

**REGISTERED COMPANY NUMBER: 03608297 (England and Wales)**  
**REGISTERED CHARITY NUMBER: 1084265**

**Report of the Trustees and**  
**Audited Financial Statements for the Year Ended 31 March 2025**  
**for**  
**The Friendly Trust**

The Friendly Trust

Contents of the Financial Statements  
for the Year Ended 31 March 2025

	Page
Report of the Trustees	1 to 7
Report of the Independent Auditors	8 to 9
Statement of Financial Activities	10
Statement of Financial Position	11
Statement of Cash Flows	12
Notes to the Statement of Cash Flows	13
Notes to the Financial Statements	14 to 21

## The Friendly Trust (Registered number: 03608297)

### Report of the Trustees for the Year Ended 31 March 2025

#### Introduction

##### What we do

At The Friendly Trust, we empower vulnerable individuals to manage their finances with confidence and dignity. We work in close partnership with people who have disabilities or long-term health conditions, as well as their families and carers, to reduce the distress and isolation caused by poverty, debt, and financial abuse.

Many of the people we support face a heightened risk of exploitation and harm. The Financial Conduct Authority's 2020 report Financial Lives: The Experiences of Vulnerable Customers identified four key drivers of vulnerability:

- **Health** - Physical or mental health conditions that impact daily functioning.
- **Life Events** - Significant life changes such as bereavement, job loss, or relationship breakdown.
- **Resilience** - Limited ability to cope with financial or emotional shocks.
- **Capability** - Low financial literacy or confidence, and limited skills in areas such as literacy or digital access.

According to the FCA's 2020 survey, 46% of UK adults-approximately 24.1 million people-exhibit one or more of these vulnerability characteristics. Certain groups, including older adults, renters, the unemployed, and those without formal qualifications, are disproportionately affected.

The individuals we support often experience multiple vulnerabilities simultaneously. Without appropriate intervention, they are at risk of:

- Financial exclusion
- Barriers to accessing essential services.
- Exploitation by others
- Discrimination and stigma
- Scams and fraud
- Over-indebtedness
- Mis-selling of financial products
- Purchasing unsuitable goods or services

We believe that all vulnerable people:

1. Deserve equal value and respect.
2. Have the right to make their own decisions.
3. Should be supported by their families, communities, and services to achieve their goals.
4. Must have a voice in shaping the services they receive.

Through accessible information and personalised, practical support, we help individuals build financial independence and improve their quality of life.

#### Operations and change

This year, we have continued to strengthen our foundations while navigating the ongoing financial pressures affecting many small and medium-sized charities across the third sector.

We made some difficult but necessary financial decisions to stabilise the charity's operations. As a result, we are now operating from a more secure financial footing, with a clear focus on rebuilding our reserves in line with the targets set out in our Reserves Policy. This marks a significant step forward in ensuring the long-term sustainability of our work.

To that end in January, we implemented **CasparGov** by **Plianz** to manage all Service User caseloads. Rolled out in two phases, this system has significantly streamlined our operations by automating processes and eliminating the need to manually update over 500 spreadsheets. This transformative upgrade was made possible thanks to a generous grant from the **Moondance Foundation**. Although we are still in the early stages of adoption, the benefits are already clear: reduced administrative burden and increased capacity to support more vulnerable adults.

We also secured **National Lottery funding** to deliver a **Dementia Awareness Project** across South Wales, further expanding our reach and impact.

In 2025, we successfully renewed our **Cyber Essentials accreditation**, reinforcing our commitment to safeguarding the data of both staff and Service Users.

We were proud to secure a new contract with **Cardiff Council**, increasing our support capacity by 20% to serve 300 Service Users. Additionally, in line with our strategic plan expand our service across a wider geographical footprint - we began a new partnership with **Ceredigion Local Authority** to extend our services to vulnerable adults in that region.

Staff turnover remained low, with changes limited to the Administration team. We also welcomed **eight new Trustees** to our Board in 2025, bringing fresh perspectives and expertise.

**The Friendly Trust (Registered number: 03608297)**

**Report of the Trustees  
for the Year Ended 31 March 2025**

Looking ahead, we are actively reviewing our **Business Development Plan** and **brand strategy**, including plans to review and redesign our Service Catalogue, refresh our **organisational values and mission**, and **redevelop our website**. This work will ensure that our identity and messaging remain aligned with the evolving needs of the people and communities we serve.

We are also in the process of applying to the **Ministry of Justice** to gain **Trust Corporation status**, which will further strengthen our legal and operational capacity to act in the best interests of those we support.

To support our long-term sustainability, we have developed a **new fundraising strategy** designed to build on the success of recent funding applications. This strategy will help us diversify income streams, strengthen donor relationships, and increase our capacity to deliver vital services.

**Objectives and activities**

**Objectives and aims**

**Our Purpose and Strategic Aims**

The Friendly Trust exists to improve the financial wellbeing and independence of vulnerable people. Our work is rooted in compassion, empowerment, and practical support.

**Core Services**

We provide a range of specialist services designed to protect and empower individuals who are at risk of financial harm or exclusion. These include:

- Supporting vulnerable people to manage their money, including dealing with debt.
- Helping individuals claim their full entitlement to social security benefits.
- Assisting older people, carers, and vulnerable individuals in setting up Lasting Powers of Attorney to safeguard their future.
- Advising families on how to plan for the long-term financial security of a vulnerable relative.
- Providing guidance on Wills and Trust funds to benefit vulnerable family members.
- Managing trusts on behalf of vulnerable beneficiaries.
- Acting as Deputy under appointment by the Court of Protection.
- Reducing or eliminating vulnerability to financial abuse.

**How We Work**

Our services are delivered by a team of skilled Trust Officers, supported and supervised by Team Managers, who also manage complex caseloads. This frontline team is backed by our Administration team, which plays a vital role in managing both the charity's finances and the personal finances of our Service Users.

This work is carried out under legal authority granted by the Court of Protection, the Department for Work and Pensions, or through Lasting Powers of Attorney provided by the individuals themselves.

Demand for our services remains high. At the time of writing, 126 individuals are on our waiting list.

**Our Reach and Impact**

In the past year, The Friendly Trust supported 643 Service Users-a 5% increase on the previous year. Since our inception, we have supported over 3,300 individuals, with 91% reporting that their bills are more manageable thanks to our support and guidance.

We are proud to work in partnership with the following local authorities and organisations:

- Cardiff Council
- Monmouthshire Council
- Newport Council
- North Somerset Council
- Rhondda Cynon Taf Council
- Torfaen Council
- Vale of Glamorgan Council
- Cardiff and Vale University Health Board

We are also pleased to have recently begun working with Ceredigion Local Authority, further extending our reach across Wales.

We remain deeply grateful to all our funding partners for their continued trust and support, which enables us to deliver life-changing services to those who need them most.

## The Friendly Trust (Registered number: 03608297)

### Report of the Trustees for the Year Ended 31 March 2025

#### Objectives and activities

##### Public benefit

The Friendly Trust is committed to delivering clear and measurable public benefit through all its activities. In line with the Charity Commission's general guidance on public benefit, our Trustees carefully consider how each planned activity contributes to our charitable aims and objectives.

Our work focuses on supporting vulnerable individuals-including disabled people, those living with long-term illnesses, and their families and unpaid carers-to achieve greater financial independence, security, and peace of mind.

This includes:

- Providing advice and practical support to help people budget and manage their money.
- Assisting with future planning, including making wills and setting up trusts for vulnerable relatives.
- Offering free, unfunded advice to any vulnerable person or unpaid carer who contacts us during our "office duty" hours (weekdays from 10am-12pm and 2pm-4pm), either in person or by phone.

To ensure accountability and transparency, we carry out regular monitoring and feedback exercises for all funded projects. In addition, we conduct an annual satisfaction survey across all services to evaluate impact and identify areas for improvement.

##### Strategic Direction

The Friendly Trust continues to operate in alignment with its current strategic plan. Over the next two years, our key goals are to:

- Maintain a strong focus on delivering public benefit.
- Provide outstanding levels of service to our Service Users.
- Operate within a balanced and sustainable budget.
- Review our Service provision to ensure we provide a range of effective services.
- Uphold high standards of governance and administration.

##### Strategic Priorities

To achieve these goals, we are pursuing the following strategies:

- **Partnership Working:** We will continue to seek and develop collaborative opportunities with other organisations to enhance our reach and impact.
- **Staff Investment:** We are committed to attracting, retaining, and developing a productive, skilled and motivated team of staff and volunteers, with a focus on professional development and recognition.
- **Drive Organisational Efficiency:** We will continuously improve how we work by streamlining processes, embracing technology, and refining our systems. This goal is about doing more with the same-enhancing productivity and impact without placing additional pressure on staff. Our focus is on working smarter, not harder, to ensure we deliver the highest quality service in the most effective and sustainable way.
- **Trustee Development:** We will build and support a diverse and capable Board of Trustees, ensuring strong leadership and oversight.
- **Service User Involvement:** We will actively listen to and involve our Service Users in shaping the services we provide.
- **Free Services:** We will continue to offer free services to those in need and explore opportunities to expand this provision.
- **Sustainable Growth:** We will grow the organisation prudently, ensuring that any expansion aligns with our values and does not compromise service quality or public benefit.
- **Financial Sustainability:** We will maintain open dialogue with funders to ensure we have the resources needed to deliver high-quality services.
- **Fundraising Strategy:** To support our long-term sustainability, we have developed a new fundraising strategy that builds on the success of recent funding applications. This strategy is designed to:
  - **Diversify our income streams**, reducing reliance on any single source of funding.
  - **Strengthen relationships with donors and funding partners**, ensuring continued support for our mission.
  - **Increase our capacity to deliver vital services** to vulnerable individuals and their families.

By taking a strategic and proactive approach to fundraising, we aim to secure the resources needed to grow responsibly, respond to emerging needs, and maintain the high standards of service that our Service Users rely on.

- **Environmental Responsibility:** We are committed to reducing our environmental impact. We have adopted electronic application processes, are reducing reliance on paper (including bank statements through CasparGov), introduced a cycle-to-work scheme, and monitored our waste and recycling practices.

#### Trustees and Governance

Our Board of Trustees meets bi-monthly to provide strategic direction, support staff, and ensure robust oversight of operations and key decisions. Their guidance is essential to the continued success and integrity of The Friendly Trust.

#### Strategic report

##### Financial Review

The Charity's net outgoing resources amounted to £114,752 (2024 net outgoing resources: £73,444), which has decreased the available funds from £423,599 to £308,847. No restricted income received in the year.

**The Friendly Trust (Registered number: 03608297)**

**Report of the Trustees  
for the Year Ended 31 March 2025**

**Strategic report**

**Financial review**

**Investment policy and objectives**

The Friendly Trust is a registered charity which helps vulnerable adults to manage their money.

This investment policy applies to the unrestricted reserves and restricted reserves held by The Friendly Trust. It is not applicable to investments made on behalf of our service users in the role of Appointee, Deputy, Attorney, Executor or Trustee.

The Trustees of The Friendly Trust are governed by the Trustee Act 2000 which sets out the general power of investment. This policy is intended to clarify the responsibilities of the trustees and provide additional working guidance in relation to The Friendly Trust's investments; it is not intended to supersede or contradict the Trustee Act 2000.

**Investment Objectives**

The Friendly Trust seeks to produce the best financial return within an acceptable level of risk. Capital preservation is the highest priority in deciding where to place funds.

**Reserves policy**

The economic climate facing the Third Sector over the past few years has continued to place pressure on funding streams and the Trustees acknowledge the need to retain available reserves to facilitate the continuance of at least the current level of service delivery. The Charity provides a range of services which are unfunded and without sufficient reserves, this assistance would be at risk. The Trustees also recognise that should a closure of operations be required due to any external factors, they would want to do so in such a way that those who rely on The Friendly Trust, both those who work for the Charity and those who receive direct services from it, are not and do not feel abandoned.

The policy of the Charity, which is reviewed at regular intervals, is to aim towards securing sufficient reserves to fund three months' worth of operational costs in order to meet these needs. At the balance sheet date, the level of available unrestricted funds amounted to £308,847 (2024: £423,599 as restated).

**The Friendly Trust (Registered number: 03608297)**

**Report of the Trustees  
for the Year Ended 31 March 2025**

**Strategic report**

**Risk**

The unrestricted cash reserves of The Friendly Trust are broadly in line with the minimum deemed necessary to provide working capital for our operations and to deal with any reasonable risks that materialise and may result in an unexpected increase in expenditure or a reduction in income. Capital volatility beyond the Trustee's risk appetite must be avoided and unrestricted reserves should be invested with a cautious approach to risk.

Restricted cash reserves, when held, are required to fund specific projects and liabilities. Capital volatility should be avoided, and funds should be invested with a conservative approach to risk.

The Charity's funds should be held in cash or near cash investments denominated in sterling. The exception to this would be in circumstances if foreign assets or assets not held in cash were bequeathed to the charity. In such circumstances The Friendly Trust would take professional advice as soon as possible.

The Friendly Trust will usually make use of banks and building societies covered by the UK'S Financial Services Compensation Scheme. The institution should also be incorporated in the UK. The sum of money placed in such institutions (or related group) should not normally exceed the maximum limit for compensation under the Scheme (currently £85,000). The Friendly Trust will seek professional financial advice before investing in any institution not covered in paragraph above. The institution/investment must be regulated by the Financial Services Authority (FSA) or Prudential Regulation Authority (PRA).

Any investment opportunity which could not be described as being placed with a "bank or building society" (as outlined in paragraph above) must be discussed, agreed and noted at a management committee meeting to which all the trustees have been invited.

**Liquidity Requirements**

Approximately £100,000 of available reserves constitutes a working balance and should be held where it can be immediately accessed. The balance of funds may be invested for a period up to 3 years however, any investment for a period exceeding 365 days requires the approval of the Board of Trustees.

**Management, Reporting and Monitoring**

Day to day decisions on placing and withdrawing deposits are to be made by the Director.

The Director will monitor the cash position and performance and report this to the Board at least annually.

Any of the trustees may request information from the Director at any time regarding cash balances, The Friendly Trust's investments or other budgetary information. The Director will normally respond to such information requests within 7 days.

**Approval and Review**

This Investment Policy Statement was prepared to provide a framework for the investment of The Friendly Trust's funds. It will be reviewed on an annual basis, or more frequently if requested by any of the trustees.

It will also be immediately reviewed should cash reserves exceed £500,000.

**Structure, governance and management**

**Structure, Governance and Management Governing Document**

The Charity is a company, limited by guarantee, registration number 03608297. It is registered with the Charity Commission number 1084265. The charity changed its memorandum and articles in November 2013 to allow itself to become a Trust Corporation.

**Organisational structure**

The Friendly Trust is governed by a Board of Trustee Directors, all of whom act in a voluntary unpaid capacity, and meet at least every other month to direct the work of The Friendly Trust.

**Financial controls**

Financial probity is attained by internal monitoring systems and by external audit. Cash handling is recognised as the area most vulnerable to error and fraud and so the systematic checking and monitoring is particularly scrupulous in this area.

**The Friendly Trust (Registered number: 03608297)**

**Report of the Trustees  
for the Year Ended 31 March 2025**

**Structure, governance and management**

**Appointment, induction and training of new trustees**

Strengthening governance remains a key priority for The Friendly Trust. Over the past 18 months, we have experienced several trustee resignations, prompting a focused effort to recruit new members to our Board.

In 2025, we successfully appointed eight new Trustees, bringing fresh perspectives, skills, and energy to the organisation. This significant expansion of the Board enhances our capacity to provide strong governance and strategic oversight as we plan for the future.

New Trustees are recruited through a combination of advertising on volunteer recruitment platforms and personal recommendations. Once appointed, they receive a comprehensive induction, including:

- A copy of the charity's governing documents.
- Introductions to fellow Trustees and staff members.
- Opportunities to observe and participate in Board meetings.
- Access to formal training on their legal responsibilities and the role of a Trustee, delivered periodically.

This structured approach ensures that all Trustees are well-equipped to contribute effectively to the governance and strategic direction of The Friendly Trust.

**Reference and administrative details**

**Registered Company number**

03608297 (England and Wales)

**Registered Charity number**

1084265

**Registered office**

Canton House  
435-451 Cowbridge Road East  
Canton  
Cardiff  
CF5 1JH

**Trustees**

Philip Joseph Boshier (Chair)  
Norbert Flynn (resigned 21.10.24)  
Janet Claire Burke (resigned 10.9.24)  
David Keith Riman (resigned 31.8.24)  
Matthew John Wedlake  
Susan Lesley Roberts (resigned 13.3.25)  
Jason Tucker (resigned 3.2.25)  
Elinor Kerr- Smith (resigned 14.5.24)  
Owain Phillips  
Sarah Burke (resigned 15.5.25)  
Zoe Victoria Hilton (appointed 14.1.25)  
Rupert Philip Cecil Boston (appointed 14.1.25)  
Fiona Mary Hughes (appointed 14.1.25)  
Jaime Falarczyk (appointed 14.1.25)  
Clio Galatea Khan (appointed 13.3.25)  
Judith Anne Konkol (appointed 10.7.25)  
Dafydd Emyr Hobbs (appointed 10.7.25)  
Lawrence Adegoriola Gomez (appointed 10.7.25)

**Auditors**

Menzies LLP, Statutory Auditors  
5th Floor Hodge House  
114-116 St Mary Street  
Cardiff  
CF10 1DY



**The Friendly Trust (Registered number: 03608297)**

**Report of the Trustees  
for the Year Ended 31 March 2025**

**Reference and administrative details**

**Bankers**

The Co-operative Bank plc  
PO Box 101  
1 Ballon Street  
Manchester  
M60 4EP

CAFCASH Limited  
PO Box 289  
West Malling  
Kent  
ME19 4TA

**Funds held as custodian for others**

The Charity manages money on behalf of its services users. This service includes paying expenditure on their behalf, detailed records are kept ensuring that the Charity can identify amounts owed to/by each individual. As stated above when service users have substantial funds an Independent Financial Advisor is consulted for recommendations on appropriate investments.

**Statement of trustees' responsibilities**

The trustees (who are also the directors of The Friendly Trust for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

**Auditors**

The auditors, Menzies LLP, Statutory Auditors, will be proposed for re-appointment at the forthcoming Annual General Meeting.

Report of the trustees, incorporating a strategic report, approved by order of the board of trustees, as the company directors, on .....17-Oct-2025..... and signed on the board's behalf by:

Signed by:

*Philip Boshier*

DF3A113C74D5437.....

Philip Joseph Boshier - Trustee

## **Report of the Independent Auditors to the Members of The Friendly Trust**

### **Opinion**

We have audited the financial statements of The Friendly Trust (the 'charitable company') for the year ended 31 March 2025 which comprise the Statement of Financial Activities, the Statement of Financial Position, the Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2025 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Conclusions relating to going concern**

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

### **Other information**

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### **Opinions on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

### **Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

## Report of the Independent Auditors to the Members of The Friendly Trust

### Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

### Our responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Independent Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Our planning procedures identify the legal and regulatory frameworks applicable to the operations and financial statements of the charity. These are reviewed internally with the audit team including relevant industry experience and expectations as well as externally with the client management. The key laws and regulations we considered in this context were the UK Companies Act 2006, Charities Act 2011 and relevant tax legislation.

Once identified, we assess the risks of material misstatements in relation to the laws and regulations, irregularities, including fraud and adjust our testing accordingly. Our audit procedures include:

- Discussing with Trustees and management which areas of the business they believe to be more susceptible to fraud, and whether they have any knowledge or suspicion of fraudulent activities
- Obtaining an understanding of the key controls put in place by the charity to address risks identified, assessing the effectiveness of those and discussing how these are maintained and monitored internally
- Assessing the risk of management override through review of cashbook entries
- Discussing with Trustees and management the legal and regulatory obligations of the business and whether they have any knowledge or suspicion of non compliance
- Substantively testing by sample, income and expenditure transactions recorded against individual service users, reconciliations performed by management and the controls over-arching the safe guarding of service users funds.

Despite the audit being planned and conducted in accordance with ISAs (UK) there remains an unavoidable risk that material misstatements in the financial statements may not be detected owing to inherent limitations of the audit, and that by their very nature, any such instances of fraud or irregularities likely involve collusion, forgery, intentional misrepresentation, or the override of internal controls.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Report of the Independent Auditors.

### Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Signed by:

*Clive Edwards*

1CA19438DBB8412...

Clive Edwards (Senior Statutory Auditor)  
for and on behalf of Menzies LLP, Statutory Auditors  
5th Floor Hodge House  
114-116 St Mary Street  
Cardiff  
CF10 1DY

Date: 03-Dec-2025

## The Friendly Trust

**Statement of Financial Activities**  
**(Incorporating an Income and Expenditure Account)**  
**for the Year Ended 31 March 2025**

		Unrestricted funds	Restricted funds	2025 Total funds	2024 Total funds as restated
	Notes	£	£	£	£
<b>Income and endowments from</b>					
Donations and legacies	2	452	-	452	4,246
<b>Charitable activities</b>	4				
Core services		769,248	-	769,248	774,460
Investment income	3	5,570	-	5,570	7,407
<b>Total</b>		<u>775,270</u>	<u>-</u>	<u>775,270</u>	<u>786,113</u>
<b>Expenditure on</b>					
<b>Charitable activities</b>	5				
Core services		<u>887,407</u>	<u>-</u>	<u>887,407</u>	<u>877,228</u>
Net gains/(losses) on investments		<u>(2,615)</u>	<u>-</u>	<u>(2,615)</u>	<u>17,671</u>
<b>NET INCOME/(EXPENDITURE)</b>		<u>(114,752)</u>	<u>-</u>	<u>(114,752)</u>	<u>(73,444)</u>
<b>Reconciliation of funds</b>					
Total funds brought forward		423,599	-	423,599	497,043
<b>Total funds carried forward</b>		<u><u>308,847</u></u>	<u><u>-</u></u>	<u><u>308,847</u></u>	<u><u>423,599</u></u>

The notes form part of these financial statements

**The Friendly Trust (Registered number: 03608297)****Statement of Financial Position  
31 March 2025**

		<b>Unrestricted funds</b>	<b>Restricted funds</b>	<b>2025 Total funds</b>	<b>2024 Total funds as restated</b>
	<b>Notes</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Current assets</b>					
Debtors	13	65,723	-	65,723	83,789
Investments	14	250,425	-	250,425	363,931
Cash at bank and in hand		53,566	-	53,566	104,512
		<u>369,714</u>	<u>-</u>	<u>369,714</u>	<u>552,232</u>
<b>Creditors</b>					
Amounts falling due within one year	15	(50,867)	-	(50,867)	(108,633)
		<u>318,847</u>	<u>-</u>	<u>318,847</u>	<u>443,599</u>
<b>Net current assets</b>					
		<u>318,847</u>	<u>-</u>	<u>318,847</u>	<u>443,599</u>
<b>Total assets less current liabilities</b>		<u>318,847</u>	<u>-</u>	<u>318,847</u>	<u>443,599</u>
<b>Provisions for liabilities</b>	17	(10,000)	-	(10,000)	(20,000)
		<u>308,847</u>	<u>-</u>	<u>308,847</u>	<u>423,599</u>
<b>NET ASSETS</b>		<u>308,847</u>	<u>-</u>	<u>308,847</u>	<u>423,599</u>
<b>Funds</b>	18				
Unrestricted funds				308,847	423,599
<b>Total funds</b>				<u>308,847</u>	<u>423,599</u>

The financial statements were approved by the Board of Trustees and authorised for issue on 17-Oct-2025..... and were signed on its behalf by:

Signed by:

*Philip Boshier*

DF3A116C74D5467.....

Philip Joseph Boshier - Trustee

## The Friendly Trust

Statement of Cash Flows  
for the Year Ended 31 March 2025

		2025	2024
	Notes	£	as restated £
<b>Cash flows from operating activities</b>			
Cash generated from operations	1	(160,022)	(156,569)
Movement in provision		(10,000)	(15,000)
		<u>(170,022)</u>	<u>(171,569)</u>
<b>Cash flows from investing activities</b>			
Investments		113,506	90,549
Interest received		5,570	7,407
		<u>119,076</u>	<u>97,956</u>
<b>Change in cash and cash equivalents in the reporting period</b>		<u>(50,946)</u>	<u>(73,613)</u>
<b>Cash and cash equivalents at the beginning of the reporting period</b>		<u>104,512</u>	<u>178,125</u>
<b>Cash and cash equivalents at the end of the reporting period</b>		<u><u>53,566</u></u>	<u><u>104,512</u></u>

The notes form part of these financial statements

## The Friendly Trust

Notes to the Statement of Cash Flows  
for the Year Ended 31 March 2025

## 1. Reconciliation of net expenditure to net cash flow from operating activities

	2025	2024 as restated
	£	£
<b>Net expenditure for the reporting period (as per the Statement of Financial Activities)</b>	(114,752)	(73,444)
<b>Adjustments for:</b>		
Losses on investments	-	(17,671)
Interest received	(5,570)	(7,407)
Prior year adjustment	-	(82,606)
Decrease in debtors	18,066	87,238
Decrease in creditors	(57,766)	(62,679)
<b>Net cash used in operations</b>	<u>(160,022)</u>	<u>(156,569)</u>

## 2. Analysis of changes in net funds

	At 1.4.24 £	Cash flow £	At 31.3.25 £
<b>Net cash</b>			
Cash at bank and in hand	104,512	(50,946)	53,566
	<u>104,512</u>	<u>(50,946)</u>	<u>53,566</u>
<b>Liquid resources</b>			
Deposits included in cash	-	-	-
Current asset investments	363,931	(113,506)	250,425
	<u>363,931</u>	<u>(113,506)</u>	<u>250,425</u>
<b>Total</b>	<u>468,443</u>	<u>(164,452)</u>	<u>303,991</u>

## The Friendly Trust

### Notes to the Financial Statements for the Year Ended 31 March 2025

#### 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.

##### **Income**

Service user fees, donations and similar incoming resources are recognised when they are received. Outstanding legacies are regularly reviewed and recognised when the incoming resource can be measured with sufficient reliability. Donations in kind are included as income at a fair value. Donated time provided by volunteers is not included.

Investment income is recognised on a receivable basis.

Grants are included as an incoming resource when the charity is entitled to the resources, it is virtually certain that the incoming resource will be received and the monetary value can be measured with sufficient reliability. Revenue grants are credited to the income and expenditure account in the year to which they relate. Where grants have been received but relate to a future accounting period, that part of the grant received is deferred to the appropriate period.

##### **Expenditure**

Liabilities are recognised as soon as there is a legal or constructive obligation committing the charity to the expenditure. All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category.

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

##### **Governance costs**

Governance costs include costs of the preparation and examination of the statutory accounts, the costs of trustee meetings and the cost of any legal advice to trustees on governance or constitutional matters.

##### **Taxation**

The company is a registered charity and all of its income is primary purpose it is, therefore, exempt from taxation.

##### **Fund accounting**

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

##### **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.

##### **Operating leases**

Rentals payable under operating leases are charged in the statement of financial activities on a straight line basis over the lease term.

##### **Provisions**

Where liabilities exist of uncertain timing and amount, the Charity provides for its best estimate of any eventual costs to be incurred.

##### **Debtors**

Debtors are recorded at the value of their recoverable amount.





## The Friendly Trust

Notes to the Financial Statements - continued  
for the Year Ended 31 March 2025

## 4. Income from charitable activities - continued

Grants received, included in the above, are as follows:

	2025	2024 as restated
	£	£
Moondance Foundation	15,000	-

## 5. Charitable activities costs

	Direct Costs £	Support costs (see note 6) £	Totals £
Core services	736,162	151,245	887,407

## 6. Support costs

	Finance £	Other £	Governance costs £	Totals £
Core services	155,593	(10,000)	5,652	151,245

The other income relates to a reduction in the dilapidation provision as detailed in note 15.

Support costs, included in the above, are as follows:

	2025	2024 as restated
	Core services	Total activities
	£	£
Wages	140,335	117,735
Social security	15,258	12,941
Repairs and renewals	(10,000)	(15,000)
Auditors' remuneration	3,768	3,765
Auditors' remuneration for non audit work	1,884	1,883
	151,245	121,324

## 7. Net income/(expenditure)

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

	2025	2024 as restated
	£	£
Auditors' remuneration	3,768	3,765
Auditors' remuneration for non audit work	1,884	1,883

## The Friendly Trust

### Notes to the Financial Statements - continued for the Year Ended 31 March 2025

#### 8. Trustees' remuneration and benefits

There were no trustees' remuneration or other benefits for the year ended 31 March 2025 nor for the year ended 31 March 2024.

#### Trustees' expenses

There were no trustees' expenses reimbursed for the year ended 31 March 2025 nor for the year ended 31 March 2024.

#### 9. Staff costs

	2025	2024 as restated
	£	£
Wages and salaries	647,753	651,421
Social security costs	62,558	68,618
Other pension costs	50,687	53,542
	<u>760,998</u>	<u>773,581</u>

#### Key management personnel

The total amount of employee benefits received by its key management personnel for their services to the Charity was £233,323 (2024: £229,346), there were 5 staff members considered key management personnel.

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

	2025	2024 as restated
Charitable activities	17	20
Support and administration	5	5
	<u>22</u>	<u>25</u>

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

	2025	2024 as restated
£70,001 - £80,000	<u>1</u>	<u>-</u>

#### 10. Exceptional items

Included in expenditure in the year are exceptional items totalling £10,237. These were three isolated incidents, one was the requisition of a specialist report on a particularly complex case, and the other two were in respect of changes to expected benefits.

#### 11. Comparatives for the statement of financial activities

	Unrestricted funds	Restricted funds	Total funds as restated
	£	£	£
<b>Income and endowments from</b>			
Donations and legacies	4,246	-	4,246
<b>Charitable activities</b>			
Core services	774,460	-	774,460
Investment income	<u>7,407</u>	<u>-</u>	<u>7,407</u>
<b>Total</b>	<u>786,113</u>	<u>-</u>	<u>786,113</u>

## The Friendly Trust

Notes to the Financial Statements - continued  
for the Year Ended 31 March 2025

## 11. Comparatives for the statement of financial activities - continued

	Unrestricted funds	Restricted funds	Total funds as restated
	£	£	£
<b>Expenditure on Charitable activities</b>			
Core services	877,228	-	877,228
Net gains on investments	17,671	-	17,671
<b>NET INCOME/(EXPENDITURE)</b>	(73,444)	-	(73,444)
<b>Reconciliation of funds</b>			
Total funds brought forward	497,043	-	497,043
<b>Total funds carried forward</b>	423,599	-	423,599

## 12. Prior year adjustment

A prior year adjustment of £82,606.50 has been made as it was previously understood that council funding was received quarterly in arrears. Following the signing and filing of the 31 March 2024 accounts, it was confirmed that funding is in fact paid quarterly in advance. As a result, brought forward funds had been overstated and have now been corrected through this prior year adjustment.

## 13. Debtors: amounts falling due within one year

	2025	2024 as restated
	£	£
Grant debtors	42,675	75,851
Other debtors	-	1,122
Prepayments and accrued income	23,048	6,816
	65,723	83,789

## 14. Current asset investments

	2025	2024 as restated
	£	£
Cash held on deposit	250,425	363,931

**The Friendly Trust**

**Notes to the Financial Statements - continued  
for the Year Ended 31 March 2025**

**15. Creditors: amounts falling due within one year**

	<b>2025</b>	<b>2024 as restated</b>
	<b>£</b>	<b>£</b>
Social security and other taxes	13,727	16,387
Amounts owed to service users	31,318	87,266
Accruals and deferred income	5,822	4,980
	<u>50,867</u>	<u>108,633</u>

**16. Leasing agreements**

Minimum lease payments under non-cancellable operating leases fall due as follows:

	<b>2025</b>	<b>2024 as restated</b>
	<b>£</b>	<b>£</b>
Within one year	18,911	-
Between one and five years	37,823	-
	<u>56,734</u>	<u>-</u>

The lease agreement included a break option available in March 2024 or March 2028. The March 2024 option was not exercised.

**17. Provisions for liabilities**

	<b>2025</b>	<b>2024 as restated</b>
	<b>£</b>	<b>£</b>
Provisions	<u>10,000</u>	<u>20,000</u>
Balance brought forward	20,000	35,000
Amounts provided in the year	-	-
Amounts released in the year	(10,000)	(15,000)
Balance carried forward	<u>10,000</u>	<u>20,000</u>

The dilapidation provision has been reduced by £10,000. This covers the Trust's legal commitment should they decide to leave their current premises.

**18. Movement in funds**

	<b>At 1.4.24 £</b>	<b>Net movement in funds £</b>	<b>At 31.3.25 £</b>
<b>Unrestricted funds</b>			
General fund	423,599	(114,752)	308,847
	<u>423,599</u>	<u>(114,752)</u>	<u>308,847</u>
<b>TOTAL FUNDS</b>	<u>423,599</u>	<u>(114,752)</u>	<u>308,847</u>

## The Friendly Trust

### Notes to the Financial Statements - continued for the Year Ended 31 March 2025

#### 18. Movement in funds - continued

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
<b>Unrestricted funds</b>				
General fund	775,270	(887,407)	(2,615)	(114,752)
	<hr/>	<hr/>	<hr/>	<hr/>
<b>TOTAL FUNDS</b>	<u>775,270</u>	<u>(887,407)</u>	<u>(2,615)</u>	<u>(114,752)</u>

#### Comparatives for movement in funds

	At 1.4.23 £	Net movement in funds £	At 31.3.24 £
<b>Unrestricted funds</b>			
General fund	497,043	(73,444)	423,599
	<hr/>	<hr/>	<hr/>
<b>TOTAL FUNDS</b>	<u>497,043</u>	<u>(73,444)</u>	<u>423,599</u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
<b>Unrestricted funds</b>				
General fund	786,113	(877,228)	17,671	(73,444)
	<hr/>	<hr/>	<hr/>	<hr/>
<b>TOTAL FUNDS</b>	<u>786,113</u>	<u>(877,228)</u>	<u>17,671</u>	<u>(73,444)</u>

#### Unrestricted funds

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

#### 19. Employee benefit obligations

The charity operates a defined contribution scheme. The pension costs charge for the year represents contributions payable by the charity to the scheme and amounted to £50,687 (2024: £53,542).

There were no outstanding or prepaid contributions at either the beginning or end of the financial year.

#### 20. Related party disclosures

There were no related party transactions for the year ended 31 March 2025.

**The Friendly Trust**

**Notes to the Financial Statements - continued  
for the Year Ended 31 March 2025**

**21. Managed funds**

As at 31 March 2025 the Friendly Trust actively managed funds totalling £13,491,801 (2024: £13,841,369) on behalf of its service users.

**22. Members' liability**

The charity is a private company, incorporated in England and Wales, limited by guarantee and consequently does not have share capital. Each of the members is liable to contribute an amount not exceeding £1 towards the assets of the charity in the event of liquidation.