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

Report of the Trustees and

Unaudited Financial Statements

for the Year Ended 31 March 2026

for

Befriending Networks Ltd

Gibson McKerrell Burrows Limited
28 Rutland Square
Edinburgh
EH1 2BW

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for the Year Ended 31 March 2026

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Reference and Administrative Details for the Year Ended 31 March 2026

TRUSTEES	E Kenward J K E Burnett B Bowhay R Chadha (resigned 28.1.26) S Gray M Niles N Pattinson J Weir C A M Prothero (appointed 11.12.25) A Tudor (appointed 11.12.25) C V Roberts (appointed 20.8.26)
COMPANY SECRETARY	S E Hunter
REGISTERED OFFICE	5-7 Montgomery Street Lane Edinburgh EH7 5JT
REGISTERED COMPANY NUMBER	SC195896 (Scotland)
REGISTERED CHARITY NUMBER	SC023610
INDEPENDENT EXAMINER	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
SENIOR STAFF	S E Hunter Chief Executive Officer
BOARD ADVISOR	S Patterson (effective from 11 December 2025)

Report of the Trustees for the Year Ended 31 March 2026

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 2026. 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

Charitable Purpose, Aims and Beneficiaries

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

The charity's purposes, as defined by the Charities and Trustee Investment (Scotland) Act 2005 are:
- the advancement of citizenship or community development.
- the relief of those in need by reason of age, ill-health, disability, financial hardship or other disadvantage.

Our members form the largest network of befriending services in the world. We provide access to sector-specific training, events, resources, and awards which support quality in befriending. We work collaboratively and inclusively to connect and strengthen the befriending sector.

We support organisations (their volunteers, staff and trustees) to deliver quality befriending services that promote wellbeing and meaningful connections, ensuring that everyone feels valued. 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.

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 is a relationship supported by an organisation to enable meaningful connection. It is diverse and can bring together people with shared or different life experiences, across all ages and stages of life. Befriending is a planned social interaction that can take place in one-to-one or small-group settings. Models include face-to-face befriending in the home or community, and distance befriending through telephone or video calls, letter-writing, and gaming. In all its forms, befriending can have a positive impact on loneliness by increasing beneficial connections that provide companionship and contribute to emotional wellbeing.

Our work aims to create the conditions for increased social connection in healthier, more equal communities. Befriending organisations, their staff, volunteers and trustees directly benefit from activities that we facilitate. Our work increases skills, knowledge and connection, whilst also advancing good practice in befriending. Indirectly, our beneficiaries include individuals with a volunteer befriender, who are supported by our work to provide nurturing, enriching and trusted befriending relationships. Our primary beneficiaries are located in communities throughout Scotland, England, Wales, Northern Ireland, and Ireland.

ACHIEVEMENTS AND PERFORMANCE

Charitable Activities

Our objectives and activities in this year were aligned to our Strategic Plan 2024-29.
Our objectives are:
1. Supporting a network of quality befriending services.
2. Sustaining a valuable membership network.
3. Facilitating an empowered network.
4. Developing a digitally connected network.
5. Recognising an impactful befriending sector.
6. Championing the befriending sector.
7. Succeeding as an organisation.

Providing opportunities for support, connection and collaboration through networking events, conferences, masterclasses and training are core activities of Befriending Networks.

In 2025/26 our charitable highlights include:
- Providing membership services and support to 360 befriending organisations.
- Facilitating 62 free networking opportunities for the befriending sector and our partners, reaching 888 people.
- Delivering 26 paid-for training events, reaching and benefiting 165 learners. Our training courses included short topical training, in-depth multi-session certificated courses developing vital skills for the befriending workforce, and good-practice courses on befriending, dementia and bereavement.
- Writing, designing and publishing six new e-learning courses, three for the workforce and three for volunteer befrienders.
- Hosting 8 member sessions for adopting and applying the Befriender Training Toolkit into members' organisational practice.
- Championing the befriending sector through forums, projects, programmes and Befriending Week.

Supporting a network of quality befriending services
We provided regular and meaningful opportunities for the befriending sector to come together, supporting a network of quality befriending services. Activities included:

Networking and Roadshows (30 events)
- 5 Journey Across Befriending Roadshows, 3 of which took place in-person in Cardiff, Aberdeen and Tamworth.
- 10 Leaders and Managers Network to support those in leadership positions within befriending projects.
- 15 thematic networking opportunities, covering themes including neurodiversity in the workplace, managing workload, wellbeing, distance befriending, group befriending, and reducing waiting lists.

"I found the session very worthwhile but as a part-timer the challenge now is finding time in my diary to have a little 'refresher' and go through a few things to familiarise myself with everything. It was also interesting to meet other befriending coordinators working on such a diverse range of befriending models." (Guild Care)

Information Sessions (21 events)
- 5 information sessions about our Quality in Befriending Award.
- 8 information sessions to introduce non-member to Befriending Networks.
- 8 information sessions for existing members to maximise the benefits of membership.

Conferences and Seminars (11 events)
- 1 annual befriending sector conference.
- 1 conference, in partnership with our members Befrienders Highland, to focus on social isolation and loneliness in the Scottish Highlands, taking place in Inverness.
- 2 webinars sharing contemporary sector research.
- 3 meetings of the Scottish Forum on Social Isolation and Loneliness.
- 4 digital skills masterclasses.

Learning and Development
Across our annual programme of networking, conferences, training, learning and development opportunities, we had 1,053 direct beneficiaries. Of these, 165 completed training courses that enhanced specialist knowledge, skills and practice associated with befriending.

Table 1: Training Courses

Area	Number	Percentage
England	98	59%
Scotland	52	32%
Wales	12	7%
Ireland	2	~1%
Northern Ireland	1	~1%

"I have thoroughly enjoyed being part of the courses and training you have offered at a time when I was newly appointed to the role. I benefitted greatly and was able to meet with other befriending organisations and learn good practice." (Keech Hospice)

"I did the Vital Skills: Risk Management Training recently because our funder would like us to be working with people with more complex needs. So going on that training has helped us to be able to put some things in place so that we can start taking on those referrals, which hopefully means that we will continue to be funded." (Member of Befriending Networks)

Table 2: Networking, Conferences, and Information Sessions

Area	Number	Percentage
England	433	49%
Scotland	391	44%
Wales	58	6%
Northern Ireland	4	~1%
Ireland	1	~1%
International	1	~1%

"Befriending Networks connect us to a wider network of organisations who are all experiencing similar challenges. At the recent roadshow we attended, there were certainly things that I took away from that that we're going to be able to use as part of our practice." (Roadshow attendee)

Sustaining a valuable network
As a membership charity, all staff contribute to supporting and sustaining our membership. Throughout the year, we supported 360 member organisations. We welcomed 35 new organisations to our network for the first time, and 16 organisations returned to membership after a break of more than three months.

At 31 March 2026, our membership comprised of organisations from the following areas:
- England 54%
- Scotland 36%
- Wales 6%
- Northern Ireland ~1%
- Ireland ~1%
- British Crown Dependencies and Overseas Territories ~1%

We said farewell to 84 organisations this year, with the overall network size reducing by 33 organisations. This year-on-year membership retention figure is comparable with previous years. The financial challenges facing our sector are evident in the reasons given for membership cancellation:
- 23 organisations had financial constraints or no funding.
- 14 organisations have stopped providing befriending of which two organisations were wound up.
- 10 organisations were reviewing the future direction of their services.
- 3 had no further need for support whilst only 1 found no benefit from their membership.
- The remaining organisations gave no reason for cancellation.

Our Membership Services Team undertook specific work to:
- Maintain an accurate, quality and informative listing on the public directory of befriending services.
- Provide an informed, timely and supportive response to membership support requests on all matters related to quality befriending practice.
- Encourage our membership to take co-leadership opportunities at our events.
- Identify and reach out to prospective members to sustain the scale, reach and diversity of our membership, welcoming both new and returning organisations to Befriending Networks.
- Engage proactively with all members at key points in their membership year, including inviting structured feedback and identification of need at the mid-point of their membership and encouraging renewal.
- Assist members to renew their membership and maximise the use of all membership benefits, in particular focusing on use of the membership-only features of our website.

"Can I take this opportunity to thank you all at Befriending Networks for the immense support you have given us over the last five years. I am not sure we could have achieved what we have for our residents without you being in the background." (Seafriends)

ACHIEVEMENTS AND PERFORMANCE

Quality in Befriending

The Quality in Befriending Award is the only award in the UK specifically tailored for befriending services. It is valued by referrers, befrienders, commissioners and funders. The Award is only available to members of Befriending Networks.

"The Quality in Befriending Award has very much helped us as a project to secure two years of funding to continue our services." (SeaScape Reconnect)

In 2025/26:
- 40 organisations were Award holders, 18 of which were at the Excellence level.
- 15 organisations were supported to retain their Award for a further 3 years through rigorous reaccreditation.
- 1 organisation achieved the Award for the first time.

Organisations working towards the Award demonstrate policy, practice and procedures against 60 indicators of quality befriending practice and a further 23 indicators to demonstrate excellence.

Membership Case Study: Volunteer Centre Greenwich

Volunteer Centre Greenwich has been a member since 2022 and holds the Quality in Befriending and Quality in Mentoring Awards. It runs the Befriending and Emotional Well-being Project which provides support to any adult living in Greenwich who is experiencing loneliness, isolation, poor mental health and wellbeing.

Abdi, Development Worker:
"Being members of Befriending Networks has really helped our service as they have lots of training as well as templates and resources we've used for our project. Having regular emails from the team is very helpful. And if we get stuck, it's so reassuring having someone we can send a quick e-mail asking: 'what can we do?'"

"We've also had training that was helpful in managing expectations for both the client and volunteer, setting boundaries and ensuring we keep a good relationship from the start."

Liz, Operations and Project Manager:
"Befriending Networks are very responsive. And knowing that there's an expert we can reach out to if needed is always helpful."

"Our biggest challenge is securing funding to keep our befriending project running. Having the Quality in Befriending Award has really helped with that. We get limited wording on funding bids and being able to say we've got a quality mark encapsulates what we can do without having us to have to go into lots of words."

"As we went through the Quality in Befriending Award process, any areas that we could improve were flagged and we were given templates. Some of those save us time because there's things like referral guidelines, which we can send to referral partners and reduce the amount of inappropriate referrals. We also created a flow-chart of the referral process that made things clearer and streamlined everything."

Developing a digitally connected network

We remain committed to making resources and information easy to access through our website, which sits at the centre of our digital services. This includes a directory of befriending services, event booking, training toolkits, e-learning, publications and resources, and the administrative elements of membership application and renewal through the My Account feature. During the year, 702 unique visitors accessed our member-only befriending resources.

"I'm very grateful to the supportive team at Befriending Networks for all their help and useful resources they have provided me since I started my new role as Volunteer Coordinator at MySight York! I have learnt so much in the short time that I have been a member. They are super responsive and really understand the complexities and challenges of being a befriending manager. They also have accessible online e-courses for volunteers which are really well thought-out and enjoyable to complete." (MySight York)

Each month, we send the Befriending Networks newsletter to 1600 subscribers, alongside a monthly members-only email to 1000 contacts, a bi-monthly Children and Young People's Newsletter to 220 subscribers and a quarterly Research Bulletin to 1600 subscribers.

Throughout the year, we supported members of the public to identify befriending services they may be able to access. Enquiries came by phone, email, social media message and the contact form on our website. On average, 100 contacts were made each month using our public directory of befriending services to directly reach a member organisation. Of these enquiries, 75% were from people looking for a befriender, 15% were from people looking to become a volunteer, and 10% had another reason for contact.

ACHIEVEMENTS AND PERFORMANCE

Recognising an impactful sector

Our annual Befriending Week campaign remained a key opportunity to raise the profile and visibility of befriending. Through shared messaging, digital assets and campaign guidance, members were supported to showcase their work, amplify lived experience, and engage local stakeholders, funders and decision makers. This collective approach strengthened public understanding of befriending and positioned services as preventative, relational and outcomes focused.

Our campaign achievements included:
- The publication of the Befriending Sector Insight Report which became our top website content.
- Connecting the public with opportunities to find a befriender or volunteer as one: our most used service during the campaign was the public directory of befriending services, which had 10,786 views.
- Attracting 2000 people to visit the Befriending Week website throughout the campaign.
- Enabling an estimated 40% of members to actively participate in Befriending Week.
- Supporting 120 organisations as members, partners and supporters to create content about Befriending Week.
- Hosting two volunteer events"Being a Befriender" which reached 95 participants.
- Partnering with Transport for London and hosting the 'chatty cabins' initiative on the IFS Cloud Cable Car over the Thames for befriending projects throughout the week.
- Securing a motion within the Scottish Parliament recognising the befriending sector.
- Working with the Welsh Government to issue a statement of support to the befriending sector from the Minister for Wellbeing.

"Thank you very much indeed for so kindly organising the Cable Car event yesterday. Everyone thoroughly enjoyed the experience and it allowed those involved to connect with others from within our own service whom they had not previously met, as well as other organisations too. It has been a great start to Befriending Week! Furthermore, the trip constituted a 'first' for us, as it was the first outing we had ever undertaken as a service involving both volunteers and clients and it was a really exciting and rewarding experience to bring people together in this way and to feel part of something bigger." (Jewish Care)

Championing the befriending sector

This year, we actively engaged in a range of opportunities to represent the experiences and needs of the befriending sector. Our work amplified the collective knowledge of our membership and supported our strategic commitment to policy and representation on loneliness, age and ageing, and volunteering. We also supported the sector by publishing a quarterly Research and Insight Bulletin, drawing together sector data, emerging themes and evidence of the outcomes achieved through befriending.

Our policy and strategy contributions this year include:

- Befriending Networks attended Scottish Parliament Cross Party Groups (CPG) on Health Inequalities, on Volunteering and on Age and Older People.
- Contributing as a guest panellist at SCVO The Gathering on prevention and health inequalities,providing an opportunity to talk about social connection, loneliness, and community building.
- Participation at the Scottish Parliament Disability Summit.
- Contributing to shaping of work around volunteering in Scotland through the Volunteering Action Plan, Recognition and Celebration Group, and Scottish Volunteering Forum.
- Developing the Manifesto for Social Connection as co-chairs of the Scottish Forum on Social Isolation and Loneliness, which was published in December 2025.
- Membership of the Scottish Government Ministerial Advisory Group on Social Isolation and Loneliness, attending quarterly meetings to advise on the delivery of national approaches and strategy.

Together, this work strengthened the voice and visibility of befriending as a practical and relational response to loneliness and social isolation, helping to create the conditions in which more people and communities can experience meaningful connection.

Projects and Programmes

Children, Young People and Families Befriending

The Scottish Government Children, Young People and Families Early Intervention Fund enabled us to deliver specific work focused on the needs of befriending services for children, young people and families. This year's activities included:
- Convening a regular forum for children and young people's services.
- Creating opportunity for trauma-informed endings to be profiled at our national conference by member project, Families First St. Andrews.
- Preparing and disseminating a dedicated newsletter on children and young people's issues.
- Maintaining an information hub related to safeguarding and the Protection of Vulnerable Groups.
- Continuing to support the infrastructure for delivering assessments for the Quality in Befriending Award.

ACHIEVEMENTS AND PERFORMANCE

- Participating in Together (Scottish Alliance on Children's Rights) Member Spotlight feature during Befriending Week and continuing membership of this alliance.
- Contributing to policy and influencing activities through an intergenerational lens.

Scottish Forum on Social Isolation and Loneliness

The Scottish Government Equalities and Human Rights directorate funding enables us to develop and deliver the Scottish Forum on Social Isolation and Loneliness.

- Co-chairing (in conjunction with Chest Heart and Stroke Scotland) and convening the Forum three times, engaging over 146 individuals from 108 organisations, and balancing research evidence with lived experience.
- Sharing the outputs with Scottish Government Ministers and informing the agenda of the Ministerial Advisory Group on Social Isolation and Loneliness.
- Collating the experiences of forum members, alongside international research to write and publish the Manifesto for Social Connection in Scotland.
- Framed the emerging issues highlighted by Forum members including: inequalities of loneliness, building ambition around research, intervention, and increasing the profile of the issue.

Highland Conference in partnership with Befrienders Highland

- At the invitation of our member, Befrienders Highland we co-delivered a one-day conference on Social Isolation and Loneliness to a combined audience of NHS primary and secondary care and third sector and befriending volunteer representatives.
- Focussed and brought attention to the issues of loneliness and social isolation in the Highland region and demonstrated the importance of befriending as a meaningful intervention.
- Published a conference report, which was distributed publicly and shared with the Scottish Government and NHS Highland.

Linking Lives UK - Social Connection in Wales

- Collaborated in partnership with Linking Lives UK to lead the development of befriending services Wales and the provision of 'good conversation' training to volunteers and community groups.
- Developed a joint membership support package awarded to five organisations to join the networks of both Befriending Networks and Linking Lives UK for 2026-2028.

Campaign to End Loneliness (CTEL)

- Attended Advisory Group meetings with stakeholders throughout the UK and ensured progression of relationships with key personnel at the CTEL.
- Engaged with the All Party Parliamentary Group (APPG) at Westminster through their marketplace event, and roundtable meetings.
- Hosted the first CTEL Roadshow in Edinburgh in March 2026 with c.25 attendees and made new connections within academia. This also enabled cross sector collaboration with housing and homelessness organisations. We then presented findings from the roadshow to the APPG Inquiry on the theme of Housing, Place and Community.
- Made meaningful contributions to the online community, the Tackling Loneliness Hub.

Active and Healthy Ageing in Rural Areas

- This year we contributed best practice in befriending with partners in Spain, Iceland, and Norway as partners in the Fundacion Diagrama project Active and Healthy Ageing in Rural Areas.
- We shared an international survey with our membership and submitted a written case study featuring three befriending projects in rural Scotland. We have valued the opportunity to reflect and compare practice with other countries.
- We attended a partnership programme workshop in Madrid, alongside our member Food Train to explore intergenerational volunteering and support for healthy ageing.
- The report and findings of the work were published by Fundacion Diagrama in early 2026.

FINANCIAL REVIEW

Financial review

The charity's main income was grant income from the Scottish Government and the National Lottery Community Fund (England), alongside income from charitable services. This included a contract for services with partner organisation Linking Lives UK, as well as income from membership fees, training, events and awards. Total income was £257,939 and total expenditure was £311,966. The charity reported a deficit of £54,027.

This financial year produced a planned deficit and included the use of designated funds assigned by trustees to complete the digital transformation project, sustain the size and structure of the organisation, and mitigate reduced grant income. Collaborative work with another organisation supported the charity to retain project staff during the year. When this project concluded, one redundancy was made.

At the financial year end, the charity held total funds of £175,165, of which £2,090 were restricted funds and £173,075 were unrestricted funds. The designation of unrestricted funds into reserves, and to sustain the charity in 2026/27, includes:

A designated reserve of £150,000, of which £30,000 is designated for liabilities and the costs of charity closure. Free reserves are £23,305. The charity's reserves policy is reviewed annually by trustees.

A risk-based approach is used to calculate the optimal level of reserves, taking account of the reliability of income, the costs of reorganising activities and specific liabilities. Amounts are included for known risks, as well as contingencies to allow the organisation to cope with unexpected costs or loss of income.

We principally hold 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.
- Allow us to respond to unexpected opportunities that can further our mission.
- Provide cover for specific liabilities, contractual obligations, redundancies and identifiable risks, including the cost of closure of the charity.

The trustees have set optimal reserves at £150,000, which equates to approximately six months of unrestricted expenditure. The cost of winding up and charity closure is estimated at £30,000 and is maintained as a designated fund within reserves.

The key financial priority is to continue to seek alternative income sources to mitigate any further reduction in grant funding. The charity will continue to review its structure and governance to ensure it meets the needs of the befriending sector, while remaining cognisant of the challenging funding landscape for charities and infrastructure organisations.

Plans for Future Periods

Key priorities for 2026/27 are to secure income from new funding sources for core services and new or time-limited project work.

Project funding for the design of specialist training throughout Scotland on Dementia and Social Connection will be delivered between 1 April 2026 and 31 March 2027. We will update and republish our headline good practice publication: Running a Befriending Service.

Core services of membership support, learning and development and quality award will continue to be delivered within the staffing capacity we have available. We will adapt our service delivery to reflect the challenges and pressures experienced by our members, being mindful of their financial resources and capacity to engage in opportunities.

We will continue to pursue approaches which are digitally led, which offer convenience, accessibility and choice, this includes expansion of our e-learning and online live training and networking events.

The trustees will review the strategic direction, priorities and sector needs to position Befriending Networks for the future. The charity will focus on organisational sustainability while financial resources remain uncertain. Trustees are committed to actively managing the financial resilience of the organisation and are engaged in scenario planning and forecasting to account for different potential future income positions, and the skills, staffing and infrastructure the charity will require to advance its charitable objectives.

Together, these priorities will support Befriending Networks to remain responsive, resilient, and focused on strengthening quality befriending services that increase meaningful connection for people and communities.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

Befriending Networks is a company limited by guarantee with charitable status, registered in Scotland. 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.

A membership resolution at the Annual General Meeting in November 2025 approved the replacement of the articles of association. The new articles of association became effective from 20 November 2025, this included a change to charitable purposes and objectives.

Recruitment and appointment of new trustees

As a member-led charity, six of the Trustees, who are also company directors, can be members of Befriending Networks, called 'Member Trustees'. Four of the Trustees can be non-members, called 'Appointed Trustees', these individuals are appointed to the board to bring specific skills, knowledge and experiences. At each Annual General Meeting Appointed Trustees retire, as do the longest standing 50% of Member Trustees, although they may stand for re-election if they wish. No Trustee will serve a term of longer than six years.

The selection, appointment and election of Trustees is a robust process, with necessary background checks undertaken to ensure suitability and legal compliance. All Trustees receive induction to the charity which includes background documents, meetings with senior staff, and access to mentoring from existing Trustees. Trustees engage with annual appraisal with the Chairperson.

The business of the charity is conducted by five board meetings per year, whilst strategy meetings, task and finish projects, and training events are also convened when required. All major decisions are taken at board meetings, while operational management decisions are taken by the Chief Executive Officer, who also acts as Company Secretary.

Key management remuneration

The directors, who are the charity's trustees, and the Chief Executive Officer comprise the key management personnel of the charity in charge of directing, controlling, running and operating the charity on a day-to-day basis. All directors give 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, review and manage the risks to which the charity is exposed and to ensure appropriate risk management controls are in place to provide reasonable assurance against fraud, error or harm. A detailed risk register is maintained and monitored by trustees as a standing item at all board meetings. Lead trustees for specific risk areas are in place, with intensive review of risk identification and assessment undertaken at regular intervals. Risks are mitigated through appropriate and proportionate measures, controls and actions. The operational management and escalation of risk is the responsibility of the Chief Executive Officer.

Financial uncertainty is the greatest single risk to the organisation. Short-term grant agreements with recurring annual funders, alongside the ending of multi-year funding, make it difficult to plan with certainty. Recurring government grants have remained at the same value as in previous years, while delivery costs have increased. To mitigate this, the trustees have worked with the staff team to develop income-generation opportunities, and a fundraising plan is in place alongside a part-time fundraising officer post. Mechanisms for direct giving and donations have also been made easier. The external funding landscape for trusts and foundations is exceptionally competitive. Income from the delivery of our charitable services remains comparable with the previous year. The board prepares and reviews regular financial reports, including cash-flow statements, to ensure liquidity and confirm that all liabilities can be met. Associated financial risks include the impact on staff wellbeing, staff retention and the resources required to deliver the level of service expected by our beneficiaries.

New risks added this year relate to cyber security and the subsequent adoption of additional measures with our managed IT partner for continuous system monitoring to seek to minimise threat and impact. We have also identified changing risks with changes in data protection legislation and trustees have engaged with a professional advisor to make recommendations to support compliance and minimise risk.

Through active oversight, regular review and proportionate controls, trustees seek to ensure that risk is managed in a way that protects the sustainability of the charity and supports the continued delivery of its charitable objectives.

Approved by order of the board of trustees on 8 September 2026 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 2026 set out on pages twelve to eighteen.

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.

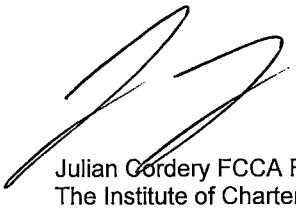
Independent examiner's statement
In connection with my examination, no matter has come to my attention :

(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 Cordery FCCA FCA CA
The Institute of Chartered Accountants of Scotland

Gibson McKerrell Burrows Limited
28 Rutland Square
Edinburgh
EH1 2BW

8 September 2026

Befriending Networks Ltd

Statement of Financial Activities
for the Year Ended 31 March 2026

	Notes	Unrestricted funds £	Restricted fund £	31.3.26 Total funds £	31.3.25 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	-	144,629	144,629	189,240
Charitable activities					
Training/Network		67,999	38,361	106,360	65,445
Investment income	3	6,875	-	6,875	17,646
Other income		75	-	75	150
Total		74,949	182,990	257,939	272,481
EXPENDITURE ON					
Raising funds		5,166	4,143	9,309	10,720
Charitable activities	4				
Training/Network		125,900	176,757	302,657	312,604
Total		131,066	180,900	311,966	323,324
NET INCOME/(EXPENDITURE)		(56,117)	2,090	(54,027)	(50,843)
RECONCILIATION OF FUNDS					
Total funds brought forward		229,192	-	229,192	280,035
TOTAL FUNDS CARRIED FORWARD		173,075	2,090	175,165	229,192

The notes form part of these financial statements

Statement of Financial Position
31 March 2026

	Notes	Unrestricted funds £	Restricted fund £	31.3.26 Total funds £	31.3.25 Total funds £
CURRENT ASSETS					
Debtors	11	3,879	-	3,879	1,153
Cash at bank		199,369	2,090	201,459	236,105
		203,248	2,090	205,338	237,258
CREDITORS					
Amounts falling due within one year	12	(30,173)	-	(30,173)	(8,066)
NET CURRENT ASSETS		173,075	2,090	175,165	229,192
TOTAL ASSETS LESS CURRENT LIABILITIES		173,075	2,090	175,165	229,192
NET ASSETS		173,075	2,090	175,165	229,192
FUNDS	13				
Unrestricted funds:					
General fund				23,075	79,192
Unrestricted funds				150,000	150,000
				173,075	229,192
Restricted funds				2,090	-
TOTAL FUNDS				175,165	229,192

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 March 2026.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 March 2026 in accordance with Section 476 of the Companies Act 2006.

The trustees acknowledge their responsibilities for

(a) ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and

(b) 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 8 September 2026 and were signed on its behalf by:

S Gray - Trustee

The notes form part of these financial statements

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.

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
Computer equipment - 25% on cost

continued...

Notes to the Financial Statements - continued
for the Year Ended 31 March 2026

1. ACCOUNTING POLICIES - continued

Tangible fixed assets
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	31.03.26	31.03.25
			£	£
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	-			20,000
National Lottery Building Communities	-	47,000	47,000	47,000
National Lottery Wales	-	8,279	8,279	32,890
	-	144,629	144,629	189,240

3. INVESTMENT INCOME

	31.3.26	31.3.25
	£	£
Interest received	6,875	17,646

4. CHARITABLE ACTIVITIES COSTS

	Direct Costs (see note 5)	Support costs (see note 6)	Totals
	£	£	£
Training/Network	268,298	34,359	302,657

continued...

5. DIRECT COSTS OF CHARITABLE ACTIVITIES

	31.3.26	31.3.25
	£	£
Staff costs	264,657	238,596
Recruitment	-	638
Staff training & welfare	3,641	7,371
	268,298	246,605

6. SUPPORT COSTS

	Management	Finance	Information technology	Governance costs	Totals
	£	£	£	£	£
Training/Network	21,138	581	11,690	950	34,359

7. TRUSTEES' REMUNERATION AND BENEFITS

Trustees' expenses

Expenses amounting to £900.26 were reimbursed to trustees in relation to meetings.

8. STAFF COSTS

	31.3.26	31.3.25
	£	£
Wages and salaries	240,933	217,040
Other pension costs	23,724	21,556
	264,657	238,596

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

	31.3.26	31.3.25
Office Staff	9	9

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	31.3.26	31.3.25
£60,001 - £70,000	1	1

9. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds	Restricted fund	Total funds
	£	£	£
INCOME AND ENDOWMENTS FROM			
Donations and legacies	-	189,240	189,240
Charitable activities			
Training/Network	65,445	-	65,445
Investment income	17,646	-	17,646
Other income	150	-	150
Total	83,241	189,240	272,481
EXPENDITURE ON			
Raising funds	2,145	8,575	10,720
Charitable activities			
Training/Network	124,950	187,654	312,604

continued...

9. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued

	Unrestricted funds £	Restricted fund £	Total funds £
Total	127,095	196,229	323,324
NET INCOME/(EXPENDITURE)	(43,854)	(6,989)	(50,843)
RECONCILIATION OF FUNDS			
Total funds brought forward	273,046	6,989	280,035
TOTAL FUNDS CARRIED FORWARD	229,192	-	229,192

10. TANGIBLE FIXED ASSETS

	Computer equipment £
COST	
At 1 April 2025 and 31 March 2026	1,705
DEPRECIATION	
At 1 April 2025 and 31 March 2026	1,705
NET BOOK VALUE	
At 31 March 2026	-
At 31 March 2025	-

11. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.3.26 £	31.3.25 £
Trade debtors	3,879	1,153

12. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.3.26 £	31.3.25 £
Trade creditors	2,504	1,313
Other creditors	27,669	6,753
	30,173	8,066

continued...

13. MOVEMENT IN FUNDS

	At 1 April 2025	Income	Expenditure	Transfers	At 31 March 2026
Restricted Funds					
National Lottery Building Communities	-	47,000	(47,000)	-	-
Scottish Government S10 Equalities Unit	-	40,000	(40,000)	-	-
CYPFEIF & ALEC-Corra Foundation	-	49,350	(49,350)	-	-
National Lottery Wales	-	8,280	(8,280)	-	-
Linking Lives Partnerships	-	38,360	(36,270)	-	2,090-
	-	182,990	(180,900)	-	2,090-
Unrestricted Funds					
General Fund	229,192	74,949	(131,066)	-	173,075
Total funds	229,192	257,939	(311,966)	-	175,165

14. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 March 2026.

Befriending Networks Ltd

Detailed Statement of Financial Activities
for the Year Ended 31 March 2026

	31.3.26 £	31.3.25 £
INCOME AND ENDOWMENTS		
Donations and legacies		
Grants	144,629	189,240
Investment income		
Interest received	6,875	17,646
Charitable activities		
Events and meetings	50,020	11,920
Subscriptions	40,721	42,290
Consultancy	15,619	11,235
	106,360	65,445
Other income		
Other revenue	75	150
Total incoming resources	257,939	272,481
EXPENDITURE		
Other trading activities		
Events	4,867	6,496
Travel	4,442	4,224
	9,309	10,720
Charitable activities		
Wages	240,933	217,040
Pension Costs	23,724	21,556
Recruitment	-	638
Staff training & welfare	3,641	7,371
	268,298	246,605
Support costs		
Management		
Rent,rates insurance	5,585	4,854
Subscriptions	7,038	3,104
Accountancy fees	1,647	2,324
Telephone	2,017	1,881
Post,stationery & printing	299	1,048
Consultancy	3,648	4,774
Sundry office costs	904	973
	21,138	18,958
Finance		
Bank charges	581	747
Information technology		
Website and computer costs	11,690	44,773
Governance costs		
Committee expenses	150	721
Independent examination	800	800
	950	1,521

Detailed Statement of Financial Activities for the Year Ended 31 March 2026

	31.3.26 £	31.3.25 £
Total resources expended	311,966	323,324
Net expenditure	(54,027)	(50,843)