65,000 social media impressions and 1600 posts mentioned Befriending Networks; and achieved recognition in the Scottish Parliament with a parliamentary motion being passed. This year we grew our Facebook following by 22%, we increasingly posted and engaged on LinkedIn, and maintained a high-quality monthly newsletter and children and young people-focused newsletter reaching 1267 recipients.

Highlights of our Charitable Activities

- Our Annual Conference remains a highly regarded opportunity to bring our sector together for learning, connection and collaboration. The event incorporates the Annual General Meeting of our membership, bringing people together is a critical outcome of this event and is recognised by our members that the event creates "excellent sector connections plus the sharing of knowledge and experiences with our peers."

- The relaunch of The Befriender Training Toolkit in January 2024 saw an uptake of 113 registered users in the first quarter January to March 2024. This essential resource provides high-quality training and learning resources which can be adapted by our members to deliver training to their volunteers. The 2024 version introduced 18 additional resources and improved ease of access. The resources are highly regarded by our membership and feedback includes: "The toolkit is an excellent resource...we use the toolkit as the backbone of our training... there is a breadth of information."

- We championed the befriending sector on policy issues relating to volunteering, wellbeing and loneliness. We co-chaired the Action Group on Isolation and Loneliness, supported the activities of the Campaign to End Loneliness, and engaged with governments across the UK on policy and practice which would address social isolation and loneliness. We signed the Volunteer Charter to demonstrate our commitment to fair and inclusive volunteering.

- Our sectoral publications were brought up to date as we refreshed our three flagship Good Practice Guides with updated content and design; following our annual conference published a new report Supported Sector: Voices of Befriending Networks Members; and once again collated data from the sector to inform our Membership Statistics Report for 2023.

Befriending Networks Ltd

Report of the Trustees for the Year Ended 31 March 2024

- Bespoke and consultancy enquiries grew in 2023-24, with 27 consultation appointments taking place resulting in 11 bespoke packages being delivered for members and non-members. Whilst not all enquiries resulted in a commission, these did often lead to membership, attendance on existing training, or download of resources.

- Membership support remains at the heart of what we do by welcoming new members and supporting existing members. Our team offered 1:1 calls, launched Making the Most of Membership sessions, re-developed our membership application and approvals process, and hosted listening sessions with members to inform our strategic plan.

Case Study: Membership Support

East Durham Trust is a charity and VCS organisation based in **Peterlee**. They provide a range of support services to the communities of the former district of **Easington** which is made up of 20 distinct areas, most of which are former pit-mining villages that continue to be hugely affected by deprivation and disadvantage following the closure of the pits.

East Durham Trust already had a Chit Chat Telephone befriending service but wanted to expand its reach with face-to-face befriending in the community with their Time Together Project.

Our support to East Durham Trust

In August 2023 the Time Together Project Coordinator was appointed, she was new to the organisation and the sector and reached out to Befriending Networks to support her in her role. She maximised her own training and development time with Befriending Networks by attending various networking meetings hosted by Befriending Networks and has completed 5 out of our 7 vital skills courses in:

- o Boundaries
- o Risk Management
- o Managing Waiting Lists, Capacities and Endings
- o Matching
- o Support & Supervision

Our Membership Services Officer visited East Durham Trust in October 2023 for a joint meeting with the Project Coordinator, their manager and the CEO of the Trust and learning about everything that is offered to the community in East Durham.

The Project Coordinator was keen to know how to set up a successful service and did have lots of initial questions from a start-up point of view. We referred to our good practice guides and emphasised the importance of having solid policies and procedures in place as well as a good volunteer training program. We also signposted to our volunteer training toolkit which has been a lifeline to so many start-ups in the past.

Outcomes & Ongoing involvement with East Durham Trust

- Project Coordinator is growing in confidence in her role.
- She has now delivered her own volunteer training.
- She has had her first match, and she is also supporting running the telephone befriending service as well.
- Project Coordinator has attended several of our training events and participated in our focus group for new members. This assisted in the plan to develop our 2024-2029 Befriending Networks strategy.

Strategy and Planning

2023/24 marked the final year of a three-year Strategic Plan 2021-24, as a result, it was a transitional period for the organisation as we looked to the future and worked with our members to set out our intentions for the next five years in a fully refreshed Strategic Plan 2024-29.

In 2023/24 our strategic objectives remained:

1. **Support front-line organisations to deliver well** through providing information and support, encouraging organisational development and capacity building, and promoting good practice within the befriending sector.
2. **Increase communication and networking**: provide a network for communication and sharing, and develop an evidence base for befriending.
3. **Provide a platform for member voices**, raising awareness, representing them, and influencing national and local policy.

We invited feedback from our members on our success in achieving these three priorities and we received scores which were consistent across each of the previous years of the plan. Our members reported that we had been successful or very successful at achieving each objective; with objective 1 achieving 88%; objective 2, 84%; and objective 3, 74%.

Achievements from the Strategic Plan 2021-24

Befriending Networks Ltd

Report of the Trustees for the Year Ended 31 March 2024

- We have achieved success in the uptake of Quality in Befriending Awards, from 31 award holders in 2021 to 48 in March 2024.
- We delivered 161 learning and development events over three years, averaging 53 events each year.
- Annually we have celebrated all aspects of the befriending sector through our coordination of the national recognition and celebration campaign Befriending Week.
- Advancing our 'four nations and international' approach, our membership offer is open, inclusive and accessible to members irrespective of their location due to our move to online delivery; and the employment of a Development Worker for Wales.
- We have forged new partnerships, represented our members in policy and influencing forums, and shared research and relevant information with them.
- We have transitioned all aspects of our operations to "online first" and have a remote-based staff team delivering our plan and have grown our staff team to nine employees.

In September 2023 we began the engagement process for setting our new strategy, we achieved this through our member-led board of directors, through member focus groups, 1:1 calls between members and our CEO, and through our annual membership survey. With this we introduced three organisational values which provide the scaffold for all future activities.

- **We are supportive** - we are well-informed and share our expertise, knowledge and insight. We value learning and consider different perspectives, reflecting our members' experiences and needs. We listen and understand.
- **We are collaborative** - we connect with people. We care and are approachable. We are respectful to each other, our members, and other organisations. We are effective and efficient.
- **We are sector-leading** - we are resourceful, adaptable and innovative. We lead a valuable network which gathers, amplifies and represents the voice of befriending.

Membership Change and Mitigation of Impact

We have experienced change and turnover within our membership, in 2023/24 we welcomed 71 new members to our network, balanced against a loss of 84 members in the same period. The result of this was a retraction in overall membership size. Financial pressures have impacted the befriending sector, with the ending of some befriending projects or the full closure of charities, some former members have insecure funds which has meant that they cannot commit to a membership subscription fee. Since January 2024, we have introduced targeted interventions intended to retain members and a systematic approach to membership growth through the identification of prospective members.

Organisational Development

Our organisation has been strengthened and developed throughout 2023/24 with several elements of our charity undergoing review and improvement. With the arrival of a new CEO in March 2023 we undertook a review of our organisational structure and made some adjustments to ensure our staffing resources were best aligned to expertise and demand for services. We moved office within Edinburgh to re-locate to a modern accessible co-working space with meeting facilities for bringing our team together.

All staff undertook training in inclusive practice, whilst individual employees engaged in a range of professional development opportunities including data protection, line management, communications, and leadership. We introduced new HR software and engaged professional services for employment law and health and safety expertise. We undertook an audit to ensure compliance with our data protection and data management duties and published new policies in this area.

We worked with a brand agency to refresh our organisational logo and visual identity and then applied this throughout our work. We commissioned a website agency to re-develop our website which will be launched in summer 2024. With pro-bono assistance from Community Enterprise, we examined the sustainability of our Quality in Befriending Awards and obtained insight into our customer experience and enterprise model and will implement the findings of this work in 2024/25.

Our board has also been strengthened as we welcomed some new trustees both from our membership and those with specific skills and knowledge to meet our organisational priorities as appointed trustees. Finally, we invested significant time into understanding and engaging with our membership to shape our Strategic Plan for 2024-29.

Future Plans

In the year ahead, 2024-25 we will take steps to publish, introduce and make progress against our Strategic Plan 2024-25. Our future activities will be guided by this blueprint. It provides clarity to our values and purpose for the next five years.

Befriending Networks Ltd

Report of the Trustees for the Year Ended 31 March 2024

Operationally, we will continue to be responsive and reflective of the challenges faced by the befriending sector. We know and understand that our members are time-poor due to the ever-increasing demand for their services, and many are financially vulnerable as organisations. We intend to maximise our offer of free and inclusive membership benefits and to ensure that all members make the most of their membership and experience excellent value from their involvement in our network. We will review our membership structure and introduce where needed improved processes and policies for membership fees and retention.

One significant area of work and investment will be the launch of our replacement website in September 2024. This will create a more inclusive, accessible, and future-proofed digital platform for our membership services.

We will work alongside our existing funders to deliver all agreed service outcomes. We will seek to generate income from a range of sources in addition to membership fees. We will pursue investment into areas of our strategic plan which are not yet funded - particularly around leadership, research, and resourcing of in-person networking.

FINANCIAL REVIEW

Financial Review

During the period of these Accounts the Charity received restricted grants and donations of £239,139. The restricted expenditure was £242,792.

There were restricted funds, designated by the trustees of £130,000 at the year ended 31 March 2024. There were unrestricted reserves of £143,046 at 31 March 2024, which is slightly higher than the optimum reserve level as set out in the reserves policy.

Reserves policy

The trustees regularly review reserves and the reserves policy was updated in April 2024.

We principally hold unrestricted reserves to:

- protect the continuity of our work against uncertain future income streams
- provide the capital needed to finance investment in operations
- provide funds to replace assets
- to cover for specific liabilities and identifiable risks
- to allow us to respond to unexpected opportunities that can further our mission
- to allow us to meet contractual obligations.

The trustees have set an optimum reserves level of £130,000 which equates to approximately 6 months of organisational expenditure.

Restricted Funds

It is the policy of the charity to have the following restricted funds held for designated strategic development. The total value of these funds is £130,000.

Digital Transformation Fund: (£50k to be expended by 31st March 2025). This designated fund will support the ongoing investment and development of our digital services including replacement of our organisational website, digital devices, salesforce integration and optimisation, online learning platforms, and other cloud-based services which improve service user experience and which advance our charitable purposes.

An Organisational Development Fund: (£20k to be expended by 31st March 2025). supports activities which further advance the organisation and its capacity to deliver, comply or exceed statutory obligations. Activities within this fund include being an exemplary employer and volunteer-involving organisation. Activity funded from this fund includes activities such as strategic planning, board development, leadership and governance, staff learning and development, and initiatives which enhance the well-being of staff.

Sustainability Fund (£60k to be expended by 31st March 2026). This fund was initiated in previous financial years for "Growth" when there were greater levels of optimism about funding and investment in the sector and was considered as a route to support organisational growth. Given the retraction in membership numbers, and increasing financial uncertainty in the sector the board will take a more cautious approach and will utilise this fund over a longer period to support fundraising, re-design of enterprise activities, and resource additional capacity at short-term peak demands or to cover a reduction in grant income.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is controlled by its governing document, the memorandum, and articles of association, this constitutes a company limited by guarantee, as defined by the Companies Act 2006.

Befriending Networks Ltd

Report of the Trustees for the Year Ended 31 March 2024

STRUCTURE, GOVERNANCE AND MANAGEMENT

Recruitment and appointment of new trustees

Six of the Directors, or Trustees, can be members of Befriending Networks, called 'Member Directors'. Four of the Directors can be non-members, called 'Appointed Directors'. At each Annual General Meeting Appointed Directors retire, as do the longest standing 50% of Member Directors, although they may stand for re-election if they wish. The business of the charity is conducted by five board meetings per year, whilst strategy meetings, subgroup meetings and training events are also convened when required. All major decisions are taken at these meetings, while operational management decisions are taken by the Chief Executive who acts as Company Secretary.

Key management remuneration

The Directors considered the board of directors, who are the Charity's Trustees, and the Company Secretary comprise the key management personnel of the charity in charge of directing and controlling, running, and operating the charity on a day-to-day basis. All Directors give of their time freely and no Director receives remuneration for their time. The pay of the senior staff is reviewed annually.

Related parties

There are no related parties.

Risk management

Trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error. A risk register is maintained and monitored by the Chief Executive and charity trustees are regular intervals. Risks are mitigated through appropriate measures and actions.

The trustees are exercised in their governance regarding financial risk, recognising that charity income requires diversification beyond reliance on long-standing principal funders. The trustees have worked with the staff team, to successfully develop opportunities for income generation, and commit that a fundraising strategy is to be developed to coincide with the Strategic Plan 2024-29. An Investments Policy is in place to manage the risks and benefits of investing charitable funds.

Specific risks which are monitored by trustees include the capacity of staff to deliver against our plans. As an infrastructure organisation we are aware that fundraising is particularly challenging and we will likely require partnership approaches in future funding. Our members are experiencing financial challenges which has a consequential impact on our membership size, ability to pay, and ability to purchase additional services. We are exploring a review of our membership model to mitigate this issue. Other factors which the trustees have within their scope for effective risk management include external pressures and influences such as political, social and economic factors; regulatory and legal compliance; and system and cyber security.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

SC195896 (Scotland)

Registered Charity number

SC023610

Registered office

5-7 Montgomery Street Lane
Edinburgh
EH7 5JT

Trustees

J Laird (resigned 26.4.23)

G Frame (resigned 26.4.23)

S Coyne (resigned 1.11.23)

G F Liddall (resigned 1.11.23)

C Watson (resigned 9.8.24)

E Kenward

J K E Burnett

P Winford (resigned 3.7.24)

B Bowhay (appointed 22.6.23)

R Chadha (appointed 18.4.24)

S Gray (appointed 1.11.23)

M Niles (appointed 5.9.23)

N Pattinson (appointed 22.6.23)

J Weir (appointed 18.4.24)

Befriending Networks Ltd

**Report of the Trustees
for the Year Ended 31 March 2024**

REFERENCE AND ADMINISTRATIVE DETAILS

Company Secretary
S E Hunter


Independent Examiner

Julian Cordery FCCA FCA CA
Gibson McKerrell Burrows Limited
28 Rutland Square
Edinburgh
EH1 2BW

Bankers

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

Approved by order of the board of trustees on 9 September 2024 and signed on its behalf by:



S Gray - Trustee

Independent Examiner's Report to the Trustees of Befriending Networks Ltd

I report on the accounts for the year ended 31 March 2024 set out on pages nine to fifteen.

Respective responsibilities of trustees and examiner

The charity's trustees are responsible for the preparation of the accounts in accordance with the terms of the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended). The charity's trustees consider that the audit requirement of Regulation 10(1)(a) to (c) of the Accounts Regulations does not apply. It is my responsibility to examine the accounts as required under Section 44(1)(c) of the Act and to state whether particular matters have come to my attention.

Basis of the independent examiner's report

My examination was carried out in accordance with Regulation 11 of the Charities Accounts (Scotland) Regulations 2006. 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 I do not express an audit opinion on the view given by the accounts.

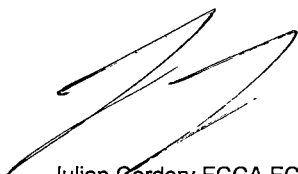
Independent examiner's statement

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

- (1) which gives me reasonable cause to believe that, in any material respect, the requirements
 - to keep accounting records in accordance with Section 44(1)(a) of the 2005 Act and Regulation 4 of the 2006 Accounts Regulations; and
 - to prepare accounts which accord with the accounting records and to comply with Regulation 8 of the 2006 Accounts Regulations

have not been met; or

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



Julian Gordery FCCA FCA CA
The Institute of Chartered Accountants of Scotland

Gibson McKerrill-Burrows Limited
28 Rutland Square
Edinburgh
EH1 2BW

9 September 2024

Befriending Networks Ltd

**Statement of Financial Activities
for the Year Ended 31 March 2024**

	Notes	Unrestricted funds £	Restricted fund £	31.3.24 Total funds £	31.3.23 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	-	210,849	210,849	241,362
Charitable activities					
Training/Network		78,025	28,290	106,315	97,104
Investment income	3	5,844	-	5,844	1,129
Other income		202	-	202	113
Total		<u>84,071</u>	<u>239,139</u>	<u>323,210</u>	<u>339,708</u>
EXPENDITURE ON					
Raising funds		3,978	28,306	32,284	26,674
Charitable activities					
Training/Network	4	66,341	214,486	280,827	307,637
Total		<u>70,319</u>	<u>242,792</u>	<u>313,111</u>	<u>334,311</u>
NET INCOME/(EXPENDITURE)					
Transfers between funds	14	13,752	(3,653)	10,099	5,397
		5,500	(5,500)	-	-
Net movement in funds		<u>19,252</u>	<u>(9,153)</u>	<u>10,099</u>	<u>5,397</u>
RECONCILIATION OF FUNDS					
Total funds brought forward		253,794	16,142	269,936	264,539
TOTAL FUNDS CARRIED FORWARD		<u><u>273,046</u></u>	<u><u>6,989</u></u>	<u><u>280,035</u></u>	<u><u>269,936</u></u>

The notes form part of these financial statements

Befriending Networks Ltd

**Statement of Financial Position
31 March 2024**

	Notes	Unrestricted funds £	Restricted fund £	31.3.24 Total funds £	31.3.23 Total funds £
CURRENT ASSETS					
Debtors	12	19,907	-	19,907	5,824
Cash at bank and in hand		261,567	6,989	268,556	283,975
		<u>281,474</u>	<u>6,989</u>	<u>288,463</u>	<u>289,799</u>
CREDITORS					
Amounts falling due within one year	13	(8,428)	-	(8,428)	(19,863)
		<u>273,046</u>	<u>6,989</u>	<u>280,035</u>	<u>269,936</u>
NET CURRENT ASSETS					
		<u>273,046</u>	<u>6,989</u>	<u>280,035</u>	<u>269,936</u>
TOTAL ASSETS LESS CURRENT LIABILITIES					
		<u>273,046</u>	<u>6,989</u>	<u>280,035</u>	<u>269,936</u>
NET ASSETS					
		<u>273,046</u>	<u>6,989</u>	<u>280,035</u>	<u>269,936</u>
FUNDS					
	14				
Unrestricted funds:					
General fund				143,046	123,794
Unrestricted funds				130,000	130,000
				<u>273,046</u>	<u>253,794</u>
Restricted funds					
				<u>6,989</u>	<u>16,142</u>
TOTAL FUNDS					
				<u>280,035</u>	<u>269,936</u>

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 March 2024.

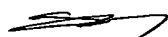
The members have not required the company to obtain an audit of its financial statements for the year ended 31 March 2024 in accordance with Section 476 of the Companies Act 2006.

The trustees acknowledge their responsibilities for

- ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

These financial statements have been prepared in accordance with the provisions applicable to charitable companies subject to the small companies regime.

The financial statements were approved by the Board of Trustees and authorised for issue on 9 September 2024 and were signed on its behalf by:



S Gray - Trustee

**Notes to the Financial Statements
for the Year Ended 31 March 2024**

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

The charitable company has taken advantage of the following disclosure exemption in preparing these financial statements, as permitted by FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland':

- the requirements of Section 7 Statement of Cash Flows.

Income recognition

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

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

Income received in advance of the service being performed is deferred until the criteria for income recognition have been met.

Expenditure recognition

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources. Irrecoverable VAT is charged against the expenditure heading for which it was incurred.

Grants offered subject to conditions which have not been met at the year end date are noted as a commitment but not accrued as expenditure.

Cost of raising funds

Raising funds includes all expenditure incurred by the charity to raise funds for its charitable purposes and includes costs of all fundraising activities, events and trading activities.

Charitable activities

Costs of the charitable activities include staff and support costs.

Support and governance costs

Support costs have been allocated between governance costs and other support costs. Governance costs comprise all costs involving the public accountability of the charity and its compliance with regulation and good practice. These costs include costs related to independent examination and an apportionment of overhead and support costs. Governance costs and support costs relating to charitable activities have been apportioned between funds based on an estimate by the Trustee. The allocation of support and governance costs is analysed in note 7.

Allocation and apportionment of costs

The costs arising during the year are apportioned to the restricted and unrestricted income on an accruals basis.

Tangible fixed assets

Tangible fixed assets are initially measured at cost. Cost includes the original purchase price and costs directly attributable to bringing the asset to its present location and into its present condition. After initial recognition, the assets are measured at cost less any accumulated depreciation and any accumulated impairment losses.

The policy is not to capitalise items costing less than £1,000

Depreciation is provided by equal instalments at the following annual rates in order to write off each asset over its estimated useful life or, if held under a finance lease, over the lease term, whichever is the shorter.

Plant and machinery - 25% on cost

Befriending Networks Ltd

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2024**

1. ACCOUNTING POLICIES - continued

Tangible fixed assets

Computer equipment - 25% on cost

The assets' residual values and useful lives are reviewed, and adjusted, if appropriate, at the end of each reporting period. The effect of any change is accounted for prospectively.

Taxation

The charity is exempt from corporation tax on its charitable activities.

Pension costs and other post-retirement benefits

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

2. DONATIONS AND LEGACIES

	Unrestricted	Restricted	31.03.24 £	31.03.23 £
Grants and Donations				
CYPFEIF & ALEC-Corra Foundation	-	49,350	49,350	49,350
The Scottish Government S10 Equalities Unit	-	40,000	40,000	40,000
The Scottish Government S10 Mental Health Directorate	-	40,000	40,000	40,000
Scottish Government Winter Support	-	-	-	45,000
National Lottery Building Communities	-	49,000	49,000	42,000
National Lottery Wales	-	32,499	32,499	25,012
	-	210,849	210,849	241,362

3. INVESTMENT INCOME

	31.3.24 £	31.3.23 £
Interest received	5,844	1,129

4. CHARITABLE ACTIVITIES COSTS

	Direct Costs (see note 5) £	Support costs (see note 6) £	Totals £
Training/Network	241,862	38,965	280,827

Befriending Networks Ltd

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2024**

5. DIRECT COSTS OF CHARITABLE ACTIVITIES

	31.3.24	31.3.23
	£	£
Staff costs	224,452	218,217
Recruitment	1,233	11,399
Staff training & welfare	16,177	2,258
Depreciation	-	1,434
	<u>241,862</u>	<u>233,308</u>

6. SUPPORT COSTS

	Management	Finance	Information technology	Governance costs	Totals
	£	£	£	£	£
Training/Network	<u>13,668</u>	<u>1,144</u>	<u>22,574</u>	<u>1,579</u>	<u>38,965</u>

7. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	31.3.24	31.3.23
	£	£
Depreciation - owned assets	<u>-</u>	<u>1,434</u>

8. TRUSTEES' REMUNERATION AND BENEFITS

Trustees' expenses

Expenses amounting to £829 were reimbursed to trustees in relation to meetings.

9. STAFF COSTS

	31.3.24	31.3.23
	£	£
Wages and salaries	203,016	199,924
Other pension costs	21,436	18,293
	<u>224,452</u>	<u>218,217</u>

The average monthly number of employees during the year was as follows:

	31.3.24	31.3.23
Office Staff	<u>9</u>	<u>8</u>

No employees received emoluments in excess of £60,000.

10. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds	Restricted fund	Total funds
	£	£	£
INCOME AND ENDOWMENTS FROM			
Donations and legacies	-	241,362	241,362
Charitable activities			
Training/Network	80,239	16,865	97,104
Investment income	1,129	-	1,129
Other income	113	-	113
Total	<u>81,481</u>	<u>258,227</u>	<u>339,708</u>

EXPENDITURE ON

Befriending Networks Ltd

Notes to the Financial Statements - continued
for the Year Ended 31 March 2024

10. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued

	Unrestricted funds £	Restricted fund £	Total funds £
Raising funds	18,347	8,327	26,674
Charitable activities			
Training/Network	59,445	248,192	307,637
Total	<u>77,792</u>	<u>256,519</u>	<u>334,311</u>
NET INCOME	3,689	1,708	5,397
RECONCILIATION OF FUNDS			
Total funds brought forward	250,105	14,434	264,539
TOTAL FUNDS CARRIED FORWARD	<u><u>253,794</u></u>	<u><u>16,142</u></u>	<u><u>269,936</u></u>

11. TANGIBLE FIXED ASSETS

	Plant and machinery £	Computer equipment £	Totals £
COST			
At 1 April 2023 and 31 March 2024	<u>27,319</u>	<u>5,336</u>	<u>32,655</u>
DEPRECIATION			
At 1 April 2023 and 31 March 2024	<u>27,319</u>	<u>5,336</u>	<u>32,655</u>
NET BOOK VALUE			
At 31 March 2024	<u>-</u>	<u>-</u>	<u>-</u>
At 31 March 2023	<u>-</u>	<u>-</u>	<u>-</u>

12. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.3.24	31.3.23
	£	£
Trade debtors	7,997	5,824
Prepayments	11,910	-
	<u>19,907</u>	<u>5,824</u>

13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.3.24	31.3.23
	£	£
Trade creditors	1,535	2,251
Other creditors	6,893	17,612
	<u>8,428</u>	<u>19,863</u>

Befriending Networks Ltd

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2024**

14. MOVEMENT IN FUNDS

	At 1 April 2023	Income	Expenditure	Transfers	At 31 March 2024
Restricted Funds					
National Lottery Building Communities	12,617	49,000	(57,967)		3,650
Scottish Government S10 Equalities Unit	-	40,000	(40,000)		-
Scottish Government S10 Mental Health Directorate	-	40,000	(40,000)		-
CYPFEIF & ALEC-Corra Foundation	-	49,350	(49,983)		(633)
National Lottery Wales	3,525	32,499	(32,052)		3,972
Waltham Forest	-	28,290	(22,790)	(5,500)	-
	<u>16,142</u>	<u>239,139</u>	<u>(242,792)</u>	<u>(5,500)</u>	<u>6,989</u>
Unrestricted Funds					
General Fund	<u>253,794</u>	<u>84,072</u>	<u>(70,320)</u>	<u>5,500</u>	<u>273,046</u>
Total funds	<u><u>269,936</u></u>	<u><u>323,211</u></u>	<u><u>(313,112)</u></u>	<u><u>-</u></u>	<u><u>280,035</u></u>

15. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 March 2024.

Befriending Networks Ltd

**Detailed Statement of Financial Activities
for the Year Ended 31 March 2024**

	31.3.24 £	31.3.23 £
INCOME AND ENDOWMENTS		
Donations and legacies		
Grants	210,849	241,362
Investment income		
Interest received	5,844	1,129
Charitable activities		
Events and meetings	23,965	25,972
Subscriptions	45,210	49,260
Consultancy	37,140	21,872
	<u>106,315</u>	<u>97,104</u>
Other income		
Other revenue	202	113
Total incoming resources	<u>323,210</u>	<u>339,708</u>
EXPENDITURE		
Other trading activities		
Events	24,847	22,313
Training core	-	1,211
Travel	7,437	3,150
	<u>32,284</u>	<u>26,674</u>
Charitable activities		
Wages	203,016	199,924
Pension Costs	21,436	18,293
Recruitment	1,233	11,399
Staff training & welfare	16,177	2,258
Plant and machinery	-	1,434
Grants to institutions	-	41,172
	<u>241,862</u>	<u>274,480</u>
Support costs		
Management		
Rent,rates insurance	5,386	8,600
Subscriptions	1,598	1,237
Accountancy fees	2,161	1,791
Telephone	2,794	3,942
Post,stationery & printing	1,136	561
Sundry office costs	593	297
Repairs and renewals	-	30
	<u>13,668</u>	<u>16,458</u>
Finance		
Bank charges	1,144	803
Information technology		
Website and computer costs	22,574	14,342
Governance costs		
Committee expenses	829	804
Carried forward	829	804

This page does not form part of the statutory financial statements

Befriending Networks Ltd

**Detailed Statement of Financial Activities
for the Year Ended 31 March 2024**

	31.3.24 £	31.3.23 £
Governance costs		
Brought forward	829	804
Independent examination	750	750
	<u>1,579</u>	<u>1,554</u>
Total resources expended	<u>313,111</u>	<u>334,311</u>
Net income	<u>10,099</u>	<u>5,397</u>