TOWER HAMLETS FRIENDS AND NEIGHBOURS

England & Wales · Charity number 1099403

Details

Other names	FRIENDS AND NEIGHBOURS
Status	Registered
Legal form	CIO
Registered	2003-09-12
Register	View on the Charity Commission register

Contact

Address	St. Margarets House Settlement 21 Old Ford Road London E2 9PL
Phone	0203 007 9120
Email	admin@thfn.org.uk
Website	www.thfn.org.uk

Activities

Objects: THE RELIEF OF POVERTY, HARDSHIP AND DISTRESS, AMONG THOSE RESIDENT WITHIN THE BOUNDARIES OF THE FORMER BOROUGH OF STEPNEY AND MORE GENERALLY 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.

Activities: Advocacy and Befriending service for socially isolated and lonely older people living in the borough of Tower Hamlets

Classification

- **How:** Provides Human Resources, Provides Services, Provides Advocacy/advice/information
- **What:** General Charitable Purposes
- **Who:** Elderly/old People

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Geography

- **Area of benefit:** THOSE WHO LIVE IN THE FORMER BOROUGH OF STEPNEY.
- City Of London
- Hackney
- Newham
- Tower Hamlets

Finances

Period end	Income	Expenditure	Assets	Employees
2025-06-30	£189,606	£210,475	-	-
2024-03-31	£159,923	£189,154	-	-
2023-03-31	£128,238	£207,308	-	-
2022-03-31	£250,297	£186,033	-	-
2021-03-31	£250,297	£186,033	-	-

Trustees

Name	Role	Appointed
Anne WORLLEDGE	Chair	2016-04-01
Carl Steventon		2020-04-22
Jennifer Elizabeth Caroline Skeels		2021-11-02
Louise Theophile		2022-09-27
Muhammad Jaber Hasan Khan		2022-09-27
Stephen Emery Robarts		2020-06-10

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TOWER HAMLETS FRIENDS AND NEIGHBOURS

England & Wales - Charity number 1099403

Accounts

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 for the 15 month period ended 30 June 2025

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

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

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS FOR THE 15 MONTH PERIOD ENDED 30 June 2025

Trustees:

Anne Worlledge (Chair)
Carl Steventon
Stephen Robarts (Treasurer)
Pam Kaur Gibbons (Resigned from 19 September 2024)
Jennifer Skeels
Louise Theophile
Nycolle Deniz (Resigned from 6 June 2024)
Jaber Khan
Nancy Easton (Resigned from 19 September 2024)

Registered and principal office

St Margaret's House, 21 Old Ford Road, London E2 9PL
Telephone 0203 007 9120 Email admin@thfn.org.uk Website www.thfn.org.uk

Staff

Chief Executive and Company Secretary:	Rita Chadha
Client Services Administrator	Clara Djondo
Befriending Advocates:	Shirajul Islam, Brenda Lawrence, Shaleha Begum, Nina McLoone (to January 2026), Rose Curran (retired July 2024)

Bankers
HSBC Bank plc

Independent Examiner

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

DIRECTORS' AND TRUSTEES' REPORT FOR THE YEAR ENDED 30 June 2025

Report from the Chair

I am pleased to report that we are in the process of converting from a charitable company limited by guarantee to a Charitable Incorporated Organisation (CIO). This is an important and positive step for THFN: a CIO structure will reduce the personal liability of our trustees, simplify our governance, and better reflect the kind of community-rooted organisation we are. In order to complete the conversion and close the company properly, we needed to align our financial year with the new structure. We therefore extended our reporting period by three months, and these accounts cover the 15-month period from 1 April 2024 to 30 June 2025. Readers should bear this extended period in mind when comparing figures with our previous annual accounts, which covered a standard 12-month year to 31 March 2024.

The financial results for the 15 months to 30 June 2025 highlights the challenges we have faced in securing funding, and in particular multi-year funding. Our CEO has chased every opportunity and was able to secure £189,606 of funding for the period. Despite this, with total costs of £210,475 we saw a reduction in our reserves of £20,888.

We are not alone in facing difficulties in securing funding. Many large charities, alongside most small charities, have openly reported the challenges. We believe that the service we provide to the older community in Tower Hamlets, and to our unique client group, is first class and remain hopeful that the service will continue in the foreseeable future.
We thank the funders who supported us through the 15 months to 30 June 2025.

Over the 15 months to 30 June 2025, THFN received 97 new referrals and supported 271 older people across Tower Hamlets — people who are isolated, housebound, navigating complex health conditions, and too often invisible to the systems that are supposed to support them. Tower Hamlets ranks first out of 326 local authority areas in England for predicted loneliness among those aged 65 and over. That is not an abstract statistic: it is the daily reality of the people who come to us for a befriending visit, a phone call, or someone to help them navigate a benefits system they find bewildering. Every single contact our staff and volunteers made during this period mattered.

Recognising the current and likely future needs in Tower Hamlets, we set out our key strategic priorities for the coming years (see pages 11-12). We recognise the challenges but are confident that with the support of our funders and partners, and the continued dedication of our staff and volunteers we can meet those challenges.

As always, on behalf of the trustees I thank our staff and volunteers- they are the heart and soul of THFN, and our clients who make all of this worthwhile.

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

DIRECTORS' AND TRUSTEES' REPORT FOR THE 15 MONTH PERIOD ENDED 30 June 2025

The trustees present the annual report together with the financial statements for the 15 month period ended 30 June 2025. 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.

ANNUAL IMPACT REPORT 2024–2025

Transforming Lives, Building Communities

Tower Hamlets Friends and Neighbours stands at the forefront of combating social isolation and enhancing quality of life for those over 55 in Tower Hamlets. As a dynamic voluntary organisation, we leverage innovative approaches and bespoke care to create meaningful connections and deliver vital support services.

Our Mission

Through our integrated support network, we break down barriers to independence, champion mental wellbeing, and foster lasting social connections. Our evidence-based approach combines traditional befriending services with modern advocacy and support systems, ensuring every client receives bespoke support that adapts to their evolving needs.

1. Building Meaningful Connections

We create transformative social connections that combat isolation and nurture lasting relationships. Through our extensive network of trained volunteers and professional staff, we ensure no older

2. Empowering Independent Living

Our comprehensive support framework enables older people to maintain their autonomy and dignity. We combine emotional support with practical assistance, helping navigate healthcare systems and manage daily challenges with confidence.

3. Fostering Active Engagement

We curate dynamic, inclusive activities that stimulate both mind and body, creating opportunities for personal growth, cultural expression, and community participation so every older person can contribute to active community life.

member of our community faces life's challenges alone.

Voluntary Organisation Supporting Older People in 2024-2025

Loneliness, as the research makes clear, is not a lifestyle inconvenience — it is a health crisis. It raises blood pressure, accelerates cognitive decline, and is strongly associated with depression. An estimated 3,800 older people in Tower Hamlets are effectively housebound, and 56% of older residents report feeling isolated.

£3.75

returned for every £1 invested

The Investment Case for Befriending

Every pound invested in befriending services saves £3.75 in health costs. Loneliness is not a lifestyle inconvenience — it is a health crisis. It raises blood pressure, accelerates cognitive decline, and is strongly associated with depression.

3,800

Older people effectively housebound in Tower Hamlets

56%

Older residents report feeling isolated

£3.5M

Annual cost of loneliness to the borough's NHS

40%

Increase in GP visits caused by social isolation

> *"A 28% reduction in GP appointments has been found among people receiving befriending-linked social prescriptions — the case for befriending as a preventative health intervention has never been better evidenced."*
>
> **— NHS England Evaluation**

The National Volunteering Picture

The national picture on volunteering remains challenging. Volunteer numbers in London declined by 25% following the pandemic (London Plus, 2023), and 77% of charities across the UK report ongoing difficulties recruiting volunteers (NCVO Civil Society Almanac, 2023). The organisations that do attract and retain volunteers — particularly for demanding befriending work with people who have complex needs — do so because they invest properly in volunteer support, training, and recognition.

This is something THFN takes seriously. Our befrienders are not simply visiting: they are trained advocates who provide medication reminders, encouragement for gentle exercise, help navigating welfare systems, and — most critically — a consistent human presence in the lives of people who might otherwise have none. In 2024-25 we secured funding for a dedicated Volunteer Development Coordinator to strengthen this capacity further, and we are working on a new CRM system to better capture and understand the impact that our service makes for older people in the borough.

Befriending and Social Prescribing: a Changing Landscape

In 2024, Befriending Networks — the national membership body for befriending services — published its first five-year strategic plan since before the pandemic. It acknowledged frankly that the sector faces a significant digital infrastructure challenge: that the tools for training, impact measurement, and volunteer matching exist, but that many organisations remain priced out or under-skilled, while the communities they serve face deep digital inequalities.

Befriending is also increasingly embedded within NHS social prescribing frameworks. NHS England's evaluation found a 28% reduction in GP appointments among people receiving befriending-linked social prescriptions. ONS projections (2025) suggest that by 2034, 1.2 million people aged 65 and over in England will regularly experience loneliness — a figure with profound implications for both health spending and quality of life.

The Economic Pressures Facing Older People

The most significant national policy development during this reporting period was the Government's decision, announced in July 2024, to means-test the Winter Fuel Payment. From winter 2024/25, the payment was restricted to those receiving Pension Credit or certain other means-tested benefits, removing it from around 10.8 million pensioners. The Government has since reversed course, announcing that from winter 2025/26 the payment will be restored universally, with higher earners repaying it through the tax system. But the hardship fell squarely within the period covered by this annual report.

Winter Fuel Payment Crisis — Direct Impact on THFN Clients

Our monitoring data for 2024/25 specifically records the winter fuel payment crisis as driving an increase in requests for advocacy support, with clients and their families seeking help understanding entitlements and navigating a system many found bewildering. It is a direct illustration of how national policy decisions land on the front line of a local befriending service.

10.8M	2.5M	9.1M	78%
Pensioners who lost the payment	Older people in poverty who lost support	People aged 66+ cold at home by Jan 2025	Disabled pensioners in poverty affected

The London Poverty Profile (Trust for London, 2024–25) confirms the structural disadvantage facing older people in Tower Hamlets. Tower Hamlets is the most income-deprived of all London boroughs: the average neighbourhood is 2.03 times more income-deprived than the London average, and 2.67 times more deprived than England as a whole. For a borough with Tower Hamlets' demographic profile — a large and growing Bangladeshi elderly population, over 61% of older residents living alone, and 44% lacking digital access — these intersecting pressures are not background context. They are the daily reality of the people THFN exists to serve.

Challenges Facing the Sector in 2024–2025

Resource Squeeze

- 80% of charities reported increased operating costs due to inflation and employer NI rises
- 55% of charities expected staff redundancies in response to NI and Living Wage increases
- 73% of small charities operating without a primary income source
- Small organisations receive just 4% of total government funding to the sector

Complex Care Needs

- 1 in 5 people aged 75+ live with two or more chronic conditions
- Dementia cases projected to rise by 75% in Tower Hamlets by 2030
- 42% of people aged 75+ in London have a mobility impairment
- More than three quarters of older people report difficulty navigating fragmented systems

Social Care Crisis

- 418,029 people waiting for assessment or care as of March 2024
- £1.8 billion funding gap projected for 2025–26 alone
- 131,000 vacant posts in adult social care across England daily
- 2.5 million older people in the UK have unmet care needs

Workforce Pressures

77% of UK charities continue to report difficulties in volunteer recruitment, with befriending and complex-needs services disproportionately affected. Formal volunteering in England remains below pre-pandemic levels — 14.2 million people formally volunteering in 2021–22 compared to 20 million in 2019–20, with recovery uneven across London's most deprived boroughs. In 2023 THFN restructured the organisation to meet its financial circumstances and registered to become a London Living Wage Employer.

Our Impact in Numbers 2024–2025

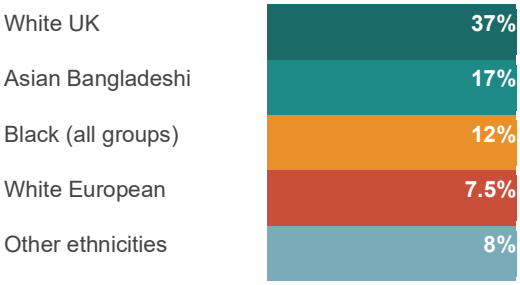
271	97	79	88.9%
Total clients supported	New referrals received	Average client age (years)	Clients with a long-term health condition

GENDER DISTRIBUTION

Female 56% : Male 44%



CULTURAL DIVERSITY



The Challenge We Address

Loneliness and social isolation present significant health risks in Tower Hamlets. A higher proportion of older people live alone compared to the national average; an estimated 16% of older residents experience chronic loneliness; and social isolation impacts are comparable to smoking and exceed obesity's health effects. The borough faces unique challenges with higher rates of poverty and diverse ethnic populations.

2.03×	61%	44%	38%
More income-deprived than the London average	Older residents living alone in Tower Hamlets	Older residents lacking digital access	Poverty rate for Black & minority ethnic pensioners

The Future Landscape

The trajectory is clear — and it points sharply upward. The demands on organisations like THFN will only grow: over-85s are the fastest growing age group in the UK, expected to reach 3.2 million by 2041 — double the current figure. Tower Hamlets' own older population is projected to grow by 44% by 2028. By 2030, 1.2 million people aged 65 and over in England will regularly experience loneliness — a figure with profound consequences for health spending and quality of life.

3.2M	44%	1.2M	~80
Over-85s in the UK by 2041 — double today's figure (ONS)	Growth in Tower Hamlets' older population by 2028	People 65+ regularly lonely in England by 2030 (ONS)	Years of community service THFN is approaching

Looking Forward: Strategic Priorities for Investment

Drawing on almost 80 years of community service and robust data from supporting 271 vulnerable older adults in 2024–25, THFN has identified key strategic priorities to enhance our service delivery and community impact.

Innovation in Service Delivery

- → Scaling beyond one-to-one befriending to telephone, online & home-from-hospital models
- → Piloting ethical AI companion tools for 20 clients in 2025–26
- → Active THFN presence in all 20 Tower Hamlets wards by March 2026
- → Moving from counting outputs to measuring real wellbeing outcomes

Cultural Competency & Inclusion

- → Expanding culturally adapted befriending for older men and Somali community
- → Targeted outreach using trusted community relationships and multilingual capacity
- → Formal partnerships with cultural community organisations
- → Language-matched befriending and heritage-rooted activities

Mental Health & Dementia Support

- → Strengthening capacity for early identification of cognitive decline
- → Deepening partnerships with memory services and dementia cafés
- → Equipping befrienders with specialist cognitive stimulation skills
- → Expanding support for families and carers navigating diagnosis

Volunteer Excellence Programme

- → Goal to double volunteer numbers by 2028
- → Comprehensive new training in welfare navigation, dementia & safeguarding
- → Creating specialist and micro-volunteering roles for flexible commitment
- → Building a culture of recognition, peer support & development

Systems Change & Advocacy

- → Building an Age Friendly Tower Hamlets — a borough where ageing means visibility
- → Challenging age-based discrimination in housing, health and social care
- → Improving accessibility for digitally excluded & physically housebound residents
- → Contributing to local and national loneliness policy development

Impact Measurement

- → Tracking wellbeing using the Rockwood Clinical Frailty Scale and WEMWBS
- → Monitoring service accessibility and cultural competency outcomes
- → Pursuing Befriending Network Kitemark Award
- → Pursuing Trusted Charity accreditation through NCVO

Nearly 80 Years of Service. More Essential Than Ever.

The coming three years represent the most ambitious phase in THFN's nearly 80-year history. We approach them clear-eyed about the challenges — funding pressures, rising demand, workforce complexity — and with justified confidence in our capacity to meet them. Through sustained investment in these priority areas, THFN will deepen its impact, extend its reach, and secure its position as Tower Hamlets' essential, irreplaceable partner in the fight against loneliness and isolation.

Financial Review

The fundraising environment remained challenging in the 15month period to 30 June 2025. Our income for the period was £189,606, compared to £159,923 in the previous financial year. Our cost saving measures continued, resulting in costs for the 15month period at £210,475 being proportionately lower than those for the previous financial year at £189,154. We incurred significant costs in the period to June 2025 due to the need to replace and upgrade our client data recording system

The deficit for the period to June 2025 was £20,868, and a reduction in our reserves from £72,971 to £52,103.

We closed the year with a bank balance of £59,971 and income owing to us of £12,210. (£81,731 cash at bank at 31 Match 2024) and had deferred restricted income to support us in the new financial year of £13,827 (nil: 31 March 2024).

Looking ahead, we have made encouraging early progress in 2026-27. We have secured a significant co-funded partnership with the Mercers Company to develop our "Connected Lives" integrated health and wellbeing programme, targeting housebound older people with the most complex needs. We have also secured funding for a Volunteer Development Coordinator and are developing new income streams through individual giving and community fundraising as set out in our Business Plan 2025-2028. The fundraising environment remains difficult, but our track record, our community relationships, and the strength of our impact evidence give us grounds for cautious optimism.

The trustees are pleased to report that the organisation has been able 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.

We cannot thank our staff and volunteers enough for the commitment they have given to us during this difficult time.

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 recognises 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 reviews the reserves policy quarterly having regard to the financial risks and contractual obligations associated with the employment of staff and any other contractual requirements.

At 30 June 2025 the charity had reserves of £52,103. The budgeted costs for the year to 30 June 2026 are estimated at £168,000, therefore representing a shortfall to our reserves target of six months of expenditure.

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.

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.

The trustees have made an application to the Charity Commission for the conversion of the company to a Charitable Incorporated Organisation (CIO).

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 period to 30 June 2025, three of our trustees stood down and no new trustees have been appointed.

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 6), 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 meetings. 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.

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.

Safeguarding

The trustees take their safeguarding responsibilities seriously. THFN works with vulnerable older adults, many of whom have complex health needs and limited social support networks, and we recognise that robust safeguarding practice is fundamental to the trust our clients, their families, and our partners place in us.

During the 15-month period covered by this report, two safeguarding concerns were raised relating to beneficiaries. Both were assessed as Level 1 concerns and were handled in accordance with our safeguarding policy and the Tower Hamlets Safeguarding Adults Board procedures. In each case the appropriate referrals and follow-up actions were taken, and the matters were resolved satisfactorily.

In addition, one serious incident not relating to a beneficiary occurred during the period and was reported to the Charity Commission in accordance with our legal obligations under the Charities Act 2011. The trustees managed this matter in line with regulatory requirements. We are satisfied that the appropriate steps were taken and that the incident did not affect the safety or welfare of any of the people we support.

All staff and volunteers undertake safeguarding training as part of their induction, and this is refreshed regularly. Our Designated Safeguarding Lead ensures that our policies and procedures remain current and aligned with the Tower Hamlets Safeguarding Adults Board framework.

Our safeguarding policy was reviewed in March 2026 and updated to reflect changes to the Tower Hamlets Safeguarding Adults Board framework and current best practice guidance. The review confirmed that our procedures remain fit for purpose and proportionate to the risks inherent in our work with vulnerable older adults.

DIRECTORS' AND TRUSTEES' REPORT FOR THE 15 MONTH PERIOD ENDED 30 June 2025

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)

25 March 2026

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 15-month period ended on 30 June 2025, which are set out on pages 18 to 26.

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

26 March 2026.

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 15 MONTH PERIOD ENDED 30 June 2025

	Note	Unrestricted Funds	Restricted Funds	Total 2025	Total 2024
		£	£	£	£
Income:					
Donations	2	5,617	151,000	156,617	129,066
Income from charitable activities	3	-	31,250	31,250	29,167
Investment income	4	1,740	-	1,740	1,690
Total income		7,356	182,250	189,606	159,923
Expenditure:					
Costs of raising funds	5	270	11,111	11,381	21,206
Expenditure on charitable activities:					
Befriending services	5	27,955	171,139	199,094	167,948
Total expenditure		28,225	182,250	210,475	189,154
Net income(Expenditure) and net movement in funds for the year.	14/15	(20,868)	(0)	(20,868)	(29,231)
Reconciliation of funds					
Total funds brought forward		72,971	-	72,971	102,202
Total funds carried forward		52,103	(0)	52,102	72,971

Statement of Financial Activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

Continuing Operations

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

The notes on pages 20-26 form part of these financial statements.

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

BALANCE SHEET AS AT 30 June 2025

	Note	30 June 2025 £	31 March 2024 £
Fixed Assets			
Tangible fixed assets	10	-	-
Total Fixed Assets		-	-
Current assets			
Debtors	11	12,210	-
Cash at bank and in hand	12	59,971	81,731
Total current assets		72,181	81,731
Liabilities			
Creditors due within one year	13	(20,079)	(8,760)
Net current assets		52,102	72,971
Total assets, less current liabilities		52,102	72,971
Net assets		52,102	72,971

The notes on pages 20-26 form part of these financial statements.

For the 15 month period ending 30 June 2025 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 25 March 2026

Anne Worlledge - Director and Trustee

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

NOTES TO THE ACCOUNTS

FOR THE 15 MONTH PERIOD ENDED 30 June 2025

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.

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.

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 (2025: £31,250; 2024: £29,167).

4 Investment income

	Unrestricted	Restricted	June 2025	March 2024
	£	£	£	£
Income from investments	-	-	-	-
Bank interest	1,740	-	1,740	1,690
	1,740	-	1,740	1,691

5 Total resources expended:

	Befriending Services				
	Unrestricted	Restricted	June 2025	March 2024	Basis of allocation
	£	£	£	£	
Cost of raising funds					
Staff costs	-	11,111	11,111	19,706	Time
Sundry costs	270	-	270	1,500	Direct
	270	11,111	11,381	21,206	
Cost of charitable activities					
Staff costs	-	130,210	130,210	118,310	Time
Transport and travel	263	1,377	1,640	1,483	Direct
Outings with clients	47	5,000	5,047	2,285	Direct
Telephone	2,286	-	2,286	3,152	Direct
Postage and stationery	275	-	275	602	Direct
Recruitment costs	858	-	858	-	Direct
Marketing	-	-	-	-	Direct
Training	-	-	-	-	Direct
Support costs allocated to charitable activities					
General support:					
Staff costs	-	24,552	24,552	24,235	Time
Premises	804	10,000	10,804	9,823	Direct
Insurance	1,532	-	1,532	707	Direct
Sundry expenses	1,609	-	1,609	218	Direct
Computer support	16,139	-	16,139	3,360	Direct
IT and systems upgrade	-	-	-	-	Direct
Payroll costs	2,642	-	2,642	2,100	Direct
Governance cost:					
Independent examiners fee	1,500	-	1,500	1,500	Direct
Other governance costs	-	-	-	174	
	27,955	171,139	199,094	167,948	
Total expenditure	**28,225**	**182,250**	**210,475**	**189,154**	

6 Net income for the year

	June 2025	March 2024
This is stated after charging:	£	£
Independent Examiner's fee	1,500	1,500

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

	June 2025	March 2024
	£	£
Salaries and wages	134,179	121,508
National Insurance contributions	26,927	33,214
Pension costs	4,768	7,529
	165,873	162,251

No employee received employee benefits of more than £60,000 (2024: nil).

The trustees were not paid, or received, any benefits from employment with the charity or reimbursed for expenses during the year (2024: nil).

The employee benefits of the key management personnel of the charity were £35,589. (2024: £65,685).

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

	June 2025		March 2024	
	Average	Full time Equivalent	Average	Full time Equivalent
Management	1	0.6	1	1
Service delivery	5	3.8	5	3.9

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

There were no related party transactions during the year (2024: nil).

10 Tangible fixed assets

	30 June 2025 £	31 March 2024 £
Fixtures and office equipment		
Cost at 1 April 2024	925	925
Additions	-	-
Cost at 30 June 2025	925	925
Depreciation		
As at 1 April 2024	925	925
Charge for the year	-	-
As at 30 June 2025	925	925
Net book value:		
At 31 March 2024		Nil
At 30 June 2025	Nil	

11 Debtors

	June 2025 £	March 2024 £
Accrued income	12,210	-
Prepayments	-	-
	12,210	-

12 Cash and cash equivalents

	June 2025 £	March 2024 £
Cash in hand	59,971	81,731
	59,971	81,731

13 Creditors: amounts falling due within one year

	June 2025	March 2024
	£	£
Deferred income	13,827	-
Taxation and social security costs	1,894	1,639
Holiday pay	2,859	3,800
Accruals	1,500	3,321
	20,079	8,760

Deferred income represents grants attributable to the following accounting period.

	June 2025	March 2024
	£	£
Balance at 1 April	(0)	47,824
Amount released to income	0	(47,824)
Amount deferred in the year	(13,827)	0
Balance at 30 June 2025 / 31 March 2024	(13,827)	(0)

14 Movement in unrestricted funds

	General Fund	
	2025	2024
	£	£
Balance at 1 April	72,971	102,202
Incoming resources	7,356	8,065
Resources expended	(28,225)	(37,296)
Funds at 30 June 2025 / 31 March 2024	52,102	72,971

15 Movement in restricted income

Movement in Restricted Income	1 April 2024	Income	Expended	Transfer to Unrestricted	30 June 2025
	£	£	£	£	£
Garfield Weston Foundation	-	15,000	(15,000)	-	-
City Bridge Foundation	-	49,400	(49,400)	-	-
LB of Tower Hamlets	-	31,250	(31,250)	-	-
The Postcode Lottery	-	25,000	(25,000)	-	-
Gill Hickinson Trust	-	2,500	(2,500)	-	-
Mercers	-	29,250	(29,250)	-	-
Awards for All	-	20,000	(20,000)	-	-
Islamic Relief	-	23,677	(9,850)	-	13,827
	-	196,077	(182,250)	-	13,827

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.

Garfield Weston Foundation	City Bridge Foundation	London Borough of Tower Hamlets	People's Postcode Lottery
Gill Hickinson Trust	Mercers' Company	National Lottery Awards for All	Islamic Relief

TOWER HAMLETS FRIENDS AND NEIGHBOURS

England & Wales - Charity number 1099403

Accounts

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 2024

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

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

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS FOR THE YEAR ENDED 31 MARCH 2024

Trustees:

Anne Worlledge (Chair)
Carl Steventon (Deputy Chair)
Stephen Robarts (Treasurer)
Pam Kaur Gibbons (Resigned from 19 September 2024)
Jennifer Skeels
Louise Theophile
Nycolle Deniz (Resigned from 6 June 2024)
Jaber Khan
Nancy Easton (Resigned from 19 September 2024)
Christopher Bingham (Resigned April 2023)

Registered and principal office

St Margaret's House, 21 Old Ford Road, London E2 9PL
Telephone 0203 007 9120 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)
Client Services Administrator	Clara Djondo
Befriending Advocates:	Rose Curran (resigned from July 2024), Shirajul Islam, Breenda Lawrence, Shaleha Begum, Nina Mcloone (from December 2024)

Bankers

HSBC Bank plc

Independent Examiner

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

DIRECTORS' AND TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2024

Report from the Chair

In our Annual Report for the year to 31 March 2023 I reported that securing sustainable funding in that year had been very difficult and challenging but that we had started this new financial year to 31 March 2024 with sufficient reserves and secured funding for the year. I am very pleased to report that the cost cutting measures we put in place and earnest fundraising have enabled us to continue to provide the same level of service to our clients and community in this year and we remain hopeful for the year to 31 March 2025 and the following year.

Without a doubt, funding for small charities such as THFN remains challenging, but we feel confident that we are in a strong position to demonstrate the value and quality of the service we provide to our unique client group, and to the community in Tower Hamlets.

We were able to support 214 clients in the year to 31 March 2024 (240 in 2023). As a snapshot of the service provided, our staff and volunteers had 2,015 face-to-face meetings with clients and 2,617 telephone meetings. All of this has only been possible due to the dedication of our staff and volunteers.
Within the service we provide to the whole community we are fortunate in being able to provide dedicated support to the ethnic population in Tower Hamlets through a service to support older Bangladeshi residents, and we will be introducing a similar service in January 2025 for the older Somali community.

Thankfully we were able to recruit an interim CEO, Rita Chadha, in September 2023. Rita has been the cornerstone in guiding the charity in the period to date, in terms of funding and in carrying out a modernisation and transformation agenda, including improved client allocation and more focussed data collection. More recently she has worked with the trustee board to review the impact the service has for our clients. The review has confirmed that the service we provide continues to be needed, and that demand will grow as the population in Tower Hamlets ages (the population of those over 55 is expected to grow by 44% by 2031). In this coming year we will also focus on creating group support through activities and outings and will continue to monitor the needs of the population in Tower Hamlets and how best we can meet those needs.

In July 2024 Rose Curran stepped down after almost 37 years with the charity (she joined us in November 1987). Rose has been a vital part of the staff team and will be greatly missed by everyone at THFN and by her clients. We recruited a new team member, Nina McLoone who started with us in December 2024.

As always, on behalf of the trustees I thank all of our staff and volunteers- they are the heart and soul of THFN.

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
Anne Worlledge – Chair of Trustees

DIRECTORS' AND TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2024

The trustees present the annual report together with the financial statements for the year ending 31 March 2024. 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.

Annual Impact Report

Transforming Lives, Building Communities

Tower Hamlets Friends and Neighbours (THFN) stands at the forefront of combating social isolation and enhancing quality of life for those over 55 in Tower Hamlets. As a dynamic voluntary organisation, we leverage innovative approaches and bespoke care to create meaningful connections and deliver vital support services.

Through our integrated support network, we break down barriers to independence, champion mental wellbeing, and foster lasting social connections. Our evidence-based approach combines traditional befriending services with modern advocacy and support systems, ensuring every client receives bespoke support that adapts to their evolving needs.

Our Mission

Tower Hamlets Friends and Neighbours is dedicated to empowering older adults to live vibrant, connected lives in our community. Through innovative and bespoke support systems, we create pathways to independence and wellbeing for isolated and vulnerable individuals. Our mission is delivered through three key pillars:

1. **Building Meaningful Connections**

We create transformative social connections that combat isolation and nurture lasting relationships. Through our extensive network of trained volunteers and professional staff, we ensure no older member of our community faces life's challenges alone.

2. **Empowering Independent Living**

Our comprehensive support framework enables older people to maintain their autonomy and dignity. We combine emotional support with practical assistance, helping navigate healthcare systems, access vital services, and manage daily challenges with confidence.

3. Fostering Active Engagement

We curate dynamic, inclusive activities that stimulate both mind and body. Our innovative social activities create opportunities for personal growth, cultural expression, and community participation, ensuring every older person can contribute to and benefit from an active community life.

Voluntary Organisation Supporting Older People in 2023-2024

The voluntary sector's role in supporting older people has never been more critical. By 2042, the number of people aged 65+ in the UK is projected to increase by 43% to 17.4 million (Office for National Statistics, 2024). In Tower Hamlets alone, the population aged 65 and over is expected to grow by 44% by 2031 (Tower Hamlets Joint Strategic Needs Assessment, 2023).

The Post-Pandemic Aftermath

While COVID-19 restrictions lifted, their impact lingered heavily. Age UK reported that 1.2 million older people in England are chronically lonely (Age UK, 2023), while 27% of people aged 60+ say they speak to family, friends, or neighbours less than once a week (Campaign to End Loneliness, 2023). Our local data reflects this crisis, with 95.2% of THFN clients experiencing depression.

Resource Squeeze

Voluntary organisations faced unprecedented pressures:

- 83% of charities reported increased operating costs due to inflation (NCVO, 2023)
- 55% of UK charities dipped into their reserves to survive (Charity Commission, 2023)
- 47% of small charities reported serious concerns about their long-term survival (Small Charities Coalition, 2023)

In Tower Hamlets, where 39% of older people live in income-deprived households (London Poverty Profile, 2023), the demand for services continues to rise while resources diminish.

Complex Care Needs

The profile of older people needing support became increasingly complex:

- One in five people aged 75+ live with two or more chronic conditions (NHS Digital, 2023)
- Dementia cases are projected to rise by 75% in Tower Hamlets by 2030 (Tower Hamlets Health and Wellbeing Strategy, 2023)
- 42% of people aged 75+ in London have a mobility impairment (GLA, 2023)

System Navigation Challenges

The fragmentation of services has created significant barriers:

- 78% of older people report difficulty navigating health and social care systems (Age UK, 2023)
- 2.2 million older people in the UK have unmet care needs (The Kings Fund, 2023)

- 45% of over-65s in Tower Hamlets live alone (Tower Hamlets Council Demographics, 2023)

Social Care Crisis Impact

The crisis in social care has reached critical levels:

- 506,000 people are waiting for adult social care assessments nationally (ADASS, 2023)
- £3.5 billion funding gap identified in adult social care (Local Government Association, 2023)
- 165,000 vacant posts in adult social care across England (Skills for Care, 2023)

Demographic Shifts

The changing demographic landscape presents new challenges:

- By 2025, more than 25% of Tower Hamlets' older population will be from ethnic minority backgrounds (GLA Demographic Projections, 2023)
- 47% of over-75s in the UK are digitally excluded (Lloyds Bank Digital Index, 2023)
- 3.8 million older people in the UK live alone (Office for National Statistics, 2023)

Workforce Pressures

The voluntary sector workforce faces significant challenges:

- 77% of UK charities report difficulties in volunteer recruitment (NCVO Civil Society Almanac, 2023)
- 68% of voluntary organizations report increased training needs due to complex cases (Charity Skills Report, 2023)
- Volunteer numbers in London declined by 25% post-pandemic (London Plus, 2023)
- In 2023 we restructured the organisation to meet our financial circumstances, sadly we lost our full-time Chief Executive Rajesh Khalan, Rita Chadha joined us in September 2023 to steer the organisation through a modernisation and transformation agenda.
- In 2023 we also registered to become a London Living Wage Employer

Financial Sustainability

Organisations face mounting financial pressures:

- 40% of charities reported a deteriorating financial position (Pro Bono Economics, 2023)
- Small charities saw a 20% decrease in unrestricted funding (Small Charities Data Hub, 2023)
- 82% of voluntary organizations report increased costs due to inflation (NCVO, 2024)

The Future Landscape

The sector faces growing demands:

- The number of people aged 85+ in the UK is set to double by 2043 (ONS, 2023)
- 75% of older people in Tower Hamlets will need some form of care support by 2030 (Tower Hamlets Adult Social Care Strategy, 2023)

- Demand for voluntary sector services is projected to increase by 50% by 2025 (Civil Society Futures, 2023)

The challenges faced by voluntary organisations supporting older people in 2023-2024 reflect broader societal issues in aging and social care. With 1 in 5 people in the UK projected to be over 65 by 2030 (ONS, 2023), the role of voluntary organisations becomes increasingly crucial in supporting our aging population.

The Challenge We Address

Loneliness and social isolation present significant health risks in Tower Hamlets, where:

- A higher proportion of older people live alone compared to the national average
- An estimated 16% of older residents experience chronic loneliness
- Social isolation impacts are comparable to smoking and exceed obesity's health effects
- The borough faces unique challenges with higher rates of poverty and diverse ethnic populations

Our Impact in Numbers 2023-2024

Client Demographics

- Total clients supported: 214
- New referrals: 90
- Average client age: 79 years
- Gender distribution: 60% female, 40% male
- Oldest client: 100 years

Health and Wellbeing Support

Our clients face complex health challenges:

- Depression: 139 clients (95.2%)
- Multiple chronic conditions: 100 clients (68.5%)
- Diagnosed dementia: 36 clients (24.7%)
- Additional memory issues/undiagnosed dementia: 19 clients
- Mobility issues: 45% of clients
- Housebound status: Over 70% of clients

Service Delivery

We provided comprehensive support through:

- 2,617 phone calls
- 2,015 face-to-face visits/assessments

- 1,804 wellbeing activities
- 1,276 reminiscence sessions
- 224 advocacy support incidents
- 138 escort services
- 117 food/prescription deliveries

Cultural Competency

We serve a diverse community:

- White UK: 106 clients (49.5%)
- Asian Bangladeshi: 48 clients (23%)
- Black African: 24 clients (11.2%)
- White European: 16 clients (7.5%)
- Other ethnicities: 18 clients (8.4%)

Living Situations

- Living alone: 110 clients (51.4%)
- Living with family/partner: 86 clients (40.2%)
- In sheltered accommodation: 18 clients (8.4%)

Service Integration and Referral Pathways

Our strong partnerships are reflected in our referral sources:

1. Adult Social Services: 96 referrals (44.9%)
2. Hospitals & Memory Clinic: 50 referrals (23.4%)
3. Community health teams: 34 referrals (15.9%)
4. Healthcare providers (GPs/Social Prescribers): 17 referrals (7.9%)
5. Specialist organisations and self-referrals: 17 referrals (7.9%)

Volunteer Impact

Our service in 2023-24 was supported by 27 dedicated volunteers:

- 12 active volunteers
- 15 inactive volunteers
- 9 volunteers left during the period
- 8 were on temporary leave (4 due to bereavement, 4 on sick/maternity leave)

Key Achievements

1. **Comprehensive Support**: Delivered over 6,400 client interactions through calls, visits, and activities
2. **Mental Health Focus**: Supported 139 clients with depression, providing crucial emotional support
3. **Dementia Care**: Supported 36 diagnosed dementia clients, with additional support for those with memory issues
4. **Social Integration**: Facilitated 427 group activities and outings

Looking Forward

Responding to Community Needs, Delivering Sustainable Impact

Drawing on almost 80 years of community service and robust data from supporting 214 vulnerable older adults in 2023-24, THFN has identified key strategic priorities to enhance our service delivery and community impact.

Priority Areas for Investment

Innovation in Service Delivery

- Developing scalable support models beyond traditional befriending
- Implementing evidence-based digital inclusion initiatives using AI
- Creating sustainable group support programmes to maximise impact
- Measuring outcomes through enhanced monitoring systems

Professional Development & Expertise

Strengthening staff expertise in:

- Formalise an approach to including more lived experience in the governance and management of the organisation, including becoming an Age Friendly Employer
- Dementia and age-related conditions
- Complex welfare benefits navigation
- Housing rights advocacy
- Health and social care legislation
- Mental health support
- Supporting family reconnection through ethical guidance and advocacy, particularly in cases of estranged relationships and complex family dynamics

Cultural Competency & Inclusion

- Expanding culturally adapted support services, especially for older men and members of the Somali community
- Developing targeted outreach to underserved communities
- Creating inclusive programming for diverse elder populations

- Building partnerships with cultural community organisations

Mental Health & Dementia Support

- Enhancing early intervention capabilities
- Strengthening partnerships with memory services
- Developing innovative cognitive support programmes
- Supporting families through diagnostic pathways

Volunteer Excellence Programme

- Recruiting more volunteers
- Implementing a new comprehensive volunteer training
- Developing specialist roles for skilled volunteers, including opportunities for micro volunteering
- Creating sustainable volunteer retention strategies
- Building volunteer leadership capacity

Systems Change & Advocacy

- Creating and Age Friendly Tower Hamlets
- Challenging age-based discrimination in public services
- Advocating for improved service accessibility
- Contributing to policy development
- Building strategic partnerships for systemic change

Impact Measurement

Reviewing and enhancing our monitoring framework so we can track

- Client wellbeing improvements using the Rockwood Frailty and Warwick and Edinburgh Scales in particular.
- Service accessibility metrics
- Volunteer engagement and retention
- System navigation successes
- Cultural competency outcomes
- Obtain the Befriending Network Kitemark Award
- Achieve Trusted Charity accreditation

Through strategic investment in these priority areas, THFN will strengthen its position as a leading provider of support services for older people, delivering measurable impact and sustainable community change.

Financial Review

The fundraising environment remained challenging in the year to 31 March 2024 as a number of multi-year grants that rolled off in the previous financial year were difficult to replace and reserves were used to cover the funding shortfall.

Our income for the year was £159,923, compared to £128,238 in the previous year and our costs were below the previous year, £189,154 for the year to 31 March 2024 and £207,308 for the previous year. This resulted in a deficit for the year of £29,231 and a reduction in our reserves to £72,971 from £102,202. We closed the year with a bank balance of £81,731 (£161,351 in 2023) and no deferred funding, although we've since been awarded several one-off and multi-year grants that have bolstered our financial position in the near term.

The impact of the economic challenges that the organisation faced in the years ended 31 March 2023 and 2024 have stabilised following the measures that were taken to reduce costs, but risks remain.

The trustees stuck to its decision 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.

We have not replaced the vacant post of Operations Manager and have kept the CEO post to 3 days per week following the appointment of our interim CEO. We cannot thank our staff enough for the commitment they have given to us during this difficult time.

We have recently secured renewed funding of £27,000 per annum for 3 years from Mercers alongside several one-off grants including £39,400 from Islamic Relief. As a result, we've almost met our funding target for the year ended 31 March 2025 and are making progress in the following year. However, due to the lack of multi-year grants, our funding position in the medium term remains a challenge.

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 2024 the charity had reserves of £72,971, and the budget for the year to 31 March 2025 was £156,000, therefore representing a marginal shortfall to our reserves target.

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.

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 2024, three of our trustees stood down and no new trustees have been appointed.

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 6), 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.

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.

DIRECTORS' AND TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2024

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

.....

Anne Worlledge

(Director and Trustee)

20 December 2024

CARL STEVENTON

.....

Carl Steventon

(Director and Trustee)

20 December 2024

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 2024, which are set out on pages 17 to 25.

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

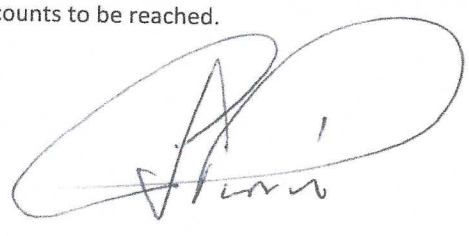
In connection with my examination, no matter has come to my attention:

(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 **20 December 2024**

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 2024

	Note	Unrestricted Funds	Restricted Funds	Total 2024	Total 2023
		£	£	£	£
Income:					
Donations	2	6,375	122,691	129,066	77,740
Income from charitable activities	3	-	29,167	29,167	50,000
Investment income	4	1,690	-	1,690	498
Total income		8,065	151,858	159,923	128,238
Expenditure:					
Costs of raising funds	5	2,762	18,443	21,206	34,524
Expenditure on charitable activities:					
Befriending services	5	34,534	133,415	167,948	172,784
Total expenditure		37,296	151,858	189,154	207,308
Net income(Expenditure) and net movement in funds for the year.	14/15	(29,231)	-	(29,231)	(79,070)
Reconciliation of funds					
Total funds brought forward		102,202	-	102,202	181,272
Total funds carried forward		72,971	-	72,971	102,202

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 19-25 form part of these financial statements.

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

BALANCE SHEET AS AT 31 MARCH 2024

	Note	2024 £	2023 £
Fixed Assets			
Tangible fixed assets	10	-	-
Total Fixed Assets		-	-
Current assets			
Debtors	11	-	1,216
Cash at bank and in hand	12	81,731	161,351
Total current assets		81,731	162,567
Liabilities			
Creditors due within one year	13	(8,760)	(60,365)
Net current assets		72,971	102,202
Total assets, less current liabilities		72,971	102,202
Net assets		72,971	102,202
The funds of the charity			
Unrestricted income funds	14	72,971	102,202
Restricted income funds	15	-	-
Total funds		72,971	102,202

The notes on pages 19-25 form part of these financial statements.

For the year ending 31 March 2024 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 20 December 2024

ANNE WORLLEDGE

.....

Anne Worlledge - Director and Trustee

CARL STEVENTON

.....

Carl Steventon – Director and Trustee

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 MARCH 2024

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.

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.

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 (2024: £39,584; 2023: £50,000).

4 Investment income

	Unrestricted	Restricted	2024	2023
	£	£	£	£
Income from investments	-	-	-	-
Bank interest	1,691	-	1,691	498
	1,691	-	1,691	498

5 Total resources expended:

	Befriending Services			
	Unrestricted	Restricted	2024	2023
	£	£	£	£
Cost of raising funds				
Staff costs	1,262	18,443	19,706	25,184
Sundry costs	1,500	-	1,500	654
	2,762	18,443	21,206	25,838
Cost of charitable activities				
Staff costs	7,578	110,732	118,310	123,811
Transport and travel	1,483	-	1,483	1,695
Outings with clients	2,285	-	2,285	4,609
Telephone	3,152	-	3,152	3,404
Postage and stationery	602	-	602	543
Recruitment costs	-	-	-	658
Marketing	-	-	-	-
Training	-	-	-	680
Support costs allocated to charitable activities				
General support:				
Staff costs	1,552	22,682	24,235	26,443
Premises	9,823	-	9,823	10,362
Insurance	707	-	707	639
Sundry expenses	218	-	218	604
Computer support	3,360	-	3,360	3,963
IT and systems upgrade	-	-	-	-
Payroll costs	2,100	-	2,100	2,049
Governance cost:				
Independent examiners fee	1,500	-	1,500	1,500
Other governance costs	174	-	174	511
	34,534	133,415	167,948	181,471
Total expenditure	**37,296**	**151,858**	**189,154**	**207,308**

6 Net income for the year

	2024	2023
	£	£
This is stated after charging:		
Independent Examiner's fee	1,500	1,500

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

	2024	2023
	£	£
Salaries and wages	121,508	126,842
National Insurance contributions	33,214	37,487
Pension costs	7,529	11,108
	162,251	175,437

No employee received employee benefits (excluding employer pension contributions) of more than £60,000 (2023: one employee received more than £60,000).

The trustees were not paid, or received, any benefits from employment with the charity or reimbursed for expenses during the year (2023: nil).

The employee benefits of the key management personnel of the charity were £65,685 (2023: £88,110).

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

	2024		2023	
	Average	Full time Equivalent	Average	Full time Equivalent
Management	1	1	1.5	1
Service delivery	3.9	3.9	5	3.7

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 2024 were £9,823 (2023: £10,362).

10 Tangible fixed assets

	2024	2023
	£	£
Fixtures and office equipment		
Cost at 1 April 2023	925	925
Additions	-	-
Cost at 31 March 2024	925	925
Depreciation		
As at 1 April 2023	925	925
Charge for the year	-	-
As at 31 March 2024	925	925
Net book value:		
At 31 March 2023		Nil
At 31 March 2024	Nil	

11 Debtors

	2024	2023
	£	£
Other debtors	-	-
Prepayments	-	1,216
	-	1,216

12 Cash and cash equivalents

	2024	2023
	£	£
Cash in hand	81,731	161,351
	81,731	161,351

13 Creditors: amounts falling due within one year

	2024	2023
	£	£
Deferred income	-	47,824
Taxation and social security costs	1,639	3,331
Holiday pay	3,800	6,594
Accruals	3,321	2,615
	8,760	60,365

Deferred income represents grants attributable to the following accounting period.

	2024	2023
	£	£
Balance at 1 April	47,824	7,500
Amount released to income	(47,824)	(7,500)
Amount deferred in the year	0	47,824
Balance at 31 March	(0)	47,824

14 Movement in unrestricted funds

	General Fund	
	2024	2023
	£	£
Balance at 1 April 2023	102,202	181,272
Incoming resources	8,065	8,758
Resources expended	(37,296)	(87,828)
Funds at 31 March 2024	72,971	102,202

15 Movement in restricted income

Movement in Restricted Income	1 April 2023	Income	Expended	Transfer to Unrestricted	31 March 2024
	£	£	£	£	£
Garfield Weston Foundation	-	15,000	(15,000)	-	-
Clarion	5,000	5,000	(10,000)	-	-
City Bridge Trust	2,360	39,450	(41,810)	-	(0)
City Bridge Trust (one-off)	3,814	-	(3,814)	-	-
LBTH	-	29,167	(29,167)	-	-
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	5,000	(8,000)	-	-
WG Edwards	1400	-	(1,400)	-	-
Anne Rylands	2500	-	(2,500)	-	-
LBTH Mayors Award	0	10,417	(10,417)	-	-
	47,824	104,034	(151,858)	-	(0)

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
Drapers Charitable Fund
The Robert McAlpine Foundation
Garfield Weston Foundation
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

TOWER HAMLETS FRIENDS AND NEIGHBOURS

England & Wales - Charity number 1099403

Accounts

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

Company Number: 04657449
Registered Charity number 1099403

improving lives
THFN
through befriending services

TOWER HAMLETS FRIENDS AND NEIGHBOURS

A Charitable Company Limited by Guarantee.

Annual Report
Year ended 31 March 2023

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

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

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 Worlledge (Chair, from May 2022)
Carl Steventon
Stephen Robarts (Treasurer)
Pam Kaur Gibbons
Jennifer Skeels
Louise Theophile (From September 2022)
Nycolle 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

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

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 fortunate 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 another75 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

Anne Worlledge – Chair of Trustees.

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.

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.

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

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.





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.





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

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 befrienders 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.

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".

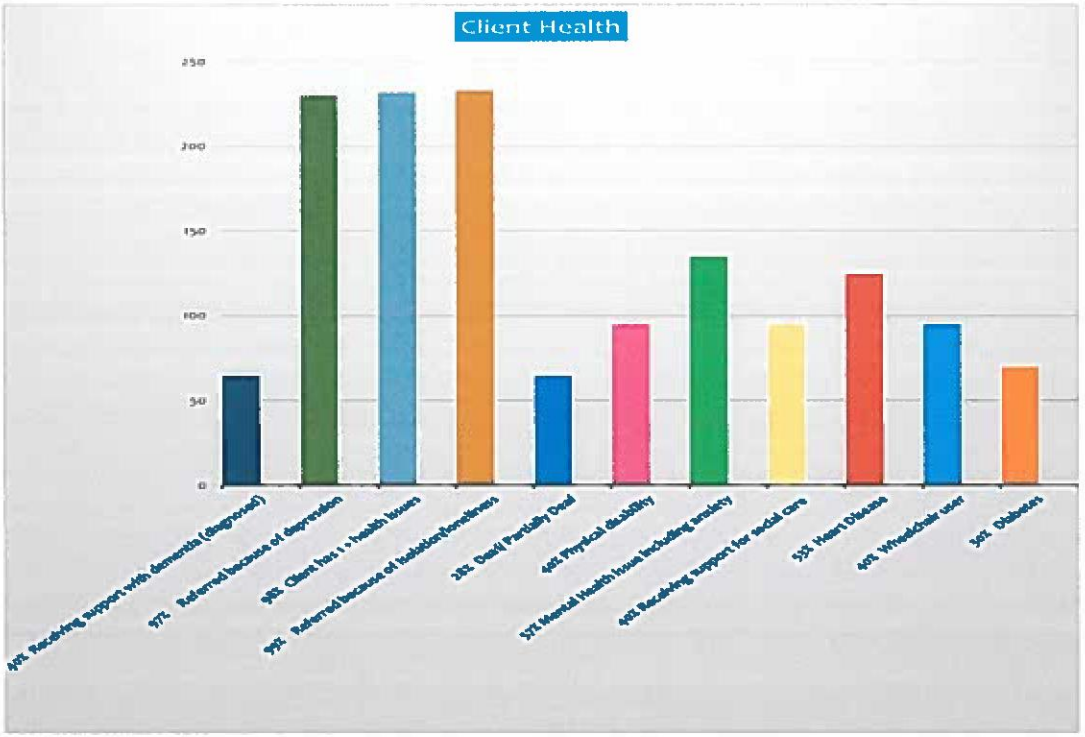
Ms A has now been diagnosed with dementia but has made huge improvements. The daughter in law reports that her doctors have now asked the family to make noise and try to stimulate Ms A further even at feeding times, such as banging the spoon on the plate. The family agreed that they had seen positive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

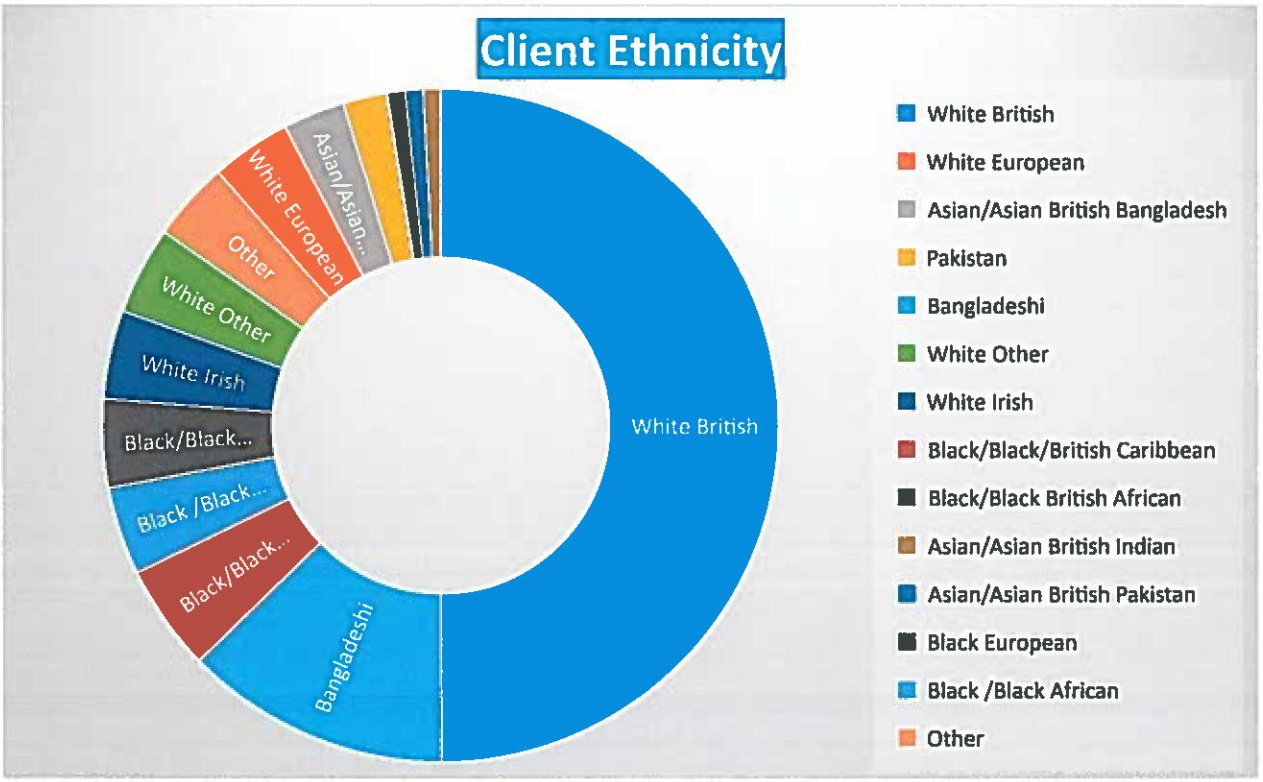
It is estimated that there are now 1,200 diagnosed people living with dementia in the borough. Dementia prevalence, as a proportion of 65-year-olds in Tower Hamlets, is the second highest in London at 5.25% and is significantly higher than the London prevalence of 4.49% so it isn't too surprising that 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.



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.

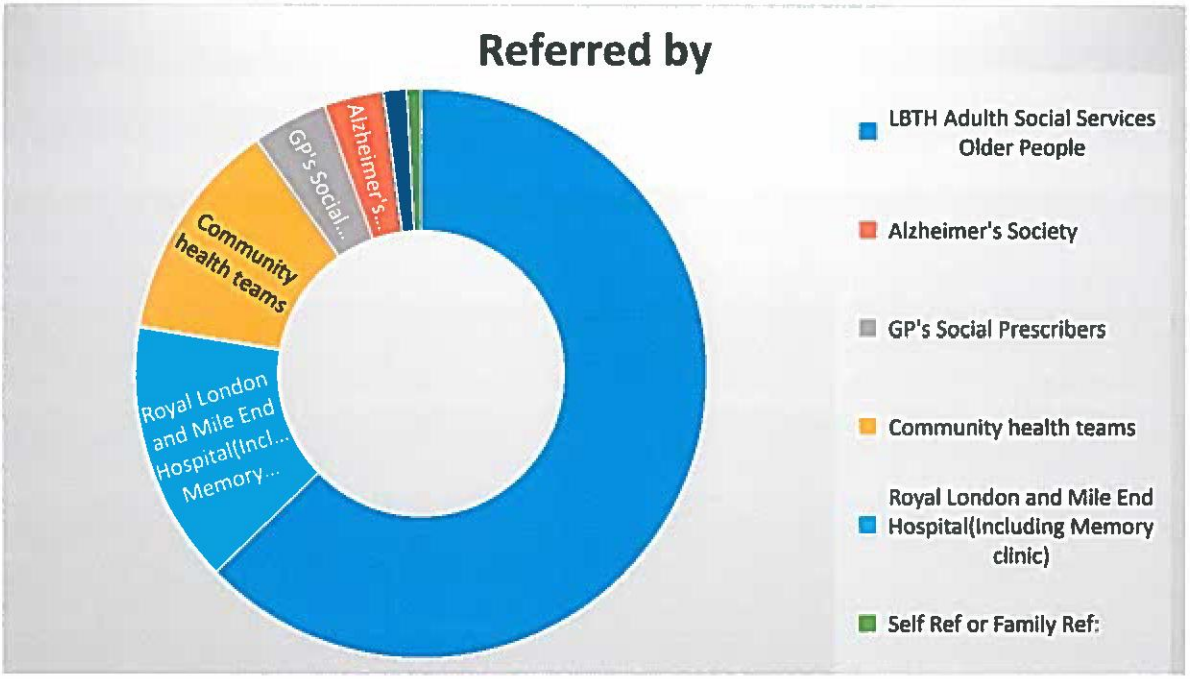
In March 2022 the council launched the Tower Hamlets Connection Network to support local organisations to work together to share ideas, information, and skills to deliver a stronger local response to loneliness and isolation, affecting our most vulnerable people. A loneliness task force to identify how 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).



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.*

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.



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.

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.

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.

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.

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.

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		8,758	119,480	128,238	229,811
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		87,828	119,480	207,308	202,359
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		181,272	-	181,272	153,820
Total funds carried forward		102,202	0	102,202	181,272

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

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

Anne Worlledge - Director and Trustee

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.

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.

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
	498	-	498	24

5 Total resources expended:

	Befriending Services			
	Unrestricted	Restricted	2023	2022
	£	£	£	£
Cost of raising funds				
Staff costs	8,033	17,151	25,184	27,357
Sundry costs	654	-	654	96
	8,687	17,151	25,838	27,453
Cost of charitable activities				
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
Support costs allocated to charitable activities				
General support:				
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
Governance cost:				
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

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
	175,437	179,024

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:

	2023		2022	
	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).

10 Tangible fixed assets

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

11 Debtors

	2023	2022
	£	£
Other debtors	-	-
Prepayments	1,216	2,432
	1,216	2,432

12 Cash and cash equivalents

	2023	2022
	£	£
Cash in hand	161,351	196,309
	161,351	196,309

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
	60,365	17,469

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	47,824	7,500
Balance at 31 March	47,824	7,500

14 Movement in unrestricted funds

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

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
	7,500	159,804	(119,480)	-	47,824

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

TOWER HAMLETS FRIENDS AND NEIGHBOURS

England & Wales - Charity number 1099403

Accounts

Company Number: 04657449
Registered Charity number 1099403



TOWER HAMLETS FRIENDS AND NEIGHBOURS

A Charitable Company Limited by Guarantee.

Annual Report
Year ended 31 March 2022

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

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

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS FOR THE YEAR ENDED 31 MARCH 2022

Trustees:

Gemma Roye (Chair, resigned May 2022)
Anne Worlledge (Interim Chair from May 2022)
Anthony Hardie
Amanda Goh (Resigned April 2022)
Kirsty Sanders (Resigned July 2022)
Carl Steventon
Christopher Bingham
Stephen Robarts (Treasurer)
Pam Kaur Gibbons
Jennifer Skeels (from November 2021)

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 and Company Secretary:	Rajesh Kalhan
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) and Habiba Kamaly (resigned December 2021)

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

Solicitors
Russell-Cooke, Solicitors, 2 Putney Hill, Putney, London SW15 6A

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

DIRECTORS' AND TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2022

Report from the Chair

We reported last year that 2020-2021 had been both difficult and challenging. Sadly, whilst the COVID-19 restrictions have eased in the general population, many of our clients have remained anxious and apprehensive. We have been able to continue to support them throughout the year, either by telephone befriending or by the resumption of face-to-face visits, but the pace of resumption has been slower than we would have hoped. We have been guided by our clients and will continue to support them either by telephone contact or by moving to direct meetings as they become more comfortable. We have continued with PPE, if the client prefers this, and the Befriending staff undertake regular COVID testing prior to visiting clients. We are hoping for a return to the service we were able to provide in pre-Covid days but will continue at the pace dictated by the clients. By September 2022 almost 50% of the clients have resumed face to face support.

Our client base comprises lonely and socially isolated older people, often with complex physical and mental health issues. Not surprisingly, the pandemic has resulted in a significant increase in anxiety in this section of our community and we have witnessed this in the steady increase in referrals to us from the start of 2022. We have accommodated as many as possible into our staff-led service or the telephone befriending service staffed by volunteers. Our focus now is on replacing the telephone volunteers who have left us in recent months as they return to office- based work. We are planning to recruit and train more local volunteers to fill the gap, allowing us to expand the service in the coming year to meet the increasing demand.

In the year to March 2022, we supported 236 clients. This has been an amazing achievement in difficult circumstances. Please take a few moments to read the stories of some of our clients included in this Annual Report. These give a picture of what the service means to our clients and how much they appreciate the personal care and support they receive.

Happy Birthday THFN

THFN will be 75 years old in 2022. Our origin was as Stepney Old Peoples Welfare Trust, based at the Royal Foundation of St Katherine, in Limehouse. Services included meals on wheels, medical and health support and community outings and activities for the elderly residents of the borough. We have evolved through various stages over the years to what we are today. To celebrate our milestone year, we have been exhibiting a collection of our photographs at venues in the borough. The exhibition celebrates the wonderful clients we have been pleased to serve over the years, and to mark our special birthday we are also planning a celebratory tea party in November for our clients, volunteers and staff and others who have been so important to us in recent years.

On behalf of the Trustees, I want to say a huge thank you to the staff and the volunteers who have continued to deliver such a valued service during what has also been an uncertain and anxious period for themselves and their families, and thank you also to the trustees who have worked to ensure that THFN is able to be true to its mission and values in supporting the elderly community. In recent months three of our longer serving members of the Trustee Board have retired - Gemma Royce (who was also Chair from February 2020), Amanda Goh and Kirsty Sanders. I thank them for their valuable service and contribution to THFN.

I also want to say a very special thank you to Bridget Akinbolaji, the Operations Manager. Bridget joined us 11 years ago and has been the lynchpin at the heart of the charity for many years. She is

leaving us in September to take up a post with another local charity. I wish her every success and thank her for all that she has done for the charity and its many clients throughout her time with us.
The following pages in this Annual Report provide a more detailed account of our activities and plans.

Anne Worlledge
Chair

Anne Worlledge.

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

DIRECTORS' AND TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2022

The trustees present the annual report together with the financial statements for the year ending 31 March 2022. 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.

Case study – *Ms C*

Ms C was referred to THFN by Tower Hamlets Talking Therapies, during the Pandemic. She lived alone and suffered with depression and anxiety, but due to personal issues, psychological support was not deemed appropriate for her, although she was diagnosed with depressive personality disorder in 2016.

At the beginning of the lockdown, she had no food, and was unable to go shopping. Her THFN befriender made arrangements with another local charity to ensure she had sufficient food and provided as much support as she needed.

Her mental health had deteriorated, after a physical assault by a former friend in 2019. The person in question lived nearby, and Ms C was subjected to verbal abuse and harassment, when they saw each other in the street. She did not have a good relationship with her son and had also experienced several family losses which she was still dealing with.

She told her THFN befriender what had happened with her former friend, and how it was constantly on her mind and causing her great distress; there were incidences where their paths would cross which made her feel anxious and very uncomfortable. With time, patience and support from her befriender, the incident caused her less anxiety, as she was able to talk about how she felt, and other things which made her feel better.

Through regular calls and visits, the befriender was able to work through complex family issues and the death of her dog, which she found particularly difficult. She was signposted to a specialist bereavement counsellor to help her deal with her grief.

As places began to open again, her befriender suggested things she might like to try, and would help her mental health and wellbeing. Ms C joined a cycling group at a local park as well as an exercise and walking group close to where she lived. These activities had a huge positive impact on her and has provided her with a new social network and has enabled her to make new friends. For her birthday last year, they all went on a boat trip, and she is now a lot happier and contented.

THFN continue to visit and call Ms C and whilst there has been a huge improvement in her mental health and wellbeing, she has other health issues she needs support in dealing with.

"My THFN Befriender has made such a difference to my life, I am so much happier"

Last Year

The past year was as difficult and challenging for THFN as the previous year, once again due to Covid-19. Whilst we had the experience of knowing what worked best with our clients from the previous year, the stopping and starting of services as well as the confusion of new rules for Covid – 19 experienced by clients of the rule changes did not help. Clients required regular reassurance and through our telephone calls we were able to help reduce anxiety and loneliness. Our calls ensured there was a friendly voice at the end of the telephone which helped to reduce their stress.

We learnt that people needed something to occupy themselves with and started making puzzles and word searches which we would send out. We also learnt that those who experienced hearing disorders and those living with dementia found telephone befriending difficult. It was these clients, therefore that we prioritised as lockdown measures began to recede, along with the many clients that had been referred to us during the lockdown. We started revisiting clients as soon as this was possible, usually in parks and open spaces or other places where social distance could be maintained, and clients felt safe.



However, most of the people we support have mobility issues. We started a doorstep befriending service for those people that were unable to walk to local parks or didn't have a garden but wanted a visit from their befriender.



We continued undertaking welfare checks, to ensure people had groceries and prescriptions, carers were visiting, and utilities were in order. Most of the people we support were identified as either "extremely clinically vulnerable" or "clinically vulnerable". We thus ensured we took full precautions using as much personal protective equipment that was necessary, making it safe for our clients and our befrienders. Our clients are elderly, and most are not digitally enabled, however, for those that were able to connect, we started group coffee mornings and our popular monthly music club continued.





Our partnership with global law firm, Shearman & Sterling ended this year, and we are forever grateful to all the staff for their efforts in supporting us through donations and volunteering. We estimate, their staff provided over 1300 hours of volunteering throughout our partnership, which enables us to call more clients than ever before.

Last year, Arnold and Porter (A&P), a US law firm voted to have THFN as one of their charity partners. We are grateful to the staff at A&P for their fundraising endeavours, and the pro bono legal advice they provided.

Thank you also to all our other volunteers, many of whom have been volunteering for us for many years, as well as those that came forward to provide telephone befriending during the lockdown.

Thank you also to all the staff who have continued to give their all throughout this crisis, doing everything that they could to support our clients.



Case study – *Geoff*

Geoff was referred to THFN by his GP, following a stroke. His restricted his mobility made it difficult for him to go out, which made him feel lonely and isolated.

Geoff was a local historian and active in his local community. In recent years he had experienced multiple bereavements which led to depression. Due to the stroke and difficulties with his knees, his mobility had been largely restricted as he was no longer able to go out by himself which made him feel disconnected from his friends and local community. He thus relied on support from his carers and friends for his shopping and daily essentials.

His THFN befriender called him regularly, sometimes several times a week during the lockdown, as he had no one else to talk to. His befriender also ensured he had a sufficient supply of food and daily essentials. Geoff was concerned about his shopping and was advised that support and assistance with

this would be found from other local charities. During the lockdown, his befriender encouraged him to do activities such as seated exercise, reading, listening to music, watching videos on YouTube that interested him, which helped keep him occupied

His Befriender discussed the option of using an electric wheelchair which would give him some independence and enable him to get out. He went through all the options, and in the end, Geoff bought an electric wheelchair which has enabled him to be go out alone. Since the COVID restrictions has been

relaxed and places has started opening, his befriender has accompanied to places he used to visit when he was more mobile.

Geoff reports feeling less lonely and isolated and has said his electric wheelchair has given him a new lease of life.

"I am so glad that services like yours exist to support people like me".

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 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 uncertainly of what was happening, how safe things were for them remains today.

The average age of our clients is 79, with 83% aged 70 and over. Over 70% describe themselves as being housebound and the numbers referred to us with a multitude of problems remain high (over 95%). Unsurprisingly this last year the number of clients referred to us with depression is at its highest (97%), as is the number of people with an existing diagnosis of dementia (40%). The increase year on year of people with dementia was one reason all THFN staff were trained as Dementia Friends, and all befrienders as Dementia Champions.

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
- 36% are male, 64% are female

Case Study Ms P

MS P was referred to THFN by LBTH Adult Social Care. She lived alone with no statutory services and only her disabled brother for support. She was frail, had asthma and at the time, was on the waiting list for the memory clinic. A month prior to her referral, a stranger knocked on her door and she was robbed which was a traumatic experience for her.

Ms P was reluctant to talk at first, especially as she had not met her befriender as THFN were providing a telephone befriending service only at the time of her referral. However, she began to recognise the voice of her befriender through regular calls and became more open and the chats became longer and less repetitive.

Her befriender would play music to her and reminisce which she enjoyed, and as she grew more open, her befriender learnt more about her, the things she liked to talk about, such as her cat and a friend she had in Australia.

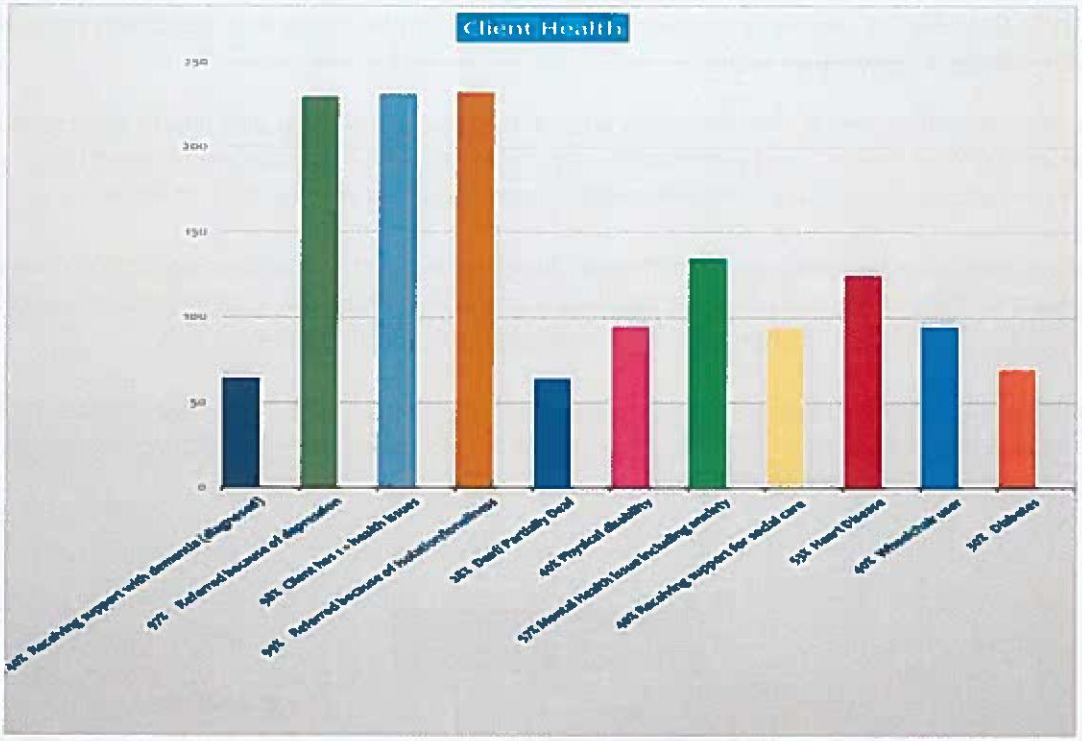
Ms P was finally diagnosed with dementia, and although she was a very independent person, carers were put in place. Ms P looked forward to her visits from her befriender as lockdown measures eased. She spoke about her life and how she met her friend in Australia and where she had lived.

It became clear, that Ms P required more help, and has now moved into a care home. THFN continue to visit her, and she very much enjoys the THFN activity set which she enjoys completing with help from her befriender.

Medical Issues

THFN provides services throughout the entire borough. This year our services were all undertaken remotely, and in total we supported 236 clients in the period from April 1st, 2022, to 31st March 2022.

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 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. All events organised by our dementia partners, the Alzheimer's Society have been moved online, and it is unclear when these will return to offline events.

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.

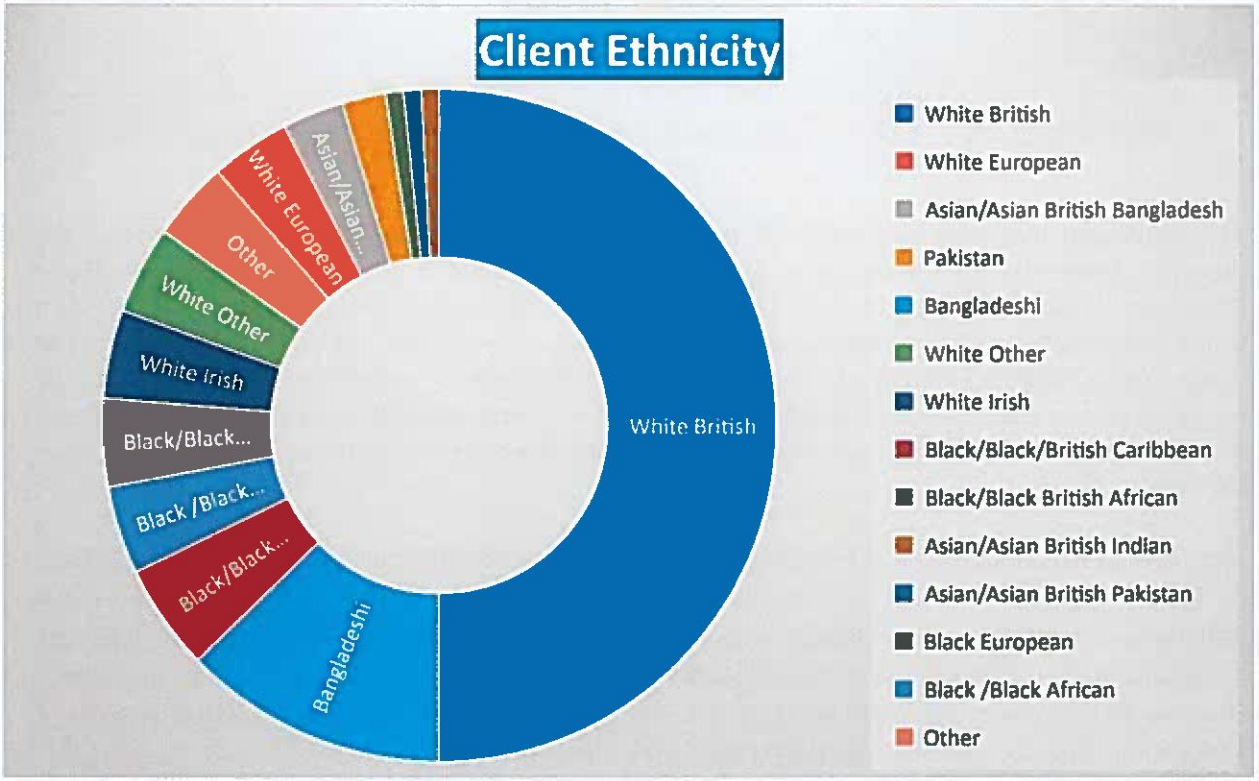
In March 2022 the council launched the Tower Hamlets Connection Network to support local organisations to work together to share ideas, information, and skills to deliver a stronger local response to loneliness and isolation, affecting our most vulnerable people. A loneliness task force to

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.

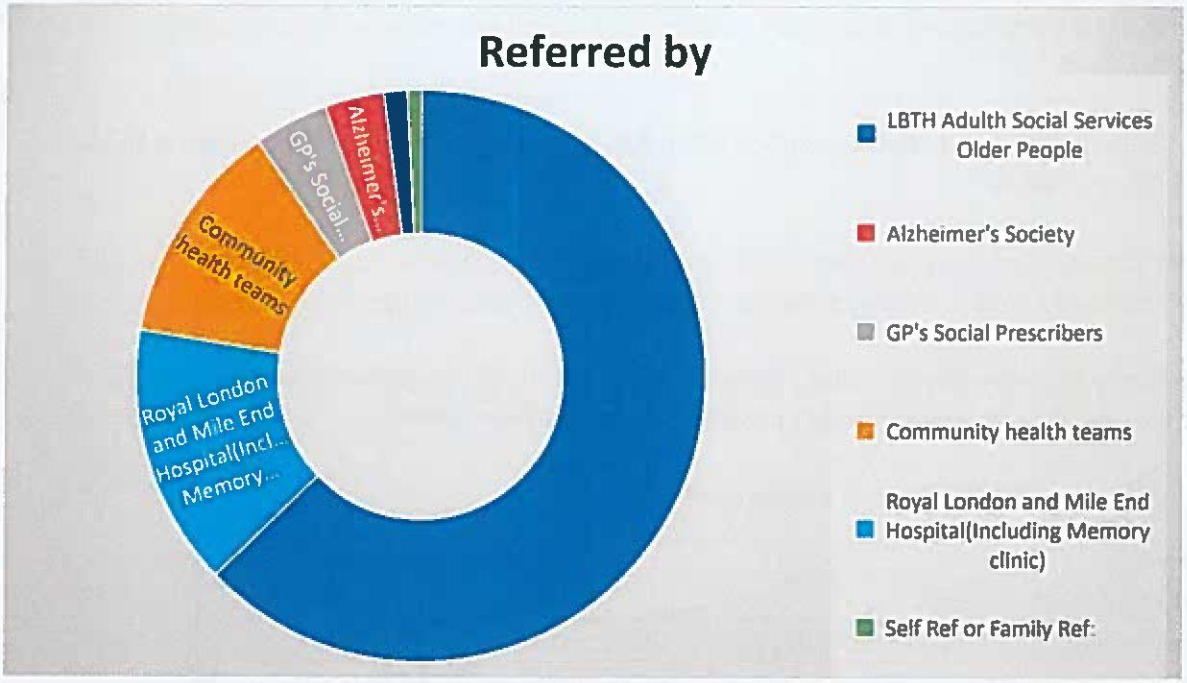
Increasingly, our clients are at the sharp end with a myriad of emotional and health issues, facing language and cultural barriers, and with no one else to turn to. 98% of people are referred to us with one or more complex health issues and the majority have carers supporting them at home.

There was a small increase in the number of male clients we supported last year, up from 34% in the previous year to 35%. 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 (16%).

There has been a steady increase in referrals especially from January 2022. With the number of our interim befrienders returning to work from an office environment we will need to recruit more volunteers, and develop a waiting list system



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 32% from those working in the health sector (GPs, hospital-based health teams, social prescribers).



What have we achieved this year?

Client Reviews are undertaken with clients every year to understand how the service affects 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 123 people:

- All clients were satisfied with the service their 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 well-being.
- 99% of clients said they would recommend THFN to other older people.

Client quotes

I think it's an excellent service and you keep in contact regularly and whenever I need help with anything you do help me and I appreciate that very much

I feel comfortable with my befriender I trust her with everything.
It is nice as it has made a difference to me giving me time to think which improves my brain ability.

Your service keeps me in touch with the world as its regular calls, but I would like the regular visits.

It is something I wish I didn't need and never ever thought I would but on the whole it has been good a thing for me, and I wish I will be able to say I do not need the service but I do need a friend

Good service and don't change staff as Mum has Alzheimer's and trust the person who she has had for a while.

Thank you for such a great service and I was lucky to be paired up with someone I get on with very well and it is a service I know I can depend on which stops me worrying.

I would say it is very good service., sometimes my niece asks me how I found information that was needed so I always tell her I spoke to Brenda from THFN

Of the services THFN provided during the lockdown:

Activity	%
Telephone Befriending	100
Reminiscence/Reminiscence with photos, videos, music	62
Outdoor Activities	39
Advocacy Support	34
Puzzles and Word Games	32
Guided seated exercise	15
Online group activity	14
Arts and Crafts	11

What we will do in 2022/23

As lockdown measures continue to ease, we envisage a return to pre Covid – 19 services but delivered in a way where we continue to be safe for our clients and our befrienders. However, we have learnt from the last year, you never know what is around the corner.

Whilst shielding restrictions have eased, it will take some time before all our clients are at ease with people visiting them in their homes. Our approach is that it is client led; when they are comfortable and when they tell us they feel it is safe for us to come and visit them, we will.

However, we already know that the easing of the lockdown restrictions has led to some clients feeling even more anxious. Isolation and loneliness have been some of the cruellest effects of the pandemic; not being able to see anyone, locked up in a house and forced to stay indoors, and for many of our clients this will continue into the next year. In order to ease this anxiety, and make them feel safe, we will:

- Continue to provide telephone befriending to those that want it;
- Continue to use full PPE, for as long as is required
- Maintain the current number of volunteers and recruit more if need be to meet demand.
- Organising group activities outdoors, such as picnics and get togethers

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- Continue to use full PPE, for as long as is required
- Maintain the current number of volunteers and recruit more if need be to meet demand.
- Organising group activities outdoors, such as picnics and get togethers

Getting back to "normal" – Our key goal next year will be to adapt our service delivery to meet the needs of our clients. We expect our service delivery models to resemble what they were prior to the lockdown with more group outings and an increase in face-to-face visiting.

Celebrating 75 years of THFN supporting older people in the borough – whilst at this stage it is unclear what these celebrations will be exactly, we do aim to hold a series of photo exhibitions across the borough celebrating our work over the past 75 years; as always, our clients will be at the heart of this celebrations

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.

Fundraising – As ever, a key priority for next year will be fundraising; the funding environment has become even more challenging, so it will become more difficult to attract the funds we require.

Telephone befriending (tele befriending) - Our use of volunteers will continue whilst the numbers may reduce as many of our interim tele befrienders have started to return work from an office-based environment. Tele befriending proved to be very popular and whilst we will recruit volunteers to undertake visits, tele befriending will continue to be offered for those that want it.

Partnerships – Two important partnerships ended this year and we will continue to develop new partnerships to extend our offer and diversify our models of service delivery.

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.



Financial Review

Funding fell during the year to 31 March 2022. The total income for the year was £229,813, a decrease of 8.2% on the previous year. The restricted income attributable to this year was £187,616 (2021: £186,033), marginally ahead of the prior year. General unrestricted donations decreased to £42,197 from £64,196 in the previous year, as fewer one-off donations were received.

The funding environment remains challenging, and we continue to seek additional funds to secure THFN's future. Whilst we ended the 31 March 2022 financial year with sufficient funding and reserves to sustain our activities for the financial year ended 31 March 2023, several multi-year grants are due to conclude making us more reliant on short term funding in the medium term. We are in the process of applying for several multi-year grants to reduce our reliance on short term funding, although these tend to be more difficult to obtain, especially in the current environment.

We are very grateful to all our other funders for supporting us in recent years and are also immensely grateful to a number of the City of London guilds and liveries, and other charitable bodies for supporting us with general funds.

The total expenditure for the year amounted to £202,359 (2021: £186,033), resulting in a surplus for the year of £27,454 (2021: £64,264); taking our general reserves at 31 March 2022 to £181,275 (2021: £153,820). Costs increased in the year due primarily to an increase in staff costs as a new befriender was hired, although subsequently resigned.

As outlined at the beginning of the Annual Report, we have continued to provide our services to as many of our clients as we were able, either in-person or over the telephone.

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.

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. The charity's running expenditure is forecast to be around £220,00 for next year and the target for reserves is £110,000 in unrestricted funds.

At 31 March 2022 the unrestricted funds totalled £181,275, above our target. THFN's strategy is to meet its reserves target and will allocate reserves in excess of this towards forecast funding costs.

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 2022, no changes to the board were made, although subsequently three of our trustees have stood down and one new appointment was made and three potential appointments in the pipeline, to bring 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. These face-to-face activities with staff and clients were curtailed during the current COVID-19 restrictions but have recently been re-introduced.

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.

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.

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

DIRECTORS' AND TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2022

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

.....

Anne Worlledge

(Director and Trustee)

27 September 2022

.....

Stephen Robarts

(Director and Trustee)

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 2022, 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 **27 September 2022**

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 2022

	Note	Unrestricted Funds	Restricted Funds	Total 2022	Total 2021
		£	£	£	£
Income:					
Donations	2	42,171	136,316	178,487	201,529
Income from charitable activities	3	-	51,300	51,300	48,700
Investment income	4	24	-	24	69
Total income		42,195	187,616	229,811	250,297
Expenditure:					
Costs of raising funds	5	96	27,357	27,453	26,741
Expenditure on charitable activities:					
Befriending services	5	14,647	160,260	174,907	159,292
Total expenditure		14,743	187,616	202,359	186,033
Net income(Expenditure) and net movement in funds for the year	14/15	27,452	-	27,452	64,264
Reconciliation of funds					
Total funds brought forward		153,820	-	153,820	89,556
Total funds carried forward		181,272	-	181,272	153,820

Statement of Financial Activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

Continuing Operations

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

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

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

BALANCE SHEET AS AT 31 MARCH 2022

	Note	2022 £	2021 £
Fixed Assets			
Tangible fixed assets	10	-	-
Total Fixed Assets		-	-
Current assets			
Debtors	11	2,432	3,648
Cash at bank and in hand	12	196,309	212,694
Total current assets		198,741	216,341
Liabilities			
Creditors due within one year	13	(17,469)	(62,521)
Net current assets		181,272	153,820
Total assets, less current liabilities		181,272	153,820
Net assets		181,272	153,820
The funds of the charity			
Unrestricted income funds	14	181,272	153,820
Restricted income funds	15	-	-
Total funds		181,272	153,820

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

For the year ending 31 March 2022 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 27 September 2022

Anne Worlledge - Director and Trustee

Stephen Robarts – Director and Trustee

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

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 MARCH 2022

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.

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.

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 (2022: £50,000; 2021: £48,700).

4 Investment income

	Unrestricted	Restricted	2022	2021
	£	£	£	£
Income from investments	-	-	-	-
Bank interest	24	-	24	67
	24	-	24	67

5 Total resources expended

	Befriending Services			
	Unrestricted	Restricted	2022	2021
	£	£	£	£
Cost of raising funds				
Staff costs	-	27,357	27,357	26,645
Sundry costs	96	-	96	96
	96	27,357	27,453	26,741
Cost of charitable activities				
Staff costs	-	125,676	125,676	115,186
Transport and travel	830	-	830	350
Outings with clients	-	-	-	599
Telephone	3,093	-	3,093	2,893
Postage and stationery	1,639	-	1,639	1,594
Recruitment costs	365	-	365	265
Marketing	-	-	-	413
Training	258	-	258	1,002
Support costs allocated to charitable activities				
General support:				
Staff costs	-	25,992	25,992	23,537
Premises	36	8,592	8,628	7,190
Insurance	568	-	568	541
Sundry expenses	1,490	-	1,490	2,117
Computer support	3,025	-	3,025	662
IT and systems upgrade	443	-	443	520
Payroll costs	1,567	-	1,567	921
Governance cost:				
Independent examiners fee	1,333	-	1,333	1,504
	14,647	160,260	174,907	159,292
Total expenditure	**14,743**	**187,616**	**202,359**	**186,033**

6 Net income for the year

	2022	2021
This is stated after charging:	£	£
Independent Examiner's fee	1,333	1,504

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

	2022	2021
	£	£
Salaries and wages	126,997	118,975
National Insurance contributions	41,583	38,021
Pension costs	10,445	8,373
	179,024	165,368

No employee received employee benefits (excluding employer pension contributions) of more than £60,000 (2021: nil).

The trustees were not paid, or received, any benefits from employment with the charity or reimbursed for expenses during the year (2021: nil).

The employee benefits of the key management personnel of the charity were £93,755 (2021: £91,405).

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

	2022		2021	
	Average	Full time Equivalent	Average	Full time Equivalent
Management	2	1.8	2	1.8
Service delivery	4.1	4.9	4.5	3.9

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 2022 were £8,628. (2021: £7,190). St Margaret's House kindly granted us a rent holiday from May 2019 to July 2021.

10 Tangible fixed assets

	2022	2021
	£	£
Fixtures and office equipment		
Cost at 1 April 2021	925	925
Additions	-	-
Cost at 31 March 2022	925	925
Depreciation		
As at 1 April 2021	925	925
Charge for the year	-	-
As at 31 March 2022	925	925
Net book value:		
At 31 March 2021		Nil
At 31 March 2022	Nil	

11 Debtors

	2022	2021
	£	£
Other debtors	-	-
Prepayments	2,432	3,648
	2,432	3,648

12 Cash and cash equivalents

	2022	2021
	£	£
Cash in hand	196,309	212,694
	196,309	212,694

13 Creditors: amounts falling due within one year

	2022	2021
	£	£
Deferred income	7,500	51,986
Taxation and social security costs	3,538	3,682
Holiday pay	4,061	4,600
Accruals	2,370	2,253
	17,469	62,521

Deferred income represents grants attributable to the following accounting period.

	2022	2021
	£	£
Balance at 1 April	51,986	43,875
Amount released to income	(51,986)	(43,875)
Amount deferred in the year	7,500	51,986
Balance at 31 March	7,500	51,986

14 Movement in unrestricted funds

	General Fund	
	2022	2021
	£	£
Balance at 1 April 2021	153,820	89,556
Incoming resources	42,195	64,264
Resources expended	(14,743)	0
Funds at 31 March 2022	181,272	153,820

15 Movement in restricted income

Movement in Restricted Income	1 April 2021	Income	Expended	Unrestricted	31 March 2022
	£	£	£	£	£
Big Lottery- Awards for All	1,950	-	(1,950)	-	-
Independent Age	-	-	-	-	-
MIND	17,899	-	(17,899)	-	-
London Community Response WAVE 2	-	-	-	-	-
City Bridge Trust	10,210	30,630	(40,840)	-	-
Merchant Taylor's Company	2,333	-	(2,333)	-	0
Clarion Futures	2,500	-	(2,500)	-	-
Field Family Trust	2,500	7,500	(7,500)	-	2,500
Garfield Weston Foundation	13,294	-	(10,794)	-	2,500
Henry Smith Charity	-	50,000	(50,000)	-	-
LB of Tower Hamlets	1,300	50,000	(51,300)	-	-
EECF	-	5,000	(2,500)	-	2,500
	51,986	143,130	(187,616)	-	7,500

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 – from whom we get the majority of our client referrals.

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

Thank you.

City Bridge Trust
Clarion Futures
Field Family Trust
Garfield Weston Foundation
Henry Smith Charity
Independent Age
LB of Tower Hamlets
MIND
Shearman & Sterling
Arnold & Porter

TOWER HAMLETS FRIENDS AND NEIGHBOURS

England & Wales - Charity number 1099403

Accounts

Company Number: 04657449
Registered Charity number 1099403



TOWER HAMLETS FRIENDS AND NEIGHBOURS

A Charitable Company Limited by Guarantee.

Annual Report
Year ended 31 March 2022

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

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

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS FOR THE YEAR ENDED 31 MARCH 2022

Trustees:

Gemma Roye (Chair, resigned May 2022)
Anne Worlledge (Interim Chair from May 2022)
Anthony Hardie
Amanda Goh (Resigned April 2022)
Kirsty Sanders (Resigned July 2022)
Carl Steventon
Christopher Bingham
Stephen Robarts (Treasurer)
Pam Kaur Gibbons
Jennifer Skeels (from November 2021)

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 and Company Secretary:	Rajesh Kalhan
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) and Habiba Kamaly (resigned December 2021)

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

Solicitors
Russell-Cooke, Solicitors, 2 Putney Hill, Putney, London SW15 6A

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

DIRECTORS' AND TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2022

Report from the Chair

We reported last year that 2020-2021 had been both difficult and challenging. Sadly, whilst the COVID-19 restrictions have eased in the general population, many of our clients have remained anxious and apprehensive. We have been able to continue to support them throughout the year, either by telephone befriending or by the resumption of face-to-face visits, but the pace of resumption has been slower than we would have hoped. We have been guided by our clients and will continue to support them either by telephone contact or by moving to direct meetings as they become more comfortable. We have continued with PPE, if the client prefers this, and the Befriending staff undertake regular COVID testing prior to visiting clients. We are hoping for a return to the service we were able to provide in pre-Covid days but will continue at the pace dictated by the clients. By September 2022 almost 50% of the clients have resumed face to face support.

Our client base comprises lonely and socially isolated older people, often with complex physical and mental health issues. Not surprisingly, the pandemic has resulted in a significant increase in anxiety in this section of our community and we have witnessed this in the steady increase in referrals to us from the start of 2022. We have accommodated as many as possible into our staff-led service or the telephone befriending service staffed by volunteers. Our focus now is on replacing the telephone volunteers who have left us in recent months as they return to office- based work. We are planning to recruit and train more local volunteers to fill the gap, allowing us to expand the service in the coming year to meet the increasing demand.

In the year to March 2022, we supported 236 clients. This has been an amazing achievement in difficult circumstances. Please take a few moments to read the stories of some of our clients included in this Annual Report. These give a picture of what the service means to our clients and how much they appreciate the personal care and support they receive.

Happy Birthday THFN

THFN will be 75 years old in 2022. Our origin was as Stepney Old Peoples Welfare Trust, based at the Royal Foundation of St Katherine, in Limehouse. Services included meals on wheels, medical and health support and community outings and activities for the elderly residents of the borough. We have evolved through various stages over the years to what we are today. To celebrate our milestone year, we have been exhibiting a collection of our photographs at venues in the borough. The exhibition celebrates the wonderful clients we have been pleased to serve over the years, and to mark our special birthday we are also planning a celebratory tea party in November for our clients, volunteers and staff and others who have been so important to us in recent years.

On behalf of the Trustees, I want to say a huge thank you to the staff and the volunteers who have continued to deliver such a valued service during what has also been an uncertain and anxious period for themselves and their families, and thank you also to the trustees who have worked to ensure that THFN is able to be true to its mission and values in supporting the elderly community. In recent months three of our longer serving members of the Trustee Board have retired - Gemma Royce (who was also Chair from February 2020), Amanda Goh and Kirsty Sanders. I thank them for their valuable service and contribution to THFN.

I also want to say a very special thank you to Bridget Akinbolaji, the Operations Manager. Bridget joined us 11 years ago and has been the lynchpin at the heart of the charity for many years. She is

leaving us in September to take up a post with another local charity. I wish her every success and thank her for all that she has done for the charity and its many clients throughout her time with us.
The following pages in this Annual Report provide a more detailed account of our activities and plans.

Anne Worlledge
Chair

Anne Worlledge.

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

DIRECTORS' AND TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2022

The trustees present the annual report together with the financial statements for the year ending 31 March 2022. 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.

Case study – *Ms C*

Ms C was referred to THFN by Tower Hamlets Talking Therapies, during the Pandemic. She lived alone and suffered with depression and anxiety, but due to personal issues, psychological support was not deemed appropriate for her, although she was diagnosed with depressive personality disorder in 2016.

At the beginning of the lockdown, she had no food, and was unable to go shopping. Her THFN befriender made arrangements with another local charity to ensure she had sufficient food and provided as much support as she needed.

Her mental health had deteriorated, after a physical assault by a former friend in 2019. The person in question lived nearby, and Ms C was subjected to verbal abuse and harassment, when they saw each other in the street. She did not have a good relationship with her son and had also experienced several family losses which she was still dealing with.

She told her THFN befriender what had happened with her former friend, and how it was constantly on her mind and causing her great distress; there were incidences where their paths would cross which made her feel anxious and very uncomfortable. With time, patience and support from her befriender, the incident caused her less anxiety, as she was able to talk about how she felt, and other things which made her feel better.

Through regular calls and visits, the befriender was able to work through complex family issues and the death of her dog, which she found particularly difficult. She was signposted to a specialist bereavement counsellor to help her deal with her grief.

As places began to open again, her befriender suggested things she might like to try, and would help her mental health and wellbeing. Ms C joined a cycling group at a local park as well as an exercise and walking group close to where she lived. These activities had a huge positive impact on her and has provided her with a new social network and has enabled her to make new friends. For her birthday last year, they all went on a boat trip, and she is now a lot happier and contented.

THFN continue to visit and call Ms C and whilst there has been a huge improvement in her mental health and wellbeing, she has other health issues she needs support in dealing with.

"My THFN Befriender has made such a difference to my life, I am so much happier"

Last Year

The past year was as difficult and challenging for THFN as the previous year, once again due to Covid-19. Whilst we had the experience of knowing what worked best with our clients from the previous year, the stopping and starting of services as well as the confusion of new rules for Covid – 19 experienced by clients of the rule changes did not help. Clients required regular reassurance and through our telephone calls we were able to help reduce anxiety and loneliness. Our calls ensured there was a friendly voice at the end of the telephone which helped to reduce their stress.

We learnt that people needed something to occupy themselves with and started making puzzles and word searches which we would send out. We also learnt that those who experienced hearing disorders and those living with dementia found telephone befriending difficult. It was these clients, therefore that we prioritised as lockdown measures began to recede, along with the many clients that had been referred to us during the lockdown. We started revisiting clients as soon as this was possible, usually in parks and open spaces or other places where social distance could be maintained, and clients felt safe.



However, most of the people we support have mobility issues. We started a doorstep befriending service for those people that were unable to walk to local parks or didn't have a garden but wanted a visit from their befriender.



We continued undertaking welfare checks, to ensure people had groceries and prescriptions, carers were visiting, and utilities were in order. Most of the people we support were identified as either "extremely clinically vulnerable" or "clinically vulnerable". We thus ensured we took full precautions using as much personal protective equipment that was necessary, making it safe for our clients and our befrienders. Our clients are elderly, and most are not digitally enabled, however, for those that were able to connect, we started group coffee mornings and our popular monthly music club continued.





Our partnership with global law firm, Shearman & Sterling ended this year, and we are forever grateful to all the staff for their efforts in supporting us through donations and volunteering. We estimate, their staff provided over 1300 hours of volunteering throughout our partnership, which enables us to call more clients than ever before.

Last year, Arnold and Porter (A&P), a US law firm voted to have THFN as one of their charity partners. We are grateful to the staff at A&P for their fundraising endeavours, and the pro bono legal advice they provided.

Thank you also to all our other volunteers, many of whom have been volunteering for us for many years, as well as those that came forward to provide telephone befriending during the lockdown.

Thank you also to all the staff who have continued to give their all throughout this crisis, doing everything that they could to support our clients.



Case study – *Geoff*

Geoff was referred to THFN by his GP, following a stroke. His restricted his mobility made it difficult for him to go out, which made him feel lonely and isolated.

Geoff was a local historian and active in his local community. In recent years he had experienced multiple bereavements which led to depression. Due to the stroke and difficulties with his knees, his mobility had been largely restricted as he was no longer able to go out by himself which made him feel disconnected from his friends and local community. He thus relied on support from his carers and friends for his shopping and daily essentials.

His THFN befriender called him regularly, sometimes several times a week during the lockdown, as he had no one else to talk to. His befriender also ensured he had a sufficient supply of food and daily essentials. Geoff was concerned about his shopping and was advised that support and assistance with

this would be found from other local charities. During the lockdown, his befriender encouraged him to do activities such as seated exercise, reading, listening to music, watching videos on YouTube that interested him, which helped keep him occupied

His Befriender discussed the option of using an electric wheelchair which would give him some independence and enable him to get out. He went through all the options, and in the end, Geoff bought an electric wheelchair which has enabled him to be go out alone. Since the COVID restrictions has been

relaxed and places has started opening, his befriender has accompanied to places he used to visit when he was more mobile.

Geoff reports feeling less lonely and isolated and has said his electric wheelchair has given him a new lease of life.

"I am so glad that services like yours exist to support people like me".

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 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 uncertainly of what was happening, how safe things were for them remains today.

The average age of our clients is 79, with 83% aged 70 and over. Over 70% describe themselves as being housebound and the numbers referred to us with a multitude of problems remain high (over 95%). Unsurprisingly this last year the number of clients referred to us with depression is at its highest (97%), as is the number of people with an existing diagnosis of dementia (40%). The increase year on year of people with dementia was one reason all THFN staff were trained as Dementia Friends, and all befrienders as Dementia Champions.

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
- 36% are male, 64% are female

Case Study Ms P

MS P was referred to THFN by LBTH Adult Social Care. She lived alone with no statutory services and only her disabled brother for support. She was frail, had asthma and at the time, was on the waiting list for the memory clinic. A month prior to her referral, a stranger knocked on her door and she was robbed which was a traumatic experience for her.

Ms P was reluctant to talk at first, especially as she had not met her befriender as THFN were providing a telephone befriending service only at the time of her referral. However, she began to recognise the voice of her befriender through regular calls and became more open and the chats became longer and less repetitive.

Her befriender would play music to her and reminisce which she enjoyed, and as she grew more open, her befriender learnt more about her, the things she liked to talk about, such as her cat and a friend she had in Australia.

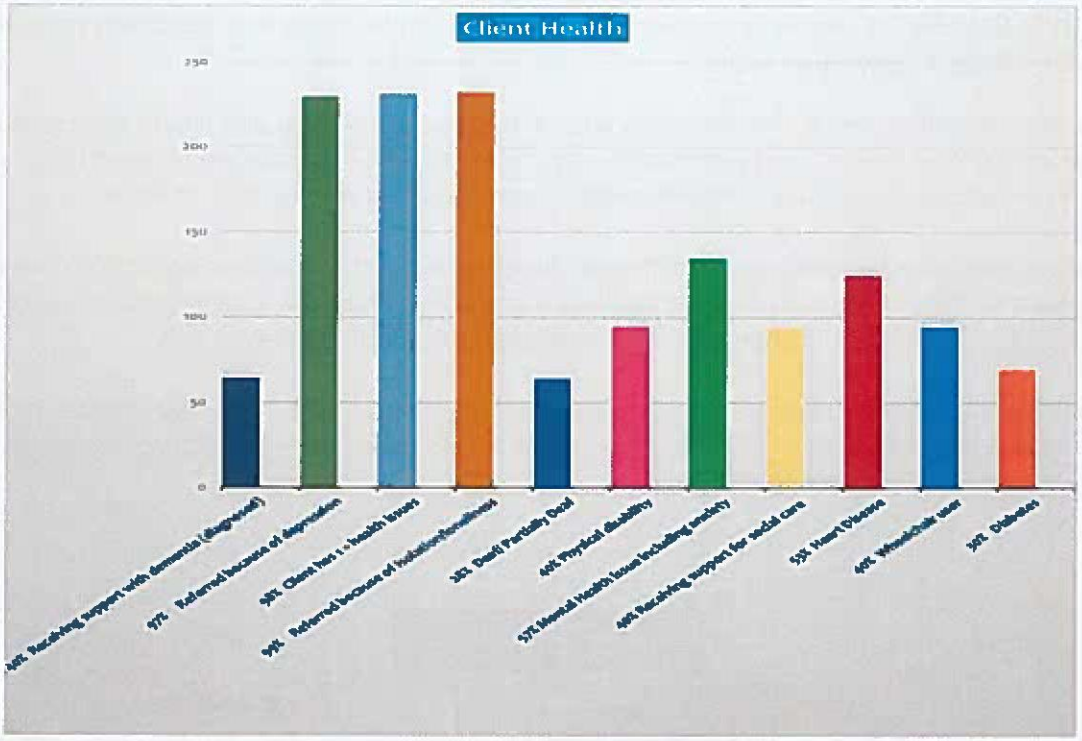
Ms P was finally diagnosed with dementia, and although she was a very independent person, carers were put in place. Ms P looked forward to her visits from her befriender as lockdown measures eased. She spoke about her life and how she met her friend in Australia and where she had lived.

It became clear, that Ms P required more help, and has now moved into a care home. THFN continue to visit her, and she very much enjoys the THFN activity set which she enjoys completing with help from her befriender.

Medical Issues

THFN provides services throughout the entire borough. This year our services were all undertaken remotely, and in total we supported 236 clients in the period from April 1st, 2022, to 31st March 2022.

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 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. All events organised by our dementia partners, the Alzheimer's Society have been moved online, and it is unclear when these will return to offline events.

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.

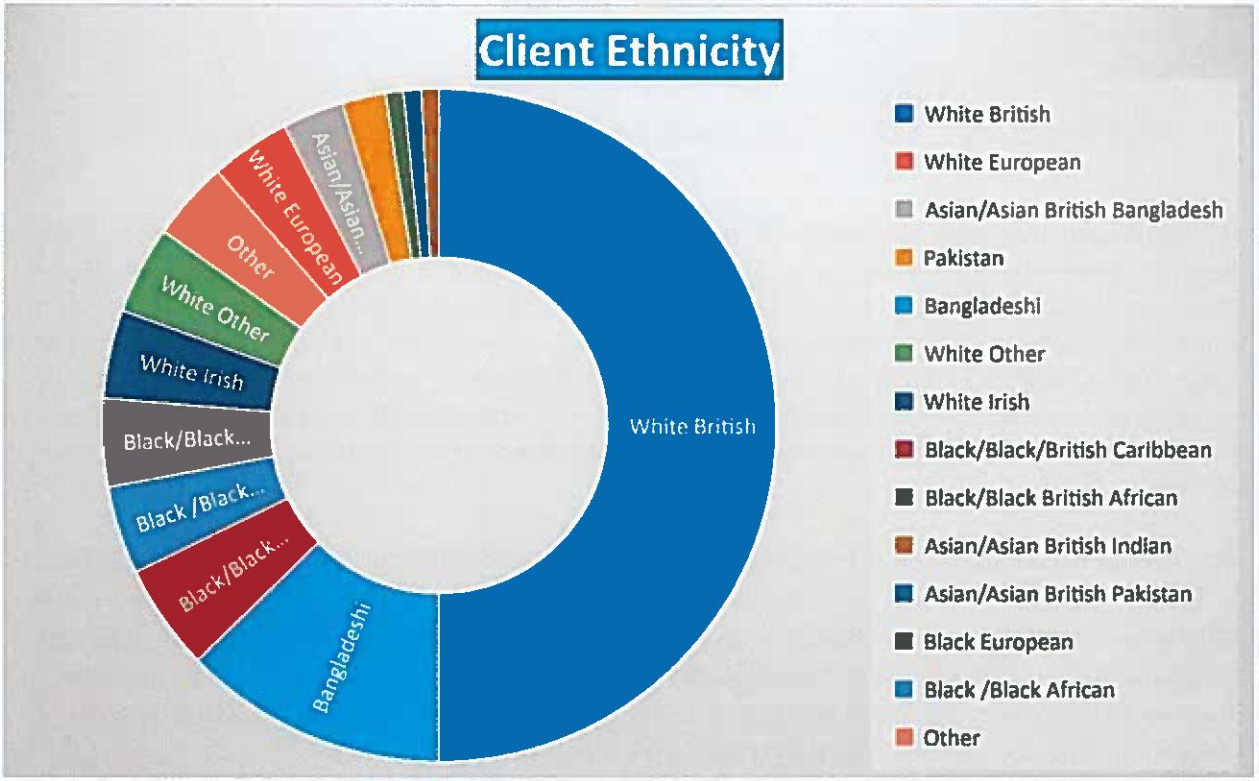
In March 2022 the council launched the Tower Hamlets Connection Network to support local organisations to work together to share ideas, information, and skills to deliver a stronger local response to loneliness and isolation, affecting our most vulnerable people. A loneliness task force to

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.

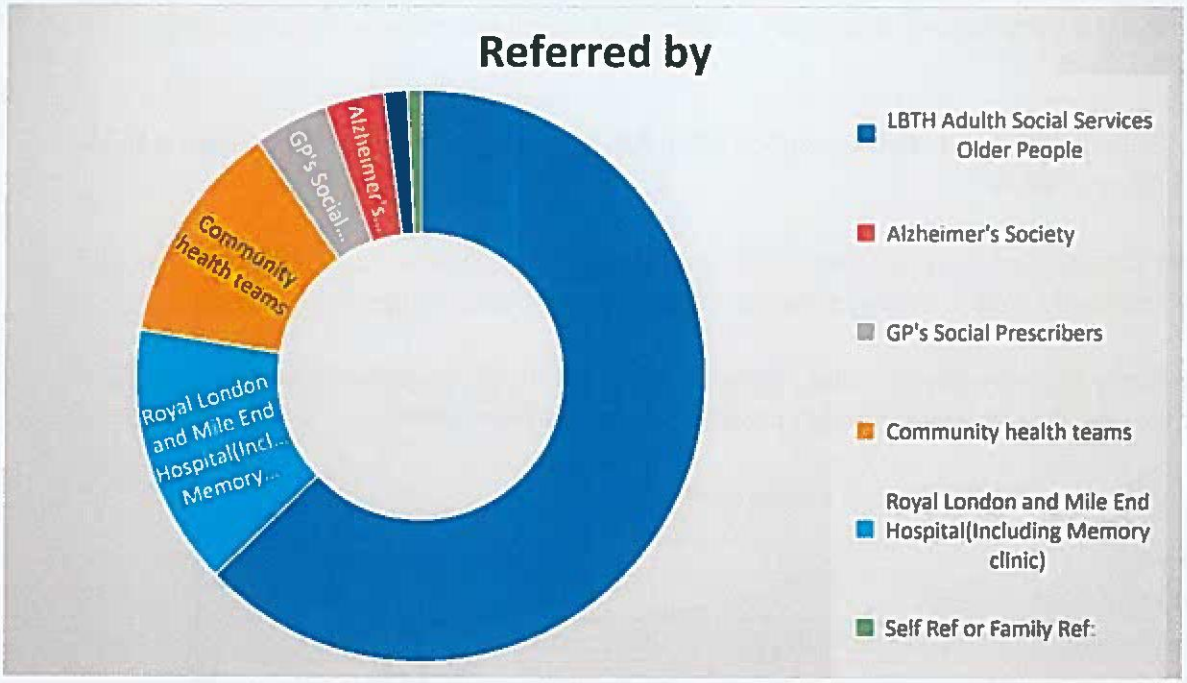
Increasingly, our clients are at the sharp end with a myriad of emotional and health issues, facing language and cultural barriers, and with no one else to turn to. 98% of people are referred to us with one or more complex health issues and the majority have carers supporting them at home.

There was a small increase in the number of male clients we supported last year, up from 34% in the previous year to 35%. 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 (16%).

There has been a steady increase in referrals especially from January 2022. With the number of our interim befrienders returning to work from an office environment we will need to recruit more volunteers, and develop a waiting list system



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 32% from those working in the health sector (GPs, hospital-based health teams, social prescribers).



What have we achieved this year?

Client Reviews are undertaken with clients every year to understand how the service affects 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 123 people:

- All clients were satisfied with the service their 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 well-being.
- 99% of clients said they would recommend THFN to other older people.

Client quotes

I think it's an excellent service and you keep in contact regularly and whenever I need help with anything you do help me and I appreciate that very much

I feel comfortable with my befriender I trust her with everything.
It is nice as it has made a difference to me giving me time to think which improves my brain ability.

Your service keeps me in touch with the world as its regular calls, but I would like the regular visits.

It is something I wish I didn't need and never ever thought I would but on the whole it has been good a thing for me, and I wish I will be able to say I do not need the service but I do need a friend

Good service and don't change staff as Mum has Alzheimer's and trust the person who she has had for a while.

Thank you for such a great service and I was lucky to be paired up with someone I get on with very well and it is a service I know I can depend on which stops me worrying.

I would say it is very good service., sometimes my niece asks me how I found information that was needed so I always tell her I spoke to Brenda from THFN

Of the services THFN provided during the lockdown:

Activity	%
Telephone Befriending	100
Reminiscence/Reminiscence with photos, videos, music	62
Outdoor Activities	39
Advocacy Support	34
Puzzles and Word Games	32
Guided seated exercise	15
Online group activity	14
Arts and Crafts	11

What we will do in 2022/23

As lockdown measures continue to ease, we envisage a return to pre Covid – 19 services but delivered in a way where we continue to be safe for our clients and our befrienders. However, we have learnt from the last year, you never know what is around the corner.

Whilst shielding restrictions have eased, it will take some time before all our clients are at ease with people visiting them in their homes. Our approach is that it is client led; when they are comfortable and when they tell us they feel it is safe for us to come and visit them, we will.

However, we already know that the easing of the lockdown restrictions has led to some clients feeling even more anxious. Isolation and loneliness have been some of the cruellest effects of the pandemic; not being able to see anyone, locked up in a house and forced to stay indoors, and for many of our clients this will continue into the next year. In order to ease this anxiety, and make them feel safe, we will:

- Continue to provide telephone befriending to those that want it;
- Continue to use full PPE, for as long as is required
- Maintain the current number of volunteers and recruit more if need be to meet demand.
- Organising group activities outdoors, such as picnics and get togethers

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- Continue to provide telephone befriending to those that want it;
- Continue to use full PPE, for as long as is required
- Maintain the current number of volunteers and recruit more if need be to meet demand.
- Organising group activities outdoors, such as picnics and get togethers

Getting back to "normal" – Our key goal next year will be to adapt our service delivery to meet the needs of our clients. We expect our service delivery models to resemble what they were prior to the lockdown with more group outings and an increase in face-to-face visiting.

Celebrating 75 years of THFN supporting older people in the borough – whilst at this stage it is unclear what these celebrations will be exactly, we do aim to hold a series of photo exhibitions across the borough celebrating our work over the past 75 years; as always, our clients will be at the heart of this celebrations

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.

Fundraising – As ever, a key priority for next year will be fundraising; the funding environment has become even more challenging, so it will become more difficult to attract the funds we require.

Telephone befriending (tele befriending) - Our use of volunteers will continue whilst the numbers may reduce as many of our interim tele befrienders have started to return work from an office-based environment. Tele befriending proved to be very popular and whilst we will recruit volunteers to undertake visits, tele befriending will continue to be offered for those that want it.

Partnerships – Two important partnerships ended this year and we will continue to develop new partnerships to extend our offer and diversify our models of service delivery.

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.



Financial Review

Funding fell during the year to 31 March 2022. The total income for the year was £229,813, a decrease of 8.2% on the previous year. The restricted income attributable to this year was £187,616 (2021: £186,033), marginally ahead of the prior year. General unrestricted donations decreased to £42,197 from £64,196 in the previous year, as fewer one-off donations were received.

The funding environment remains challenging, and we continue to seek additional funds to secure THFN's future. Whilst we ended the 31 March 2022 financial year with sufficient funding and reserves to sustain our activities for the financial year ended 31 March 2023, several multi-year grants are due to conclude making us more reliant on short term funding in the medium term. We are in the process of applying for several multi-year grants to reduce our reliance on short term funding, although these tend to be more difficult to obtain, especially in the current environment.

We are very grateful to all our other funders for supporting us in recent years and are also immensely grateful to a number of the City of London guilds and liveries, and other charitable bodies for supporting us with general funds.

The total expenditure for the year amounted to £202,359 (2021: £186,033), resulting in a surplus for the year of £27,454 (2021: £64,264); taking our general reserves at 31 March 2022 to £181,275 (2021: £153,820). Costs increased in the year due primarily to an increase in staff costs as a new befriender was hired, although subsequently resigned.

As outlined at the beginning of the Annual Report, we have continued to provide our services to as many of our clients as we were able, either in-person or over the telephone.

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.

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. The charity's running expenditure is forecast to be around £220,00 for next year and the target for reserves is £110,000 in unrestricted funds.

At 31 March 2022 the unrestricted funds totalled £181,275, above our target. THFN's strategy is to meet its reserves target and will allocate reserves in excess of this towards forecast funding costs.

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 2022, no changes to the board were made, although subsequently three of our trustees have stood down and one new appointment was made and three potential appointments in the pipeline, to bring 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. These face-to-face activities with staff and clients were curtailed during the current COVID-19 restrictions but have recently been re-introduced.

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.

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.

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

DIRECTORS' AND TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2022

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

.....

Anne Worlledge

(Director and Trustee)

27 September 2022

.....

Stephen Robarts

(Director and Trustee)

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 2022, 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 **27 September 2022**

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 2022

	Note	Unrestricted Funds	Restricted Funds	Total 2022	Total 2021
		£	£	£	£
Income:					
Donations	2	42,171	136,316	178,487	201,529
Income from charitable activities	3	-	51,300	51,300	48,700
Investment income	4	24	-	24	69
Total income		42,195	187,616	229,811	250,297
Expenditure:					
Costs of raising funds	5	96	27,357	27,453	26,741
Expenditure on charitable activities:					
Befriending services	5	14,647	160,260	174,907	159,292
Total expenditure		14,743	187,616	202,359	186,033
Net income(Expenditure) and net movement in funds for the year	14/15	27,452	-	27,452	64,264
Reconciliation of funds					
Total funds brought forward		153,820	-	153,820	89,556
Total funds carried forward		181,272	-	181,272	153,820

Statement of Financial Activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

Continuing Operations

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

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

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

BALANCE SHEET AS AT 31 MARCH 2022

	Note	2022 £	2021 £
Fixed Assets			
Tangible fixed assets	10	-	-
Total Fixed Assets		-	-
Current assets			
Debtors	11	2,432	3,648
Cash at bank and in hand	12	196,309	212,694
Total current assets		198,741	216,341
Liabilities			
Creditors due within one year	13	(17,469)	(62,521)
Net current assets		181,272	153,820
Total assets, less current liabilities		181,272	153,820
Net assets		181,272	153,820
The funds of the charity			
Unrestricted income funds	14	181,272	153,820
Restricted income funds	15	-	-
Total funds		181,272	153,820

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

For the year ending 31 March 2022 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 27 September 2022

Anne Worlledge - Director and Trustee

Stephen Robarts – Director and Trustee

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

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 MARCH 2022

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.

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.

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 (2022: £50,000; 2021: £48,700).

4 Investment income

	Unrestricted	Restricted	2022	2021
	£	£	£	£
Income from investments	-	-	-	-
Bank interest	24	-	24	67
	24	-	24	67

5 Total resources expended

	Befriending Services			
	Unrestricted	Restricted	2022	2021
	£	£	£	£
Cost of raising funds				
Staff costs	-	27,357	27,357	26,645
Sundry costs	96	-	96	96
	96	27,357	27,453	26,741
Cost of charitable activities				
Staff costs	-	125,676	125,676	115,186
Transport and travel	830	-	830	350
Outings with clients	-	-	-	599
Telephone	3,093	-	3,093	2,893
Postage and stationery	1,639	-	1,639	1,594
Recruitment costs	365	-	365	265
Marketing	-	-	-	413
Training	258	-	258	1,002
Support costs allocated to charitable activities				
General support:				
Staff costs	-	25,992	25,992	23,537
Premises	36	8,592	8,628	7,190
Insurance	568	-	568	541
Sundry expenses	1,490	-	1,490	2,117
Computer support	3,025	-	3,025	662
IT and systems upgrade	443	-	443	520
Payroll costs	1,567	-	1,567	921
Governance cost:				
Independent examiners fee	1,333	-	1,333	1,504
	14,647	160,260	174,907	159,292
Total expenditure	**14,743**	**187,616**	**202,359**	**186,033**

6 Net income for the year

	2022	2021
This is stated after charging:	£	£
Independent Examiner's fee	1,333	1,504

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

	2022	2021
	£	£
Salaries and wages	126,997	118,975
National Insurance contributions	41,583	38,021
Pension costs	10,445	8,373
	179,024	165,368

No employee received employee benefits (excluding employer pension contributions) of more than £60,000 (2021: nil).

The trustees were not paid, or received, any benefits from employment with the charity or reimbursed for expenses during the year (2021: nil).

The employee benefits of the key management personnel of the charity were £93,755 (2021: £91,405).

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

	2022		2021	
	Average	Full time Equivalent	Average	Full time Equivalent
Management	2	1.8	2	1.8
Service delivery	4.1	4.9	4.5	3.9

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 2022 were £8,628. (2021: £7,190). St Margaret's House kindly granted us a rent holiday from May 2019 to July 2021.

10 Tangible fixed assets

	2022	2021
	£	£
Fixtures and office equipment		
Cost at 1 April 2021	925	925
Additions	-	-
Cost at 31 March 2022	925	925
Depreciation		
As at 1 April 2021	925	925
Charge for the year	-	-
As at 31 March 2022	925	925
Net book value:		
At 31 March 2021		Nil
At 31 March 2022	Nil	

11 Debtors

	2022	2021
	£	£
Other debtors	-	-
Prepayments	2,432	3,648
	2,432	3,648

12 Cash and cash equivalents

	2022	2021
	£	£
Cash in hand	196,309	212,694
	196,309	212,694

13 Creditors: amounts falling due within one year

	2022	2021
	£	£
Deferred income	7,500	51,986
Taxation and social security costs	3,538	3,682
Holiday pay	4,061	4,600
Accruals	2,370	2,253
	17,469	62,521

Deferred income represents grants attributable to the following accounting period.

	2022	2021
	£	£
Balance at 1 April	51,986	43,875
Amount released to income	(51,986)	(43,875)
Amount deferred in the year	7,500	51,986
Balance at 31 March	7,500	51,986

14 Movement in unrestricted funds

	General Fund	
	2022	2021
	£	£
Balance at 1 April 2021	153,820	89,556
Incoming resources	42,195	64,264
Resources expended	(14,743)	0
Funds at 31 March 2022	181,272	153,820

15 Movement in restricted income

Movement in Restricted Income	1 April 2021	Income	Expended	Unrestricted	31 March 2022
	£	£	£	£	£
Big Lottery- Awards for All	1,950	-	(1,950)	-	-
Independent Age	-	-	-	-	-
MIND	17,899	-	(17,899)	-	-
London Community Response WAVE 2	-	-	-	-	-
City Bridge Trust	10,210	30,630	(40,840)	-	-
Merchant Taylor's Company	2,333	-	(2,333)	-	0
Clarion Futures	2,500	-	(2,500)	-	-
Field Family Trust	2,500	7,500	(7,500)	-	2,500
Garfield Weston Foundation	13,294	-	(10,794)	-	2,500
Henry Smith Charity	-	50,000	(50,000)	-	-
LB of Tower Hamlets	1,300	50,000	(51,300)	-	-
EECF	-	5,000	(2,500)	-	2,500
	51,986	143,130	(187,616)	-	7,500

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 – from whom we get the majority of our client referrals.

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

Thank you.

City Bridge Trust
Clarion Futures
Field Family Trust
Garfield Weston Foundation
Henry Smith Charity
Independent Age
LB of Tower Hamlets
MIND
Shearman & Sterling
Arnold & Porter