

TOWER HAMLETS FRIENDS AND NEIGHBOURS
(a company limited by guarantee)

Company Number: 04657449
Registered Charity number 1099403



TOWER HAMLETS FRIENDS AND NEIGHBOURS

A Charitable Company Limited by Guarantee.

Annual Report
Year ended 31 March 2023

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REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 MARCH 2023

Trustees:

Gemma Roye (Chair, resigned May 2022)
Anne Worledge (Chair, from May 2022)
Carl Steventon
Stephen Roberts (Treasurer)
Pam Kaur Gibbons
Jennifer Skeels
Louise Theophile (From September 2022)
Nicolle Deniz (From September 2022)
Jaber Khan (From September 2022)
Nancy Easton (From January 2023)
Christopher Bingham (Resigned April 2023)
Anthony Hardie (Resigned September 2022)
Amanda Goh (Resigned July 2022)
Kirsty Sanders (Resigned July 2022)

Registered and principal office

St Margaret's House, 21 Old Ford Road, London E2 9PL
Telephone 020 8983 7979 Email admin@thfn.org.uk Website www.thfn.org.uk

Staff

Chief Executive :	Rita Chadha (from October 2023)
Chief Executive and Company Secretary:	Rajesh Kalhan (to October 2023)
Operations Manager:	Bridget Akinbolaji (resigned September 2022)
Client Services Administrator	Clara Djondo
Befriending Advocates:	Rose Curran, Shirajul Islam, Brenda Lawrence, Shaleha Begum (appointed July 2022)

Bankers

HSBC Bank plc, 75 Whitechapel Road, London E1 1DU

Independent Examiner

Gavin Purvis (FCCA), Purvis Stevens LLP, Chartered Certified Accountants, Hayles Bridge Offices, 228 Mulgrave Road, Cheam, Surrey SM2 6JT

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DIRECTORS' AND TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2023

Report from the Chair

The year to March 2023 was a special year for us, we reached our 75th birthday in October 2022, and celebrated the occasion with our clients at a lovely tea party. As this birthday was a significant milestone for THFN we took this as an opportunity to celebrate the many wonderful people we have had the good fortune to meet over the years. We delved into our archives and produced a photographic exhibition showing pictures some of the clients we have known over the years- from the early post war years up to the present day. This exhibition was on show at a number of venues in the borough. Some of these photographs are included in this Annual Report and we are planning to upload the entire exhibition to the website in the coming months so that we can enjoy them and share them more widely.

With a fair wind, and some good fortune, we hope to be here serving the older community in Tower Hamlets for another 75 years.

Operationally we have recovered from the effects of COVID and have our service back to normal, with a very high proportion of face-to-face meetings with our clients and are keeping telephone befriending alongside for those who prefer this service.

Unfortunately, we have not been so successful in securing sustainable funding. The year to March 2023 was again very difficult and challenging for THFN.

At the start of this current financial year to March 2024 we had sufficient reserves and secured funding to give us the assurance of meeting our financial obligations for the year to March 2024 and a therefore a breathing space to continue with the quest for sustainable funding, but the economic climate has not improved in recent months and additional measures have been taken to reduce the financial needs of the charity so as to enable us to meet our priority of maintaining our level of service and support for our clients, especially our most vulnerable clients. In October 2022 we were not able to make the commitment to recruit a new Operations Manager to fill a vacant position, and more recently we have had to reduce our Chief Executive post from a full-time position to a 3-days per week position.

We were very sad to lose our Chief Executive, Rajesh Kalhan, in October 2023 after almost 10 years of service to the Charity.

Thankfully, we have been able to keep our level of service at a similar level to recent years and were able to support 240 clients in the year to March 2023. All of this has only been possible because of the commitment and dedication of our amazing staff and volunteers.

We have been fortunate in recruiting a new CEO, Rita Chadha, and together with our staff and volunteers, we are looking forward to the opportunities and challenges of the coming months.

This year to March 2023 also saw a change in our trustee Board. Five of our trustees stepped down in the year- between them they have given 35 years of commitment to THFN- with a very special mention to Tony Hardie who was a valued member of our Board for 16 years and to Gemma Roye who took on the Chair's role and steered us through difficult times, including COVID and the challenges it presented for our clients. We were fortunate in being able to recruit 4 new trustees who bring with them a range of experience and skills.

Please follow us on social media or through our website (thfn.org.uk) and watch our progress, and if you would like to receive a regular newsletter please contact Rita Chadha on rita@thfn.org.uk.


Anne Worlledge – Chair of Trustees.

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DIRECTORS' AND TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2023

The trustees present the annual report together with the financial statements for the year ending 31 March 2023. The Trustees confirm that the Annual Report and financial statements of the company comply with the current statutory requirements, the requirements of the company's governing document and the provisions of the Statement of Recommended Practice (SORP) 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) as amended by Update Bulletin 1 (effective 1 January 2015).

Since the company qualifies as small under section 383 of the Companies Act 2006, the strategic report required of medium and large companies (Strategic Report and Director's Report Regulations 2013) is not required.

Why we are here and what we do

The objects of Tower Hamlets Friends and Neighbours (THFN) are the relief of poverty, hardship and distress, among those residents within the boundaries of the former Borough of Stepney and more generally within Greater London, by the provision of such support (in particular to the elderly, isolated and vulnerable) as the trustees shall from time to time consider appropriate. Our charitable aims are:

- to enhance the quality of life of older people and decrease social isolation.
- to promote wellbeing and increase independence through emotional support and through access to services, benefits, etc.
- to provide relevant and stimulating activities and increase social rehabilitation.

THFN provides a lifeline for vulnerable, isolated, older people, the majority of whom are housebound, and have at least one chronic, medical, and mental health issue. Each client receives free befriending, advocacy and support designed to meet their individual needs, to enable them to overcome the barriers of loneliness, disadvantage, medical, cultural or issues around their own 'confidence'.

Being lonely is very bad for both physical and mental health and wellbeing. Loneliness increases blood pressure and diminishes the ability to refrain from risky behaviour. It can lead to cognitive decline in adults and is associated with depression. Such is the effect of social relationships on the risk of death it can be compared to that of smoking and exceeds the effects of obesity. In Tower Hamlets, a higher proportion of older people live alone, are on a low income, report poor health, and are of non-white ethnicity than in England; Based on national estimates, approximately 10% of the over 65 population are likely to be lonely 'all or most of the time' referred to as 'chronic' loneliness. Yet, rates of chronic loneliness were found to be higher at 16% in deprived inner-city boroughs. Given the characteristics of the Tower Hamlets population, the proportion of older residents who are chronically lonely is likely to reflect the higher rate of 16% but excludes those who are lonely some of the time so in essence is likely to be an underestimate.

We also know that the proactive interventions at a person-centred level that we undertake will help alleviate this.

Through our service, we ensure that our older people in LB Tower Hamlets are not alone, can go out if they can and meet other people but also have access to, and benefit from, health care and support as and when they need it.

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Case study – Mrs P

Mrs P was referred to THFN by her GP Surgery. She had recently been widowed; her husband had dementia and had contracted Covid 19 from which he died. She lived alone, with no close family nearby, making her very lonely and isolated. The lockdown exacerbated her anxiety and made her very emotional.

Mrs P was allocated a THFN befriender who began visiting her. She told her befriender, she had lost all motivation to do anything since the passing of her husband. She had accumulated clutter and still felt guilty that she could not visit her husband whilst he was in hospital.

During initial visits she would cry a lot and was very emotional. As lockdown rules eased her befriender encouraged her to leave the house and took her to the local church. Her befriender introduced her to an Up and Go group in her local area and she started enjoying new experiences which included an event where she got to carve an ice sculpture, attend a tea party where she was able to dress up, and view a “secret garden” behind the church that she has previously been to.

Mrs P was pleased her befriender had similar interests and was able to encourage her to pursue these interests including sewing, gardening, food, and playing games.

Mrs P reports to always looking forward to her visits and calls from her befriender.

“Seeing and speaking to my befriender always puts me in a positive mood, she reassures me when I feel negative, and she really boosts my confidence. She makes me laugh and I really appreciate all that she does”.

The Befriender has helped Mrs P become more resilient as well as more confident in herself. The clutter that was initially an issue is no longer a big challenge. Mrs P is keeping herself busy going for morning walks with others and volunteering.

Mrs P states that “I have learned to have a little more faith in myself, not feeling so overwhelmed all the time. I am looking forward to baking cookies with my befriender, for the neighbours and to introduce myself to them. I look forward to the next new things that we will do”.

Last Year

The past year was as difficult and challenging for THFN as the one previous as raising funds has become more of a challenge, as many other charities have found. Our long-term grant from Henry Smiths Charitable Trust came to an end, and we were fortunate to have been able to build our reserves which we were able to use to see us through. Whilst Covid-19 was still an issue for many of the people we support, anxiety and concern around it began to ease as more clients asked for face-to-face visits and telephone befriending became more of a supplement to face to face visits.

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The highlight of the year were the celebrations that marked our 75th anniversary in supporting older people in Tower Hamlets borough. This was marked by a series of photographic exhibitions taking place at various places around the borough including St Margarets House in Bethnal Green, the Royal Foundation of St Katherine in Limehouse and the Bromley by Bow Centre café in Bow.



Fifteen photographs were chosen spanning our work across 75 years, and clients were escorted to visit one of the exhibitions which concluded with a tea party which everyone enjoyed.



Our clients enjoy reminiscing, and many recall the late Queen's Coronation. We were pleased to be able to support our clients in enjoying the celebrations in any way they were able.

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Most of the people we support describe themselves as *housebound*, unable to leave the house unescorted or without help. We continued to support people to occupy themselves with puzzles and word searches which we would send out and help people fill in. Our services are geared towards what our clients want, and our befrienders are always more than happy to play a game of cards or dominoes as the client wants.

A visit to a local park or open space with other clients is always popular, as it allows people to leave the house and meet new people.

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Case study –Mr W

Mr W was referred to THFN by Tower Hamlets Connect in April 2022 due to feeling lonely and isolated. He was unable to read and write therefore struggled to deal with correspondence and became very depressed, particularly when he receives letters.

A THFN befriender arranged an assessment during which other issues were identified. He confirmed he was anxious about going out and thus spent most of his time indoors, alone, which made him even more lonely.

He was allocated a Befriender who visited him regularly with supplementary telephone calls and began supporting him in dealing with all the letters that he had not replied to. His Befriender accompanied him out to events in the community to help him regain confidence and uplift his mood.

Mr W reports that the letters he receives no longer cause him the stress and anxiety they used to. Following THFN involvement, Mr W is confident going out on his own and now visits a day centre on a weekly basis as well as contacting other specialist agencies for the support he needs.

"I used to get stressed over little things before, but my Befriender uplifted my confidence. I know that I am only a phone call away to get help therefore I do not get stressed."

Who did we support last year?

Designing services that meet the complex needs of older patients, and that reflect and support the many communities we serve is challenging. But, trying to navigate through the services as an older person, with no one to turn to, is very difficult. For the clients we see who lack family and friends, the loss of community cohesion, and a 'disconnect' between health and social care, leaves them more at

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risk of physical and emotional ill-health, as they age. The best solution to this is one-to-one support from befrienders and advocates who champion their needs, who do not give up until they get treatment, housing, a medical appointment, or whatever these vulnerable, unwell people, so desperately need.

Our client base comprises lonely and socially isolated older people with complex physical and mental health problems and severely limited mobility. The pandemic led to an increase in their anxiety and the uncertainty of what was happening and how safe things were for them remains today.

The average age of our clients is 79, with 75% aged over 70 and 90% aged over 60. Over 70% describe themselves as being housebound and the numbers referred to us with a multitude of problems remain high (over 95%). The number of clients referred to us with depression remains high (96%), as is the number of people referred to us with an existing diagnosis of dementia (30%), which does not include those that have developed dementia since we have begun supporting them or those with undiagnosed dementia or memory issues. THFN are committed to continue to support people with dementia and THFN staff are trained as Dementia Friends.

The increasing number of clients with dementia does not paint a clear picture, as many more people have memory issues which could also be dementia but undiagnosed. This would support information from local statutory bodies which indicates that there is major under-diagnosis of dementia in the borough.

- Largest group supported between 80-90-year-olds
- Mean age being 79 years
- Oldest client 100
- 40% are male, 60% are female

Case Study Ms A

Ms A

Ms A lives with her son and daughter-in-law and has other family members visiting but is alone all day and feeling lonely, was referred to us by her social worker in May 2022. She was bed bound and had carers visiting her during the day and had been seen by the memory clinic due to concerns that her memory was deteriorating.

A THFN befriender was allocated to Ms A but she was uncommunicative during the first few visits. The befriender persevered and slowly started making progress. The carer and the daughter in law informed the befriender that Ms A would not talk or would not move her hands. However, Ms A started to slowly recognise the befriender and responded when she would make conversation. The befriender told Ms A that they would do simple movements and wanted Ms A to try and copy. The befriender managed to get her to do a "high five" telling her that she could show her grandchildren that she had learned something new. This made Ms A happy, and she smiled. She was also able to lift her arms slowly and move her hands, including squeezing the befriender's hand quite tight. On visits Ms A now likes to hold the befriender's hand and show her that she has strength in her hand and squeeze tight.

The carers and daughter-in-law were very surprised to have seen her do this and to be able to talk about her children and say how many grandchildren she had.

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The daughter in law reports that she “seems to always respond well to her befriender and this is always nice to see. She tries to stay alert when the befriender is here and will respond to the requests to make gentle movements; something that they had not seen or believed was possible”.

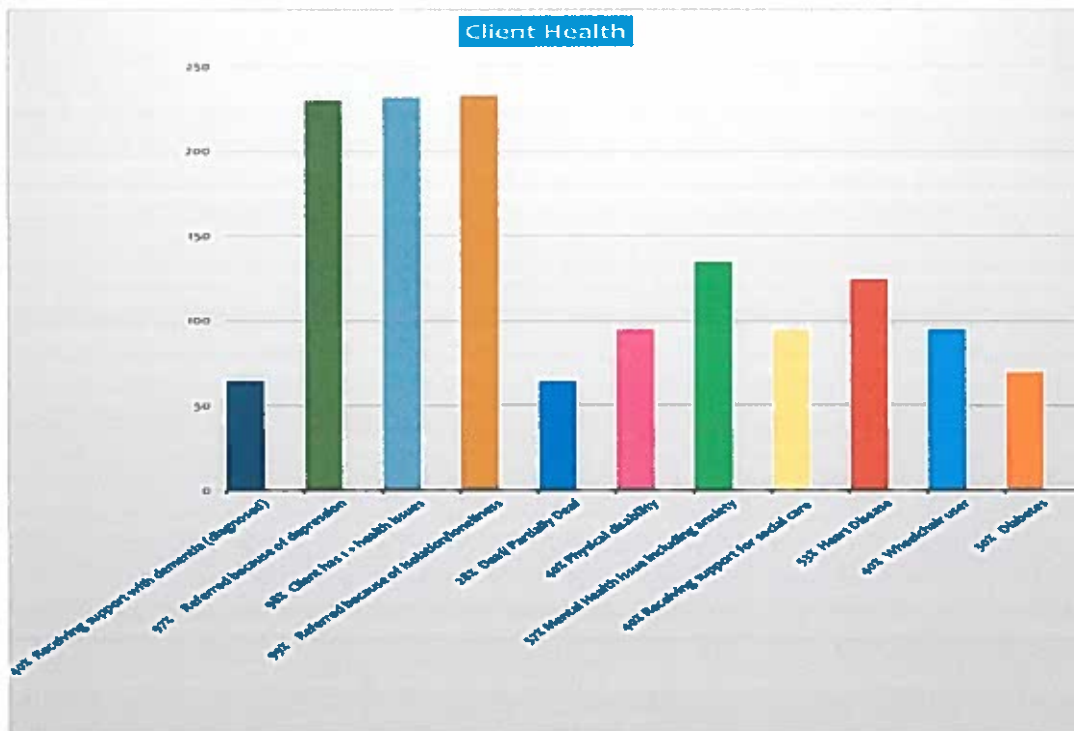
Ms A has now been diagnosed with dementia but has made huge improvements. The daughter in law reports that her doctors have now asked the family to make noise and try to stimulate Ms A further even at feeding times, such as banging the spoon on the plate. The family agreed that they had seen positive change in Ms A since visits from her THFN befriender.

Medical Issues

THFN provides services throughout the entire borough. Last year we supported 240 clients in the period from 1 April 2022, to 31 March 2023.

The data below is consistent with previous years and the increase in referrals with depression is not surprising, given the anxiety experienced by clients over the past two years with the lockdown. The number of people referred to us with dementia, and those experiencing memory loss/undiagnosed dementia is at its highest.

It is estimated that there are now 1,200 diagnosed people living with dementia in the borough. Dementia prevalence, as a proportion of 65-year-olds in Tower Hamlets, is the second highest in London at 5.25% and is significantly higher than the London prevalence of 4.49% so it isn't too surprising that we have seen increases year on year. The Council has made a commitment to make Tower Hamlets a Dementia Friendly Community and we have underlined our commitment by ensuring we are able to support people as best we can.

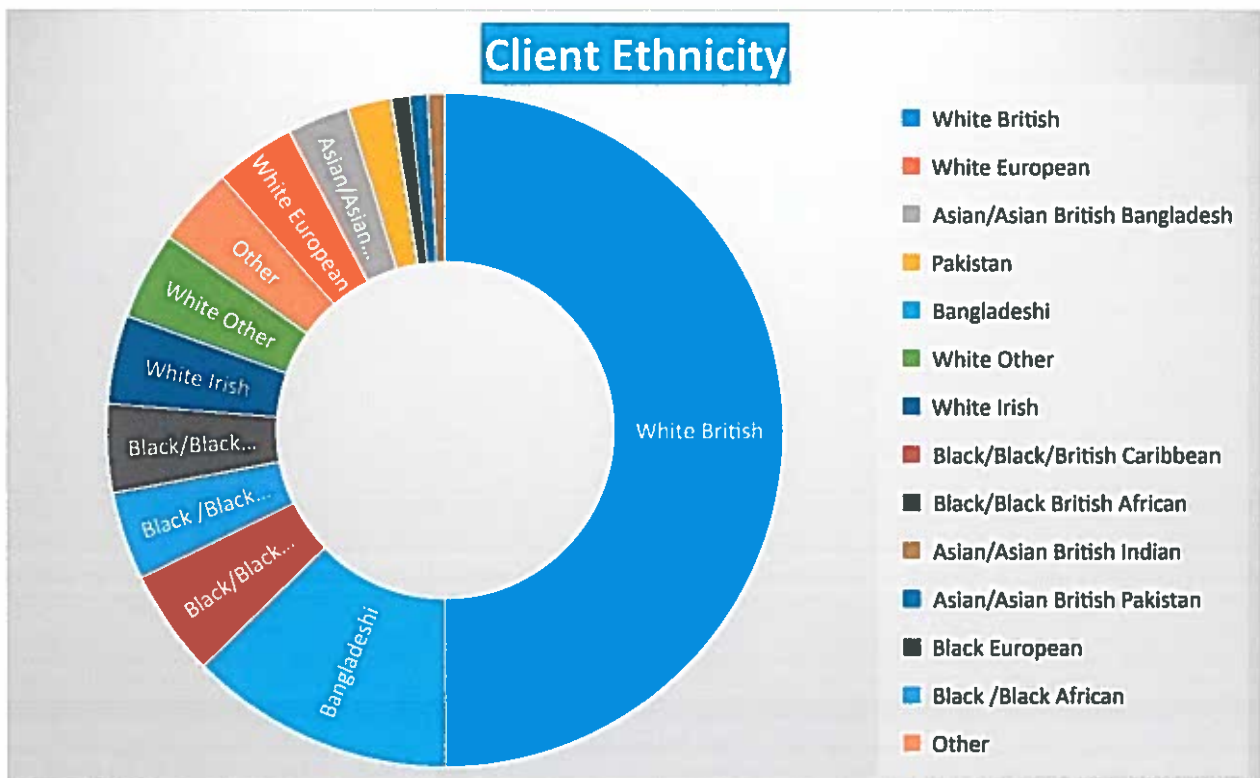


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The coronavirus pandemic has significantly increased the number of people experiencing isolation due to household lockdowns and social distancing. The local authority recognises loneliness and social isolation are serious problems in the borough and are harmful to health. They can lead to poorer physical and mental health and increase chances of developing dementia, depression and early death. The council recognises that older people can be at high risk of feeling lonely and isolated because of reduced mobility, bereavement or not having family close by.

In March 2022 the council launched the Tower Hamlets Connection Network to support local organisations to work together to share ideas, information, and skills to deliver a stronger local response to loneliness and isolation, affecting our most vulnerable people. A loneliness task force to identify how the needs of people who experience loneliness can be better met has been set up, and THFN will continue to play a part in this.

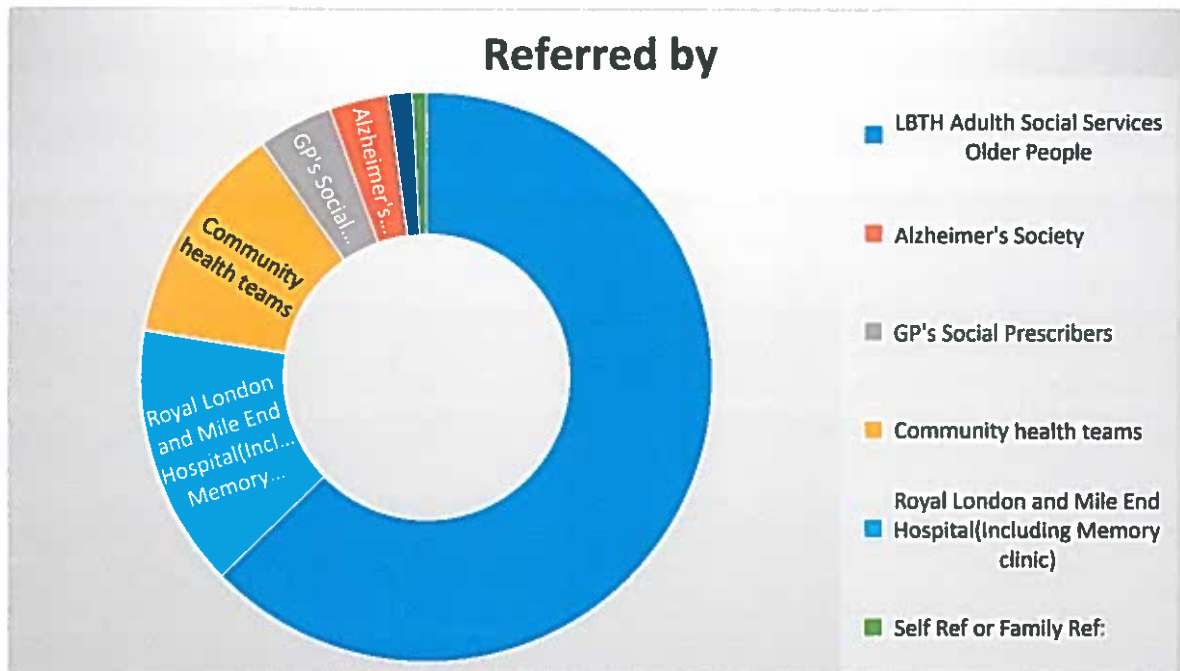
Increasingly, our clients are at the sharp end with a myriad of emotional and health issues, facing language and cultural barriers, and with no one else to turn to. 95% of people are referred to us with one or more complex health issues and the majority have carers supporting them at home.



There was a small increase in the number of male clients we supported last year, up from 35% in the previous year to 40%. In terms of ethnicity, our largest group is again people who describe themselves as White UK (50%). The second largest group is Bangladeshi/British Bangladeshi/Asian (22%).

The source of our referrals varies very little from year to year. As ever, our largest referrer continues to be the local authority with 63% with a further 31% from those working in the health sector (GPs, hospital-based health teams, social prescribers).

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What have we achieved this year?

Client Reviews are undertaken with clients every year to understand how the service affects and supports the client and to assess what changes need to be made. A satisfaction survey is also undertaken with clients, the results of which can be seen below. These are based on replies from 131 people:

- All clients were satisfied with the service they received from their Befriender.
- 99% said they felt less isolated as a result of their interactions with their THFN Befriender.
- All clients said having someone from THFN made them feel less anxious.
- All clients said the THFN services made a positive difference to them, their health and their well-being.
- 99% of clients said they would recommend THFN to other older people.

Client quotes

- *Having regular visits is valuable and essential to me due to my health issues. I am completely housebound.*
- *Very pleased with the service and glad my befriender visits regularly to take me for a walk.*
- *I have always been independent but when I had my operation, it was very hard as I could not venture out, and I appreciate the visit and I go out every now and again.*
- *I feel I do not have enough company, people I can talk to, and winter is the worst as it is dark and cold. I look forward for my befriender to come for a chat.*
- *I have always enjoyed being visited every week. Someone to express my feeling and talk to.*

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What we will do in 2023/24

As lockdown becomes a distant memory, we will do more face-to-face visits and group outings but continue to offer telephone befriending for those clients with a preference.

Whilst shielding restrictions have eased, our approach to using PPE will be client led. Some clients still prefer befrienders to use a mask, however, more and more prefer no mask at all. THFN befrienders will ask clients their preference and respond accordingly. In terms of service provision, we will:

- Continue to provide telephone befriending to those that want it.
- Continue to use full PPE, should the client require this.
- Maintain the current number of volunteers.
- Organising group activities outdoors, such as picnics and get togethers.

Fundraising – As ever, our main priority for next year will be fundraising; the funding environment has become increasingly challenging, so it will become a priority for this year.

Volunteers – To offer support to all our volunteers. With the support of our staff and current volunteers we will continue to seek new volunteers.

Co-production of services – Another key goal next year will be to continue to adapt our service delivery to meet the needs of our clients.

Dementia – We will continue to support LB Tower Hamlets in their target to make the borough a more dementia friendly place. Over the past 5 years we have seen a steady increase in referrals for people living with dementia, and this will be an extremely important part of our work. We will continue to work with the Dementia Café and Singing for the Brain and promote these events to family members of people living with dementia.

Telephone befriending (tele befriending) - Our use of volunteers will continue. Tele befriending proved to be very popular and this service will continue.

Advocacy – Advocacy represents an important aspect of our work. We have found through our experience, that our clients find it very difficult to navigate their way around health and social services, and in an age where there is an increased reliance on the internet, advocacy becomes an ever-increasing aspect of our work.

Staff – We will continue to support our hardworking staff and ensure they have the training and support to meet the changing environment. Without the hard work of our team, we would not have been able to achieve so much.

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DIRECTORS' AND TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2023

Financial Review

We found the fundraising environment to be very challenging in the year to 31 March 2023 as a number of our multi-year grants came to a close and were difficult to replace. Our income for the year was £128,238, compared to £229,811 in the previous year and our cost were broadly in line with the previous year - £207,308 for the year to 31 March 2023 and £202,359 for the previous year. This resulted in a deficit for the year of £79,070 and a reduction in our reserves to £102,200 from £181,272.

We closed the year with a bank balance of £162,567 (£198,741 in 2022) and deferred funding of £47,824 to help meet costs in this current financial year.

The economic challenges we met in the year to 31 March 2023 have continued into this new financial year and it has been necessary to take measure to reduce our cost base. The trustees decided that we would do all that we could to maintain the level of service to our clients, especially those who are vulnerable and isolated, whilst concentrating on approaching as many organisations as possible for renewed funding.

To reduce our costs we did not replace the vacant post of Operations Manager from October 2022 and more recently have reduced the CEO post to 3 days per week and reduced our office accommodation.

We cannot thank our staff enough for the commitment they have given to us during this difficult time. The trustees have recently appointed an interim CEO, with particular emphasis of funding and management of our available resources.

We have recently secured renewed funding of £25,000 per annum for 3 years from London Borough of Tower Hamlets – Mayor's Fund and have applications with a number of organisations and trusts requesting annual support in excess £90,000, starting in January 2024.

Reserves Policy

The Board of Trustees has examined the organisation's requirements for reserves in the light of the main risks to the organisation. Alongside the funding issues identified above, it has borne in mind the support needs of our client group who are particularly vulnerable, and the time needed to find and arrange alternative ways to address these needs in the event of the cessation of activities. It has therefore established a policy whereby unrestricted funds not committed or invested in tangible fixed assets held by the charity should be six months of expenditure. This also acknowledges the financial risks and contractual obligations associated with the employment of staff and contractual requirements relating to premises. The policy is reviewed annually.

At 31 March 2023 the charity had reserves of £102,202, and the budget for the year to 31 March 2024 (before recent cost savings) was £193,000, representing over 6 months of cost.

At 31 October 2023, the charity's forecast expenditure after all cost reductions, is now forecast to be around £180,00 for the year to 31 March 2024. The target reserves figure based on our reduced level of expenditure would be £80,000. At 31 October 2023 the reserves were £80,717.

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Going concern

After making appropriate enquiries, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. For this reason, the trustees continue to adopt the going concern basis in preparing the financial statements.

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Structure, governance and management

Governing Document

The organisation is a charitable company limited by guarantee and is also a registered charity. The company was established by a Memorandum of Association which established the objects and powers of the charitable company and is governed by its Articles of Association. In the event of the company being wound up members are required to contribute an amount not exceeding £1.

Recruitment and Appointment of Board of Trustees

The directors of the company are also charity trustees for the purposes of charity law and under the company's Articles are known as the Board of Trustees. At each Annual General Meeting one third of the members of the Board of Trustees both elected and co-opted shall retire but all are eligible for re-election. Those longest in office since co-option or election shall retire first. In the case of an equal period of service in default of agreement those to be retired shall be selected by lot. At an Annual General Meeting the Board of Trustees may elect two of its members as Chair and as Treasurer, each to serve for an initial period of three years. At the Annual General Meeting marking the end of his/her first three years in office the Chair and/or the Treasurer shall retire from office but each is eligible for re-election for a further three- year period. A Chair or Treasurer shall normally retire from office after a six- year period in office.

The Board of Trustees seeks to ensure that the charity's client group and the ethnic diversity of Tower Hamlets are appropriately reflected on the Board. It also tries to ensure a good mix of skills from the business, social and health care and voluntary sectors. The Board regularly carries out a skills audit and has an ongoing policy of identifying suitable potential Board members who can be approached to offer themselves for election to the Board as and when required. During the year to 31 March 2023, five of our trustees stood down and we were fortunate in being able to appoint four new trustees, to bring experience and skills which address needs on our Board.

New trustees receive a trustee handbook and would normally attend an induction day which includes visiting clients with a Befriender as well as meetings with the Chair and Chief Executive.

Organisational Structure

The organisation has a Board of Trustees of not less than five and not more than twelve persons (currently 9), elected by the members of the Company at the Annual General Meeting, and not more than three additional co-opted members. The Company Secretary, who is also the Chief Executive of the organisation, attends Board meetings but has no voting rights. The Board of Trustees has overall responsibility for the strategic direction, policy and human and financial resources of the organisation. It meets at least four times a year. Day to day operational management of the organisation is delegated by the Board of Trustees to the Chief Executive, who is responsible for ensuring that the organisation delivers the services specified through its team of staff.

Risk Management

The Board of Trustees has reviewed the major risks to which the organisation is exposed and developed a risk matrix which is reviewed regularly at Board meeting. Internal and external risks have been identified and action taken to mitigate these to best ensure that the charity is able to carry out its purposes as securely and efficiently as possible. All procedures are reviewed on an ongoing basis to safeguard the charity's assets, to ensure the health and safety of staff, volunteers, clients and visitors in the offices and in clients' homes, and in relation to data protection and confidentiality.

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Fundraising policy

We have not made any appeals or solicited funding from the general public in the year. We do not use any professional fund-raisers to carry out any activities on our behalf. Through our website we have an ongoing request for funds, and have provided a link via Local Giving, for individuals to support us but funds from this source are very limited. We are aware of the Fundraising Regulator's Code of Fundraising Practice and will not put undue pressure or unreasonably intrude on anyone to make a gift. Any appeals we make in the future for donors will be developed with respect to our current and potential donors as well as for the people we are here to support. We have not received any fundraising complaints from our donors.

Public Benefit

The trustees have given due consideration to the Charity Commission's published guidance on the Public Benefit requirements under the Charities Act 2011.

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DIRECTORS' AND TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2023

Trustees' responsibilities in relation to the financial statements

The charity trustees (who are also directors of Tower Hamlets Friends and Neighbours for the purposes of company law) are responsible for preparing a trustees' annual report and financial statements in accordance with the applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the board of trustees to prepare financial statements for each 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, including the income and expenditure for that period. In preparing the financial statements, the trustees are required to:

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

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and to enable it to ensure the financial statements comply with the Companies Act 2006. They 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 Board of Trustees of Tower Hamlets Friends and Neighbours and signed on its behalf by:


.....

Anne Worlledge

(Director and Trustee)

7 November 2023

TOWER HAMLETS FRIENDS AND NEIGHBOURS
(a company limited by guarantee)

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES

I report on the accounts of the company for the year ended 31 March 2023, which are set out on pages 23 to 31.

Respective responsibilities of trustees and examiner

The trustees (who are also the directors of the company for the purposes of company law) 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.

Having satisfied myself that the charity is not subject to audit under company law and is eligible for independent examination, 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 statement below.

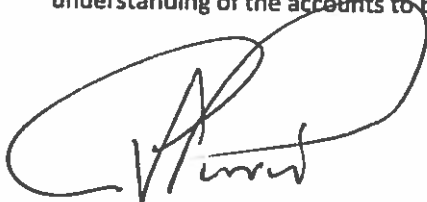
Independent examiner's statement

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 386 of the Companies Act 2006; and
- to prepare accounts which accord with the accounting records, and comply with the accounting requirements of section 396 of the Companies Act 2006 and with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charities

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.



Gavin Purvis (FCCA), Chartered Certified Accountant

7th November 2023

Purvis Stevens LLP, Hayles Bridge Offices, 228 Mulgrave Road, Cheam, Surrey SM2 6JT

TOWER HAMLETS FRIENDS AND NEIGHBOURS
(a company limited by guarantee)

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 MARCH 2023

	Note	Unrestricted Funds £	Restricted Funds £	Total 2023 £	Total 2022 £
Income:					
Donations	2	8,260	69,480	77,740	178,487
Income from charitable activities	3	-	50,000	50,000	51,300
Investment income	4	498	-	498	24
Total income		<u>8,758</u>	<u>119,480</u>	<u>128,238</u>	<u>229,811</u>
Expenditure:					
Costs of raising funds	5	8,687	17,151	25,838	27,453
Expenditure on charitable activities:					
Befriending services	5	79,142	102,329	181,471	174,907
Total expenditure		<u>87,828</u>	<u>119,480</u>	<u>207,308</u>	<u>202,359</u>
Net income(Expenditure) and net movement in funds for the year.	14/15	(79,070)	0	(79,070)	27,452
Reconciliation of funds					
Total funds brought forward		<u>181,272</u>	-	<u>181,272</u>	<u>153,820</u>
Total funds carried forward		<u>102,202</u>	<u>0</u>	<u>102,202</u>	<u>181,272</u>

Statement of Financial Activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.3

Continuing Operations

None of the company's activities were acquired or discontinued during the above two financial periods.

The notes on pages 25-30 form part of these financial statements.

TOWER HAMLETS FRIENDS AND NEIGHBOURS
(a company limited by guarantee)

BALANCE SHEET AS AT 31 MARCH 2023

	Note	2023 £	2022 £
Fixed Assets			
Tangible fixed assets	10	-	-
Total Fixed Assets		<u>-</u>	<u>-</u>
Current assets			
Debtors	11	1,216	2,432.00
Cash at bank and in hand	12	161,351	196,309
Total current assets		<u>162,567</u>	<u>198,741</u>
Liabilities			
Creditors due within one year	13	(60,365)	(17,469)
Net current assets		<u>102,202</u>	<u>181,272</u>
Total assets, less current liabilities		102,202	181,272
Net assets		<u>102,202</u>	<u>181,272</u>
The funds of the charity			
Unrestricted income funds	14	102,202	181,272
Restricted income funds	15	-	-
Total funds		<u>102,202</u>	<u>181,272</u>

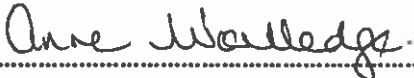
The notes on pages 25-31 form part of these financial statements.

For the year ending 31 March 2023 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- *the members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476,*
- *the directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts,*
- *these accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.*

Approved by the Directors on 7 November 2023


.....

Anne Worlledge - Director and Trustee

TOWER HAMLETS FRIENDS AND NEIGHBOURS
(a company limited by guarantee)

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 MARCH 2023

1. Accounting policies

The principal accounting policies adopted are summarised below. The accounting policies have been applied consistently throughout the year and in the preceding year.

a. Basis of accounting

The financial statements have been prepared under the historical cost convention. The financial statements have been prepared in accordance with Accounting and Reporting by Charities Statement of Recommended Practice and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland, and the Companies Act 2006.

Tower Hamlets Friends and Neighbours meets the definition of a public benefit entity under FRS 102. Assets and liabilities are recognised at historical cost, or transaction value, unless otherwise stated in the relevant accounting policy notes.

b. Fund accounting

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

Restricted funds are subject to the restriction on their expenditure imposed by the donor or through the terms of an appeal.

c. Income

All incoming resources are recognised when the charity has entitlement to the funds, any performance conditions attached have been met, it is probable that the income will be received and the amount can be measured reliably.

d. Donated services and facilities

Donated services and facilities are included at the value to the charity when the charity has control over the item, any conditions associated with the donated item have been met, the economic benefit to the charity is probable and the economic benefit can be reliably measured.

On receipt, donated professional services and facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain the services or facilities in the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

In accordance with the Charities SORP FRS 102, the general volunteer time provided by volunteers has not been recognised and refer to the trustees' annual report for more information about their contribution.

TOWER HAMLETS FRIENDS AND NEIGHBOURS
(a company limited by guarantee)

e. Interest receivable

Investment income is included when receivable and the amount can be reliably measured by the charity; this is normally upon notification by the bank.

f. Expenditure

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

- Costs of raising funds comprise those costs incurred in seeking voluntary income, including staff time.
- Expenditure on charitable activities 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.
- Other expenditure represents those items not falling into any other heading.

All expenditure is inclusive of irrecoverable VAT.

g. Allocation of support costs

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs are allocated between the expenditure categories on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly; while others are apportioned on an appropriate basis e.g. estimated staff time or usage as set out in Note 5.

h. Tangible Fixed assets

Fixed assets are stated at cost less accumulated depreciation. Depreciation is provided at the rate calculated to write off the cost of each asset over its useful economic life. The fixed assets are mainly computer equipment, and these assets are depreciated over three years on a straight-line basis. Equipment, including computers and software, costing less than £500 per individual item are not capitalised and are charged to expenditure in the year of purchase.

No assets were held by THFN as a custodian.

i. Debtors

Debtors are recognised at the settlement amount. Prepayments are valued at the amount prepaid.

j. Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in a transfer of funds to a third party and the amount due can be measured or estimated reliably.

k. Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

TOWER HAMLETS FRIENDS AND NEIGHBOURS
(a company limited by guarantee)

2 Donations and legacies

All of the charity's voluntary income was received in the form of grants and donations. While the charity receives a small portion of this income in the form of unsolicited donations, it generates much the greater part by application to charitable trusts and statutory bodies.

3 Income from charitable activities

The charity was in receipt of income from certain performance related grants ancillary to the delivery of its charitable activities. Income from charitable activities comprises a grant from the London Borough of Tower Hamlets (2023: £50,000; 2022: £50,000).

4 Investment income

	Unrestricted	Restricted	2023	2022
	£	£	£	£
Income from investments	-	-	-	-
Bank interest	498	-	498	24
	<u>498</u>	<u>-</u>	<u>498</u>	<u>24</u>

TOWER HAMLETS FRIENDS AND NEIGHBOURS
(a company limited by guarantee)

5 Total resources expended:

	Befriending Services			
	Unrestricted	Restricted	2023	2022
	£	£	£	£
<i>Cost of raising funds</i>				
Staff costs	8,033	17,151	25,184	27,357
Sundry costs	654	-	654	96
	8,687	17,151	25,838	27,453
<i>Cost of charitable activities</i>				
Staff costs	39,491	84,320	123,811	125,676
Transport and travel	1,695	-	1,695	830
Outings with clients	4,609	-	4,609	-
Telephone	3,404	-	3,404	3,093
Postage and stationery	543	-	543	1,639
Recruitment costs	658	-	658	365
Marketing	-	-	-	-
Training	680	-	680	258
<i>Support costs allocated to charitable activities</i>				
<i>General support:</i>				
Staff costs	8,434	18,009	26,443	25,992
Premises	10,362	-	10,362	8,628
Insurance	639	-	639	568
Sundry expenses	604	-	604	1,490
Computer support	3,963	-	3,963	3,025
IT and systems upgrade	-	-	-	443
Payroll costs	2,049	-	2,049	1,567
<i>Governance cost:</i>				
Independent examiners fee	1,500	-	1,500	1,333
Other governance costs	511	-	511	-
	79,142	102,329	181,471	174,907
Total expenditure	87,828	119,480	207,308	202,359

6 Net income for the year

	2023	2022
	£	£
This is stated after charging:		
Independent Examiner's fee	1,500	1,333

TOWER HAMLETS FRIENDS AND NEIGHBOURS
(a company limited by guarantee)

7 Analysis of staff costs, trustee remuneration and cost of key personnel

	2023	2022
	£	£
Salaries and wages	126,842	126,997
National Insurance contributions	37,487	41,583
Pension costs	11,108	10,445
	<u>175,437</u>	<u>179,024</u>

One employee received employee benefits (excluding employer pension contributions) of more than £60,000 (2022: nil).

The trustees were not paid, or received, any benefits from employment with the charity or reimbursed for expenses during the year (2022: nil).

The employee benefits of the key management personnel of the charity were £88,110 (2022: £93,755).

The average number employees (and full-time equivalent), analysed by function was:

	<u>2023</u>		<u>2022</u>	
	Average	Full time Equivalent	Average	Full time Equivalent
Management	1.5	1	2	1.8
Service delivery	5.0	3.7	4.1	4.9

8 Taxation

As a charity, Tower Hamlets Friends and Neighbours is exempt from tax on income and gains falling within Section 505 of the Taxes Act 1988 or Section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects. No tax charge has arisen within the charity.

9 Related party transactions

Tower Hamlets Friends and Neighbours rents its office premises from St. Margaret's House- a charity which provides office accommodation to local community organisations and charities. Anthony Hardie (a trustee of THFN) is a Director and Chief Executive of St Margaret's House. Our accommodation payments for the year to 31 March 2023 were £10,362 (2022: £8,628).

TOWER HAMLETS FRIENDS AND NEIGHBOURS
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10 Tangible fixed assets

	2023	2022
	£	£
Fixtures and office equipment		
Cost at 1 April 2022	925	925
Additions	-	-
Cost at 31 March 2023	<u>925</u>	<u>925</u>
Depreciation		
As at 1 April 2022	925	925
Charge for the year	-	-
As at 31 March 2023	<u>925</u>	<u>925</u>
Net book value:		
At 31 March 2022		Nil
At 31 March 2023	<u>Nil</u>	

11 Debtors

	2023	2022
	£	£
Other debtors	-	-
Prepayments	1,216	2,432
	<u>1,216</u>	<u>2,432</u>

12 Cash and cash equivalents

	2023	2022
	£	£
Cash in hand	161,351	196,309
	<u>161,351</u>	<u>196,309</u>

13 Creditors: amounts falling due within one year

	2023	2022
	£	£
Deferred income	47,824	7,500
Taxation and social security costs	3,331	3,538
Holiday pay	6,594	4,061
Accruals	2,615	2,370
	<u>60,365</u>	<u>17,469</u>

TOWER HAMLETS FRIENDS AND NEIGHBOURS
(a company limited by guarantee)

Deferred income represents grants attributable to the following accounting period.

	2023	2022
	£	£
Balance at 1 April	7,500	51,986
Amount released to income	(7,500)	(51,986)
Amount deferred in the year	<u>47,824</u>	<u>7,500</u>
Balance at 31 March	<u>47,824</u>	<u>7,500</u>

14 Movement in unrestricted funds

	<u>General Fund</u>	
	2023	2022
	£	£
Balance at 1 April 2022	181,272	153,820
Incoming resources	8,758	42,195
Resources expended	<u>(87,828)</u>	<u>(14,743)</u>
Funds at 31 March 2023	<u>102,202</u>	<u>181,272</u>

15 Movement in restricted income

Movement in Restricted Income	1 April 2022	Income	Expended	Unrestricted	31 March 2023
	£	£	£	£	£
Field Family Charity	2,500	-	(2,500)	-	-
Garfield Weston	2,500	-	(2,500)	-	-
EECF	2,500	-	(2,500)	-	-
Clarion	-	5,000	-	-	5,000
City Bridge Trust	-	39,340	(36,980)	-	2,360
City Bridge Trust (one-off)	-	3,814	-	-	3,814
LBTH	-	50,000	(50,000)	-	-
Henry Smith	-	25,000	(25,000)	-	-
Charles Hayward	-	4,000	-	-	4,000
Charles S French	-	5,000	-	-	5,000
Drapers	-	10,000	-	-	10,000
Robert McAlpin	-	10,000	-	-	10,000
Coopers Charity	-	750	-	-	750
Wakefield and FT	-	3,000	-	-	3,000
WG Edwards	-	1,400	-	-	1,400
Anne Rylands	-	2,500	-	-	2,500
	<u>7,500</u>	<u>159,804</u>	<u>(119,480)</u>	<u>-</u>	<u>47,824</u>

TOWER HAMLETS FRIENDS AND NEIGHBOURS
(a company limited by guarantee)

Funders and supporters

The Trustees and the staff of Tower Hamlets Friends and Neighbours would like to thank all of those charitable foundations and organisations, and people, who make our work possible. Without your support, we would not be able to do the work that we do, to support the elderly and vulnerable residents of Tower Hamlets.

Thank you also to our excellent staff, volunteers and community partners - all working with skill, dedication and passion to improve people's lives - and to our partners in health, social care, and commissioners in our local authority.

Finally, our biggest thank you is to our clients, the reason THFN exists, and who make our jobs fulfilling.

Thank you.

City Bridge Trust
London Borough of Tower Hamlets
The Henry Smith Charity
Drapers Charitable Fund
The Robert McAlpine Foundation
Field Family Charity
Garfield Weston Foundation
East End Community Fund
Clarion Housing
Charles Hayward Foundation
Charles S French Charitable Trust
Worshipful Company of Coopers
Wakefield and Tetley Trust
WG Edwards Charitable Foundation
Anne Rylands Fund/ Sir Jules Thorne Trust