

The Neighbourly Foundation

Trustees Report and Financial Statements



For the year ended 31 March 2023



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About us

The Neighbourly Foundation (charity no. 1189514) is an independent foundation which collaborates closely with Neighbourly Limited, the award-winning giving platform that helps businesses make a positive impact by donating volunteer time, money and surplus products to local communities.



The Foundation was established as a charity to advance general charitable purposes and operates to grant funds to other charitable organisations and projects. It was set up in response to the COVID pandemic in 2020 to provide easier access to funding for our network of good causes that support people in need and look after the health and wellbeing of communities across the UK & Ireland.

The Foundation provides the route for its corporate partners to ensure funds are delivered efficiently and at scale to pre-vetted local causes that deliver against specific social and environmental impact themes.

Report from the Chair of Trustees



On behalf of the Board of Trustees of the Neighbourly Foundation, I'm pleased to present our annual report for 2022-2023, which covers the charity's third year of operations.

During this year, the Foundation has supported its donor businesses and network of local charities and community organisations through another period of uncertainty and challenge as the effects of the cost-of-living crisis and war in Ukraine have taken hold.

As a result, the Foundation has continued to respond to the growing desire of corporate partners that want to deliver targeted, fast-response and scalable donation management programmes into hard-hit communities and neighbourhoods where they operate.

In the financial year 2022-23, we supported many of our original founding corporate partners including M&S, B&Q Foundation, Cadent Gas, Heineken, Southern Co-op, RSA Insurance, Aldi and Lidl, in delivering bespoke and impactful grant programmes. In addition, we are also pleased to have facilitated major new grants programmes on behalf of Gallagher and Sainsbury's, amongst others. In total for this reporting period, the Foundation has made charitable payments of over £5.4 million, which is a 43% increase on the £3.7 million paid out in the previous financial year 21-22.



£5.4m
In total for this reporting period, the Foundation has made charitable payments of over £5.4 million

In December 2022, in response to the energy crisis and rising food prices, the Neighbourly Foundation launched its own 'Warm Communities' campaign to support communities most severely affected by the cost-of-living crisis. This campaign attracted donations from Southern Co-op and Radstock Co-op. The fund in 22-23 totalled £55,000 and was disbursed as £500 micro-grants to help small charities and good causes give targeted support to their beneficiaries.

Our community survey in June 2022 highlighted that 82% of local causes had faced a rise in demand for their services in the past 3 months and 95% believed the cost-of-living crisis was creating demand for their services from households that had not needed to access support before. The average number of people supported by the causes in our network has remained steadily high, rising from an average of 370 people per week in June 2022 to 390 in March 2023. Our network of charitable organisations stood at around 20,000 at the start of this reporting period and was around 25,000 12 months later. Our aim is to continue to grow and support this charity network and respond to its needs in line with the corporate funding that we are able to bring into the Foundation.

I would like to thank our trustees for their continued guidance and support, and to the Neighbourly team who provide the resources to ensure that targeted impact is delivered by the Foundation to areas of society most in need. Together with our network of donors, good causes and key partners, we're delighted that we have been able to grow our charitable donations so significantly, providing much needed support for our local communities and the frontline causes that operate within them.

Steve Butterworth
Chair of Trustees

Purpose and activities

The purpose of the Neighbourly Foundation is to support charities and good causes that improve the health and wellbeing of communities across the UK and Ireland.

The Foundation operates to provide grants to other charitable organisations, enabling our corporate partners to disburse both their own and their employee donations, and respond efficiently to critical need within local communities.

The Foundation provides corporate partners the option to make donations on a donor-advised basis, to be deployed as part of an emergency response or via joint partner campaigns that align with the Foundation’s current social and environmental impact themes.



The Foundation is registered with the Fundraising Regulator and the ICO. The Trustees award grants to not-for-profit organisations based in the UK & Ireland that are either registered with the relevant charity regulator for their region or carry out community activities that are recognised as charitable. The Foundation may also consider proposals from charities that are established outside the UK and non-charitable organisations that are established either in the UK or elsewhere.

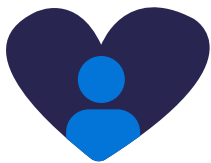
100% of all money donated is awarded to charity recipients and there are no minimum and maximum grant amounts. For donor-advised funds, the grant amounts are determined by the client donor. In the case of grants which are intended to be used for emergency aid or according to one of the Foundation’s impact themes, funds are typically administered as micro-grants in the region of £500-£5,000 per charity applying, which allows the fund to minimise risk and extend impact.

The type of activity undertaken includes funding projects that address key impact areas:

- Emergency need, e.g. cost-of-living crisis
- Community Investment and Integration
- Health & Wellbeing
- Skills for the Future
- Stewardship of the Environment
- Resource Circularity
- Waste Reduction/ GHG Emissions

The Neighbourly Foundation disburses funds generated through several different financial donation mechanisms:

- Grant Management Programmes
- Employee Match Giving
- In-Store Fundraising
- Online Donations
- Text-to-Give Donations



100%
of all money
donated is
awarded to
charity recipients



Aims and objectives

This report covers the third year of operations for the Foundation during which time its aims and objectives were focused on building the profile of the Foundation with corporate partners and disbursing funds according to clients' donation management programmes.



There remains an urgent need within communities for help and from businesses wanting a targeted response mechanism for supporting local good causes. The reporting period covers a challenging time with the war in Ukraine, the cost-of-living crisis and the ongoing impact of the pandemic creating significant demand on the network of good causes we support.



Aims for the reporting period

- ✓ Respond effectively to community need in relation to the cost-of-living crisis and economic impacts
- ✓ Build the profile of Neighbourly's donation management services with existing and prospective clients

The criteria and measures used to assess success in this period include:

- Funds donated against impact themes set by the Foundation and donor businesses
- Number and geographical location of charities and causes supported
- Estimated number of end-beneficiaries
- Speed of fund allocation according to individual programme goals
- Project-specific criteria, for example meals provided or number of people in isolation supported
- Feedback from recipient charities and groups on the social and environmental impact created, including quantitative and qualitative measures
- Programme / client specific KPIs

Successfully demonstrating our ability to respond to urgent needs, act flexibly and responsibly in support of the charity network, and report back on key impact measures has so far enabled the Foundation to further its purposes by engaging with additional corporate partners that understand the importance and value of building strong communities.

Longer-term, the Foundation aims to:

- Continue to respond effectively to community need, in relation to the cost-of-living crisis and other societal or environmental pressures, utilising experience and feedback gained in the reporting period
- Use community insights to inform the direction of corporate programmes
- Extend its reach and impact, working with additional corporate partners
- Grow the beneficiary network of small charities and community causes
- Work with Neighbourly on technology developments to further streamline grant application and payment processes
- Invite additional trustees to join the board

Vision and strategy

The vision of The Neighbourly Foundation is to improve the health and wellbeing of local communities and environments by encouraging and facilitating corporate community investment. The Foundation is governed by the charity trustees who have a duty to apply the Foundation's assets to advance its objectives and have ultimate responsibility for all grantmaking decisions.



The Foundation has a Strategic Partnership Agreement with Neighbourly Ltd under which Neighbourly provides resources to the Foundation free of charge to support its charitable activities. The relationship between the two organisations is one of association and collaboration.

The Neighbourly Foundation's key priorities are to support charities and community causes that are:



Supporting elderly or vulnerable members of the community and those suffering economically, socially or from ill health as a result of the pandemic, cost of living crisis, global conflict or other macro forces



Supporting the health and wellbeing of individuals through programmes that reduce social isolation and deliver community cohesion, support with mental and physical health and improve access to healthy environments



Working to alleviate hunger, for example by providing food provisions and emergency supplies and supporting those campaigning to eliminate the root causes of poverty and the need for charitable food provision



Helping people to fulfil their potential and achieve aspirations through educational programmes and support to access jobs that provide financial independence



Improving environmental sustainability through the promotion and creation of green spaces, protection of natural habitats and local biodiversity, acceleration of a low carbon future and waste reduction programmes



2022-2023 highlights

£5.4m



A total of £5.4 million paid out in grants to charitable organisations and projects from April 2022 to March 2023.

43%



A 43% increase in charitable donations paid out, compared to the previous financial year from March 2021 to March 2022.

3,137

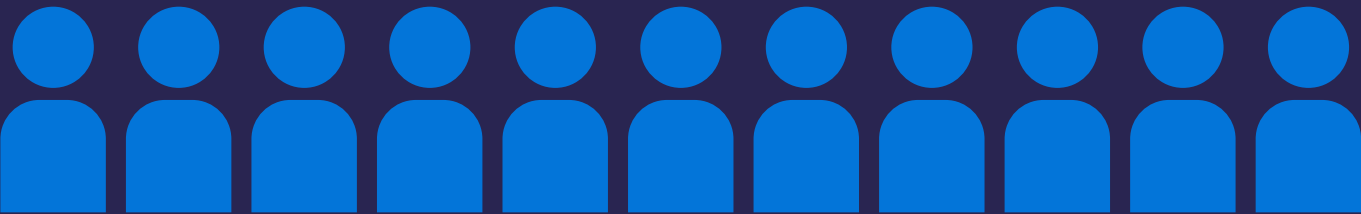


The number of distinct charities and community causes supported by donations from the Foundation.

£236k



Launch of donor-led grant programmes with new corporate partner Gallagher, with charitable payments totalling over £236,000.



1.2m

1.2 million people supported weekly by the charities that received donations.

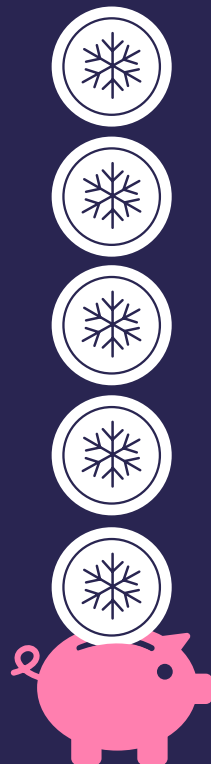
£500k

Launch of the Lidl Community Fund which paid out just under half a million pounds in its first year.



£80k

Launch of Neighbourly-led campaign 'Warm Communities' to support those affected by the cost-of-living crisis, donating a total of £80,000 as £500 micro-grants, with £55,000 distributed in 2022-23.



£1.6m

Ongoing partnership with the B&Q Foundation facilitated just under £1.6 million in donations to charities helping to improve poor housing and community spaces.



Achievements and performance



NEIGHBOURLY CAMPAIGN HIGHLIGHT

'Warm Communities' community fund

In the UK in autumn 2022, it was announced that there was a shortfall in measures to help the poorest tackle fuel poverty over the forthcoming winter. It was estimated that 7 million homes in the UK would experience severe fuel poverty, with health advocates warning that cold homes could exacerbate lung and breathing problems.

The Neighbourly charity network raised concern around the shortfall in support versus the increased need:



50%

were planning to provide "warm banks" over the winter – 23% for the first time



65%

had seen a drop in financial donations



60%

had seen a drop in food donations



119%

The average energy bill for community charities was expected to rise by 119% (£7,600 pa to £16,700)

In response, the Neighbourly Foundation established a fund, designed to support community charities in its network that would be providing 'warm banks' and food donations to individuals that were struggling over the winter:



£80k

The fund attracted a donation from Southern Co-op and also utilised funds remaining from Neighbourly's 2021-22 community fund, amounting to a total of £80,000, with £55,000 distributed in 2022-23.



£500

This was awarded as £500 micro-grants to 110 small charities and community groups.



44,000

Those organisations are estimated to support a combined total of 44,000 people every week.



Corporate client programmes



£218,800 was donated by Aldi as part of their 2022 Winter Fund and research grants.

Grants of £1,000 were given to charities and community groups partnered with an Aldi store for food surplus and that support families and children with access to food and daily essentials. The funding was designed to be used for the provision of food parcels and meals, or to build capacity within food banks and community food programmes.

“Receiving funding for food parcels is such an important part in the services we provide. It provides a lifeline for those facing hardship, reminding them that they are valued members of their community.”

The Heart Charity

“The foodbank integrates with the many other services we freely offer to support our community.”

The Storehouse Foodbank



giffgaff

£17,000 was donated by giffgaff as part of their emergency fund initiative in response to the cost-of-living crisis.

Through the giffgaff phone recycling program they raised £17,000 which was distributed as £1,000 grants to 17 community organisations.

“It is always a great challenge securing sufficient food to meet the demands which often change in reaction to welfare changes, employment or social issues like domestic violence, relationship issues, health issues and so on. The foodbank integrates with the many other services we freely offer to support our community.”

The Storehouse Foodbank

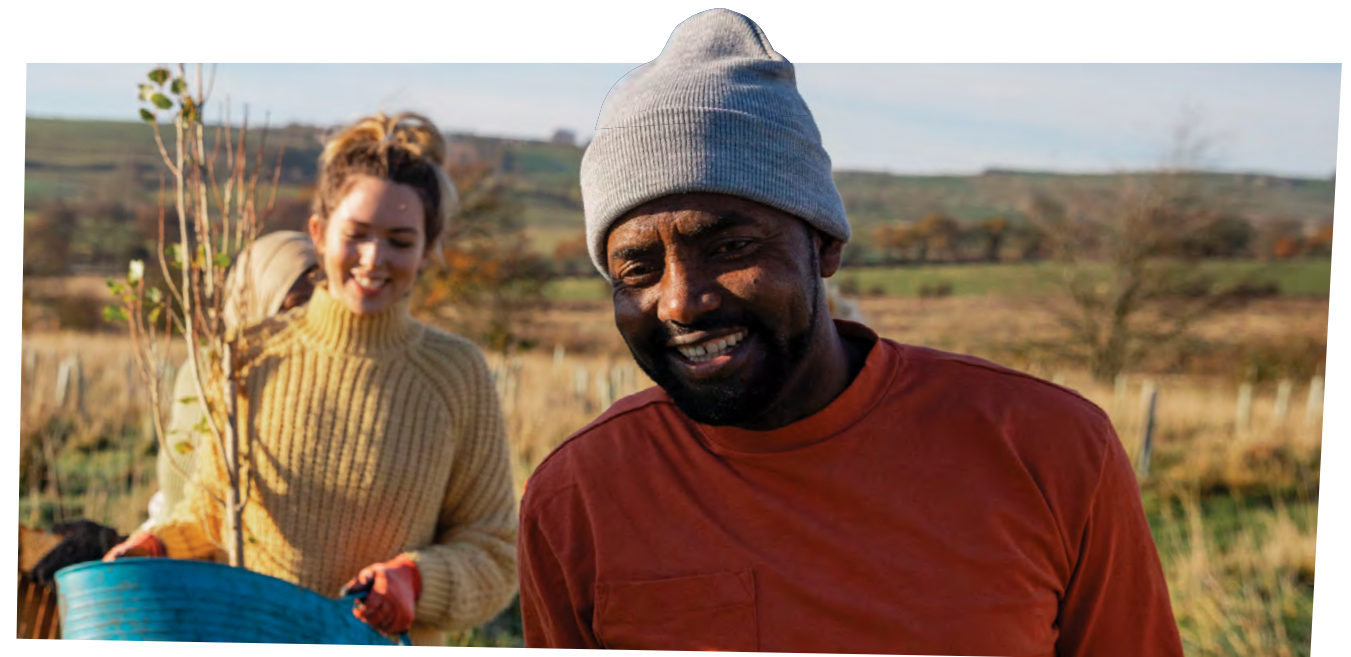
Coca-Cola EURO-PACIFIC PARTNERS

£31,926 was donated to local charities through Coca-Cola's volunteering programme.

Up to £500 per volunteer event was donated to support the programme, with focus areas including carbon reduction, environment and water conservation, litter and recycling. A separate volunteer campaign focused on supporting under-represented groups as well as inclusion, diversity and equity.

“We realised quite quickly that developing a volunteering partnership with corporate volunteers provides huge benefits to both the community and the volunteers.”

East Haven Together



“£1,000 will pay for a light projector and seating for our sensory room – it will mean the world to us.”

Autism in Motion Liverpool



M&S

EST. 1884

£1,000,000 was donated through ‘Gifts that Give’, M&S’ home and clothing Christmas campaign for 2022.

M&S teamed up with Neighbourly to donate £1 million across 1,000 charities and community groups throughout England, Scotland, Ireland, Northern Ireland and Wales. Through the campaign, the gifts M&S customers bought went towards supporting community causes and families in their area, each with their own inspiring and unique story.

“£1,000 will pay for a light projector and seating for our sensory room – it will mean the world to us.”
Autism in Motion Liverpool

Cadent

Your Gas Network

£47,673 was donated to charities and community groups through Cadent’s matched giving initiative and volunteering programmes.

Up to £400 in matched funds was offered to any charities supported by Cadent employees through fundraising or personal donations. Up to £200 was offered as a donation to the organisations that Cadent employees volunteered for throughout the year.

“Thank you, from the bottom of our hearts, for all of your kindness and support but the biggest thank you comes from the little girl whose wish you have helped to come true.”
Wishes 4 Kids – Cadent matched giving recipient



£492,236 was donated by Lidl through their Community Fund, newly launched in 2022.

A quarterly recurring fund was made available to good causes partnered with Lidl which are helping to alleviate food poverty. The fund provided financial support for emergency food provision alongside grants to support larger, capacity-building initiatives. Grants ranged from £200 to £5,000.

“These small grants are incredibly important to the funding of community groups. They make the difference on a month to month basis as the numbers of people seeking help increase and the funding available remains relatively static. We do everything we can to raise funds as a community - we have a small charity shop, we hold charity events, craft sales, online sales of donated clothing and household goods. Granting us £500 to support our group is a pat on the back for our volunteers, an acknowledgement that the work they do is worthwhile and valued by the wider community, not just those who use our services.”
Devonport, Stoke & Stonehouse Help A Neighbour



£4,760 was donated by M&G as part of their Breaking Barriers Building Futures campaign.

Financial donations of £20 per volunteer were offered alongside volunteering activities to help pay for resources and staff time. Good causes were selected based on proximity to M&G office locations.

“About 27 volunteers from M&G and Freshfields joined us to distribute meal packs, clothes, toiletries, bags, blankets and food bank supplies to homeless people, refugees and the elderly in central London. We had an impactful programme that benefitted many disadvantaged members of the community who attended the event.”
Refuge Network UK





£29,312 was donated by Heineken as part of their match funding, volunteering and winter food bank fund campaigns.

Employees were match-funded by Heineken, up to a maximum of £200 per individual application and up to £500 for team applications. Through their winter fund, £200 donations were made to food banks near to their breweries in Edinburgh, Manchester, Tadcaster, Herefordshire and London.



£12,000 was donated by Certas Energy as part of their 'Making a Difference' campaign.

Certas aims to invest 1% of their profits into community projects across the UK, to create a culture of community service and good partnerships with local non-profits and charities. Funding is open to registered charities to apply for a grant of up to £1,500.

“The funding supported our team of Clinical Psychologists to deliver training and clinical support to educational and community settings.”

Innovating Minds CIC



£416,115 was donated by Southern Co-op through a number of campaigns including their local funding scheme focused on safer, greener, healthier and more inclusive neighbourhoods, Love Your Neighbourhood Local Partnerships campaign and Food Bank campaign.

Good causes across the South of England were able to apply for grants up to £500 as part of the local funding campaign and up to £1,000 for the local partnerships. Grants for food banks ranged between £500 and £950. Grants of between £5,000 and £8,000 were made available across Portsmouth, Southampton, Bristol, Bournemouth and South London to help tackle the causes of crime faced by their businesses; reducing offending in the communities in which they operate and the impact of crime on colleagues and customers.

“The funding supported our team of Clinical Psychologists to deliver training and clinical support to educational and community settings. This opens up access to early help, creating mentally healthy environments that have sustainable impact.”
Innovating Minds CIC



£60,178 was donated by RSA Insurance via their match funding and volunteering programmes. RSA supports employees' fundraising efforts by matching what they raise, up to a maximum of £200 per individual application and up to £500 for team applications.

£25 per person, per event was also donated as part of their volunteer activity.

“Huge thanks to RSA Group and Neighbourly for the grant the Breck Foundation has received. This grant will enable us to educate children and young people in South-East England about online grooming and exploitation.”
The Breck Foundation



“The generous donation of £25,000 from Gallagher will go far in helping make the dark days brighter for children with life-threatening illnesses.”

Molly Olly's Wishes



£5,945 was donated to charities as part of William Hill's volunteering programme.

Donations were made to the organisations that employees volunteered for, specifically ones linked with the campaign themes of environment, wellbeing and sport.



£236,296 was paid out to charities and community organisations through Gallagher's community fund, volunteering and match giving programmes.

Gallagher's community fund allows employees to nominate good causes they are passionate about to receive donations, with £500 donated for individual nominations and £2000 for team nominations. Through their 'Making A Difference Award' employees put forward good causes and a judging panel of Gallagher ESG committee selected the top 5 causes. £25k was awarded to the selected winner and £5k to each of 4 runners up.

“The generous donation of £25,000 from Gallagher will go far in helping make the dark days brighter for children with life-threatening illnesses. We have recently supported 15-year-old Evie who has Hodgkin's Lymphoma. Her wish was to have a day out on the Norfolk Broads with her family and we were able to provide them with a wonderful day, making lots of special family memories.”
Molly Olly's Wishes



£1,120,950 was donated by Sainsbury's through their 'Helping Everyone Eat Better' community grants programme and funds remaining from their Christmas 2021 campaign.

For the 'Helping Everyone Eat Better' Programme, funds were donated as minimum £500 grants to store-nominated charities, CICs and community groups that help people access food, and/or help lift people out of food poverty.

“The cost of living crisis remains very real in our communities and over the last few months, we've been able to alleviate pressure from parents by facilitating breakfast clubs at our hub. We have purchased food, lunch packs and in doing so have given hundreds of children a better start to their day and removed a potential barrier to their education. We have also been running community cafes at Foodstock so people who are living in isolation can come together, keep warm and get some food too. It has been a fantastic success which has benefited so many people in the community. We are forever grateful for this grant.”
Foodstock





Corporate partners

We'd like to thank the Foundation's corporate partners for their contributions during this period. Due to their support and continued dedication to community investment, the Neighbourly Foundation was able to positively impact many thousands of charities and millions of individuals.

Companies that donated to charities through the Neighbourly Foundation in this reporting period:

- Aldi
- B&Q Foundation
- Cadent Gas
- Certas Energy
- Coca-Cola European Partners
- Gallagher UK
- giffgaff
- Heineken
- Johnson Matthey
- Lidl
- M&G
- M&S
- RSA Insurance
- Sainsbury's
- Southern Co-op
- William Hill

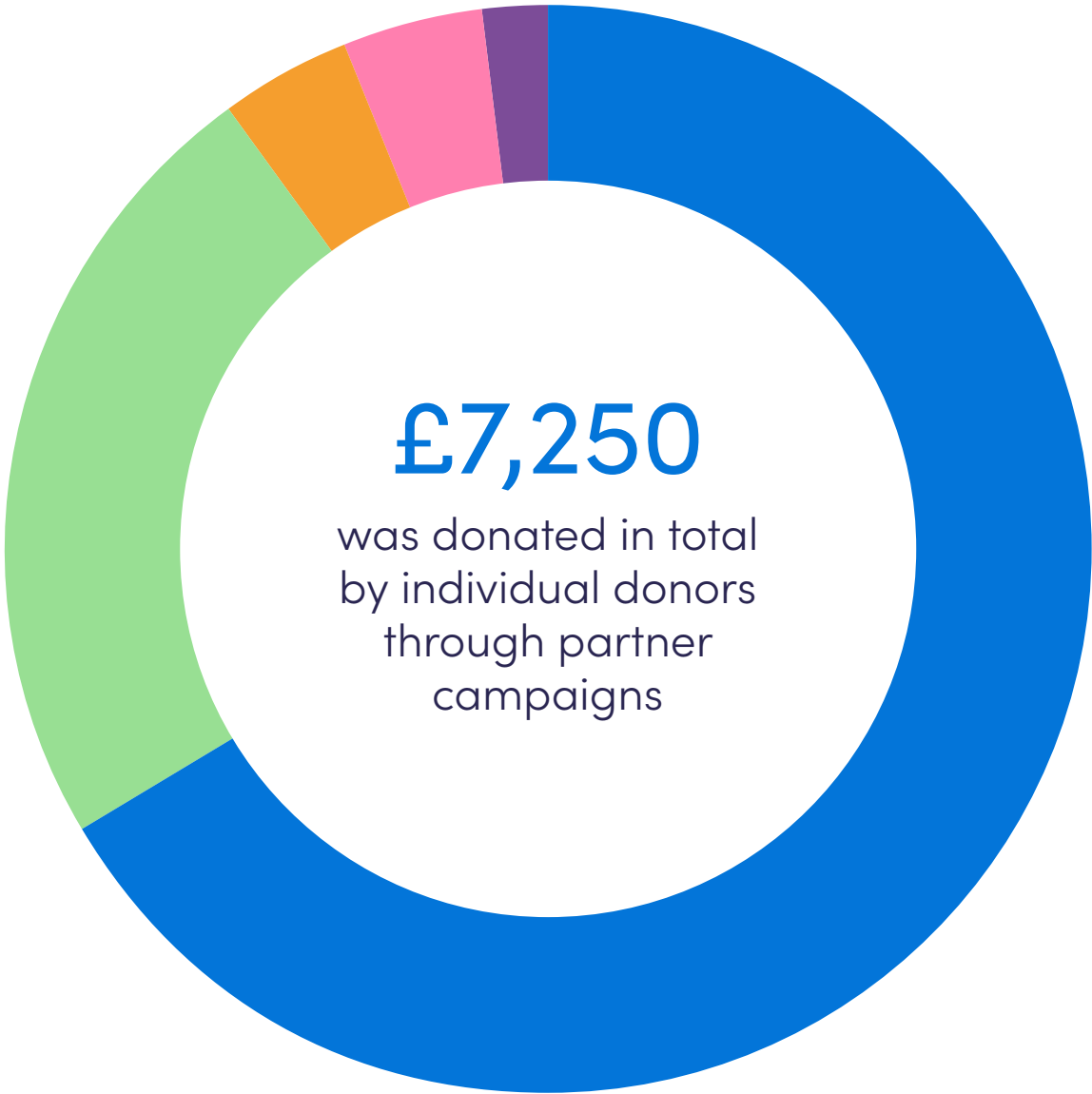


Individual donors

In the 2022-23 period, a number of partner campaigns facilitated donations direct from customers, through online payments made on the Neighbourly platform.

£7,250 was donated in total by individual donors through partner campaigns, which breaks down as follows:

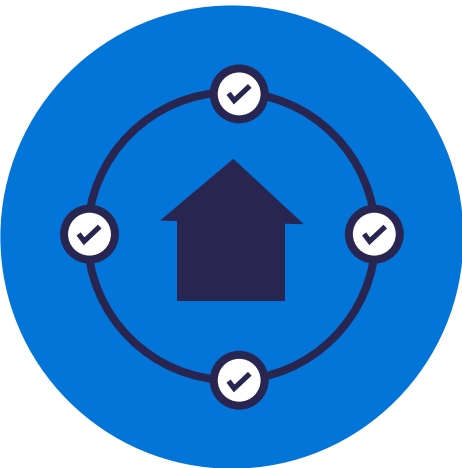
- £4,832 from Aldi campaigns
- £1,698 from Neighbourly's Community Fund and Warm Communities Fund
- £295 from Neighbourly Ltd as employee match funding for Ukraine Red Cross campaign
- £295 from Heineken campaigns
- £130 from Lidl campaigns



Trusts and foundations

B&Q Foundation

In 2022-23, the B&Q Foundation donated £1,596,704 through the Neighbourly Foundation to charities that meet the mission of B&Q Foundation; helping everyone to have a space where they feel at home.



£5,000

The grants, typically up to around £5,000 but with some larger ones awarded, were focused on support for projects which provide, maintain, repair or improve housing or community space.



138,000

A total of 356 charities were supported with the grants, which collectively support over 138,000 people each week.

“This is an incredible gift. Thanks to the B&Q Foundation we can continue to transform the lives of children aged 0-5 with special educational needs and disabilities and their families at this particularly challenging time.”

The Peter Pan Centre for Children with Special Needs



Charity partners

Donations have been made to charities through the following programmes:

Programme	Good causes supported
Aldi	244
B&Q Foundation	356
Cadent Gas	80
Certas Energy	3
Coca-Cola European Partners	37
Gallagher UK	171
giffgaff	17
Heineken	47
Johnson Matthey	1
Lidl	407
M&G	5
M&S	1,000
RSA Insurance	87
Sainsbury's	1,241
Southern Co-op	322
William Hill	14
Neighbourly 'Warm Communities' Fund	110
Neighbourly 'Seeds of Change' Fund	65



3,137

unique charities and community causes were supported across all programmes that help an average of 390 people every week (*figure from March 2023 community survey)



1.2m

people supported weekly by the charities that have received donations from the Foundation.



Sustainable Development Goals supported by The Foundation:



Sustainable Development Goal	Goal total (£)	% by SDG
Good health and wellbeing	£1,833,146	34%
Zero hunger	£1,338,814	25%
No poverty	£897,692	17%
Quality education	£379,331	7%
Reduced inequalities	£338,136	6%
Sustainable cities and communities	£233,434	4%
Life on Land	£80,672	2%
Climate action	£54,926	1%
Gender equality	£51,493	1%
Other (under 1%)	£176,792	3%
Grand total	£5,384,437	100%

Grants are made based on completion of an online application form, which minimises the time it takes for a charity to apply, compared with traditional methods of completing and submitting paper forms. Grant awards are made based on qualifiers against the grant terms and are either made on a first come first served basis, or are awarded based on donor-advised selection or employee nomination. All recipient charities are strictly vetted by our partner Neighbourly Ltd prior to any award being made.



Our commitment to donors and supporters

We are grateful for the generosity of our donors and supporters and we commit to:

- Safeguard personal details and abide by data protection laws
- Work closely with the Foundation's charity and community cause network to ensure that donations are used for the purpose for which they are given
- Distribute donations to achieve maximum impact according to the aims of the funding
- Provide impact reports on the social and environmental benefits of the donations
- Be open and transparent about vetting and distribution processes and procedures
- Encourage feedback and foster close relationships
- Provide the services of a dedicated support team

Financial review

2022-23

During this reporting period the Neighbourly Foundation received £5.8m of restricted funding and donated £5.4m in grants to charitable organisations.



All of our income has come from charitable donations, either from the Foundation’s corporate partners, trusts and foundations, individual donors or Neighbourly Ltd. All donations are treated as restricted with the exception of Neighbourly Ltd, whose donation is to support running costs of the charity.

The donations are split across the categories as follows:

- Corporate Donations – £4,167,096 (72%)
- Trusts and Foundations – £1,596,790 (27.6%)
- Individual donations – £7,250 (0.1%)
- Neighbourly Ltd – £16,322 (0.3%)

Our sole activity is granting funds to other charitable organisations and projects, therefore this accounts for 99% of our spend. Any administrative costs, for example audit fees, insurance etc, are covered by donations from Neighbourly Ltd.

Expenditure is split as follows:

- Grants to charitable organisations and projects – £5,384,217 (99%)
- Administrative costs – £18,347 (1%)

Reserves

The majority of cash at bank is restricted with only a small balance being unrestricted. Grants are then made to charitable organisations from balances held on behalf of corporate and other donors. Unrestricted funds are held to cover the running costs of the charity including, for example, audit fees and insurance.

Under the Strategic Partnership Agreement with Neighbourly Ltd, all resources to enable the charity to operate e.g. access to the Neighbourly platform and staff costs, are provided free of charge. The trustees have concluded that it is necessary to maintain only minimal reserves to cover the running costs of The Neighbourly Foundation and at any time sufficient reserves are held to cover three months of committed expenditure.

At the period end the charity had total reserves of £1,168k with restricted reserves of £1,158k and unrestricted reserves of £10k. The restricted reserves are not available for general purposes of the charity and are to be donated to other charitable organisations in the next period.

Going concern

The trustees have a reasonable expectation that The Neighbourly Foundation has adequate resources through its partnership with Neighbourly Ltd to continue to operate for the foreseeable future. Hence the annual financial statements have been prepared on the going concern basis. Please refer to the Notes to the Financial Statements for further detail.



Principal risks and uncertainties

Foundation is operating in a challenging environment due to a number of factors. The ongoing impacts of the cost-of-living crisis are creating a strain on both businesses and the charitable sector, as well as long-term financial and health implications for beneficiaries.

Charities and community organisations are facing uncertainties, reduced funding and resources, increased costs and reduced volunteer capacity. The UK is also facing ongoing upheaval as a result of the war in Ukraine and high energy costs which are plunging more families into poverty. An additional threat for communities is climate related disasters, including flooding.

The Neighbourly Foundation has been proactive in providing guidance to its network of causes regarding the management of risks whilst continuing to survey causes periodically to ensure we remain responsive to changing needs. Neighbourly continues to expand its number of corporate partners donating through the Foundation in order to provide relevant support for local good causes and communities.

Structure, governance and management

The Neighbourly Foundation is a company limited by guarantee (12541286) (England and Wales) incorporated 31 March 2020 and is registered with the Charity Commission as a charity (1189514). It is governed by its Memorandum and Articles of Association adopted on the same date.

Objects

The Objects of the Foundation as set out in the Memorandum and Articles of Association. The Foundation has been established to advance general charitable purposes for the public benefit and will operate principally by granting funds to charitable organisations and projects which are charitable under the law of England and Wales (provided that the Charity may not further any purposes which are not charitable in accordance with the laws of Scotland and Northern Ireland).

Organisation

The charity was established on 31 March 2020 as a company limited by guarantee, with Neighbourly Ltd as its sole member. Further to a Special Resolution of 26 February 2021 the membership was transferred from Neighbourly Ltd to Howard Russell one of its Trustees, and further to a Resolution of 13 September 2021, to all Trustees from time to time. The liability of each member under the guarantee is £1. The Foundation has a Strategic Partnership Agreement with Neighbourly Ltd under which Neighbourly has agreed to provide Resources to the Foundation free of charge for the Foundation to pursue its charitable purposes. The relationship between the two organisations is one of association and collaboration and not one involving direction or control. Neighbourly Ltd recognises and understands that the Trustees have responsibility for governing the Foundation and does not interfere in the day to day running of the Foundation. Neighbourly does not act in any way that prejudices the independent decision-making of the Trustees or which inhibits the Trustees' ability to fulfil their charity law duties.

The Articles contain a conflict of interest provision to ensure that Neighbourly Connected Directors cannot participate in any decision making that the Trustees recognised as Independent Directors consider relates to the relationship between the Neighbourly Foundation and Neighbourly.

Board meetings are held quarterly, some of which during the reporting period have been held remotely.



Related parties

Steve Butterworth acts as the Chair of the charity and is also the CEO of Neighbourly Ltd. Chris Kelly is non-executive Director of Neighbourly Ltd. Both own shares in that company.

Remuneration

None of our trustees receive remuneration or other benefit from their work with the charity.

Recruitment of Trustees

The charity ended the year with four Trustees supporting the charity. As the charity grows it will aim to recruit additional trustees who have the skills the charity needs to develop. It values the benefits of having members with different backgrounds, expertise and experience.

Trustee induction and training

All new trustees will undertake an induction programme, which includes visiting our partner Neighbourly, understanding the roles and duties of the trustees, company and charity law and governance, and financial and risk management.

Risk management

The trustees are cognisant of the reliance that the Foundation has on its partnership with Neighbourly. The trustees regularly seek assurances that that support remains in place and will do so for the foreseeable future.

Public Benefit

The trustees confirm they have referred to the guidance contained in the Charity Commission’s general guidance on public benefit when reviewing the charity’s aims and objectives, and in planning future activities. The Neighbourly Foundation’s focus on crisis recovery, community health and wellbeing, skills development and environmental stewardship, working in partnership with local charities and community groups, will have a direct and positive benefit on individuals that are isolated, marginalised or vulnerable and those living in deprived neighbourhoods.

Fundraising Standards

The Trustees are aware of current legislation and updated guidance from the Charity Commission. We are a fully contributing member to the Fundraising Regulator and follow best practice in our fundraising. We are compliant with the regulation where it applies to us. We do not contract with third party fundraising organisations.



Steve Butterworth (Chair)
3 November 2023



Our charity details

Charity name

The Neighbourly Foundation

Registered charity number

1189514 (England and Wales)

Registered company number

12541286 (England and Wales)

Trustees and Directors

Steve Butterworth (Chair of Trustees)
Chris Kelly
Howard Russell
Nicholas Smailes

Registered office

Engine Shed,
Station Approach, Redcliffe,
Bristol BS1 6QH

Bankers

Lloyds Bank, 3rd Floor,
25 Gresham Street,
London, EC2V 7HN

Legal advisers

Bates Wells,
100 Queen Street Place,
London, EC4R 1BE

Auditors

Bishop Fleming LLP, 10 Temple Back,
Bristol, BS1 6FL



Statements of trustees responsibilities

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

The report and accounts have been prepared in accordance with the provisions in the Companies Act 2006 relating to small companies.

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

- Select suitable accounting policies and then 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 the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and the group and hence taking reasonable steps for the

prevention and detection of fraud and other irregularities.

In so far as the trustees are aware at the time of approving our Trustees' Annual Report:

- There is no relevant information, being information needed by the auditor in connection with preparing their report, of which the group's auditor is unaware, and
- The trustees, having made enquiries of fellow directors and the group's auditor that they ought to have individually taken, have each taken all steps that he/she is obliged to take as a director in order to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

By order of the board of trustees



Steve Butterworth (Chair)
3 November 2023



Independent auditors report

Opinion

We have audited the financial statements of The Neighbourly Foundation (the 'charity') for the year ended 31 March 2023 which comprise the Statement of Financial Activities, the Balance sheet, the Statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2023 and of its incoming resources and application of resources, including its income and expenditure for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law.

Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

The other information comprises the information included in the Annual report other than the financial statements and our Auditors' report thereon. The Trustees are responsible for the other information contained within the Annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matters prescribed by the companies act 2006

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

- The information given in the Trustees' report for the financial period for which the financial statements are prepared is consistent with the financial statements.
- The Trustees' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- The Trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Trustees' report

and from the requirement to prepare a Strategic report.

Responsibilities of trustees

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

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

Auditors' responsibilities for the audit of the financial statements

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

of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- We have considered the nature of the sector, control environment and financial performance;
- We have considered the results of enquiries with management and Trustees in relation to their own identification and assessment of the risk of irregularities within the entity; and
- We have reviewed the documentation of key processes and controls and performed walkthroughs of transactions to confirm that the systems are operating in line with documentation.

As a result of these procedures, we have considered the opportunities and incentives that may exist within the organisation for fraud and identified the highest area of risk to be in relation to revenue recognition, with a particular risk in relation to year-end cut off. In common with all audits under ISAs (UK) we are also required to perform specific procedures to respond to the risk of management override.

We have also obtained understanding of the legal and regulatory frameworks that the company operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the

financial statements. The key laws and regulations we considered in this context included the UK Companies Act, FRS 102 and UK tax legislation. In addition, we considered the provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which may be fundamental to the Company's ability to operate or avoid a material penalty. Our procedures to respond to risks identified included the following:

- Reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- Performing analytical procedures to identify unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- Reviewing board meeting minutes;
- Enquiring of management in relation to actual and potential claims or litigations;
- Performing detailed transactional testing in relation to the recognition of revenue with a particular focus around year-end cut off; and
- In addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgments made in accounting estimates are indicative of potential bias; and evaluating the business rationale of significant transactions that are unusual or outside the normal course of business.

We also communicated identified laws and regulations and potential

fraud risks to all members of the engagement team and remained alert to possible indicators of fraud or non-compliance with laws and regulations throughout the audit.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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

Use of our report

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

David Butler FCA DChA
(Senior statutory auditor)

for and on behalf of

Bishop Fleming LLP
Chartered Accountants
Statutory Auditors
10 Temple Back
Bristol BS1 6FL

3 November 2023



Financial statements

The Trustees present their annual report together with the audited financial statements of the Charity for the year ended 31 March 2023. The Annual Report serves the purposes of both a Trustees’ report and a directors’ report under company law.

The Trustees confirm that the Annual Report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable 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 (FRS102) (effective 1 January 2019). Since the Charity qualifies as small under section 383 of the Companies Act 2006, the Group Strategic Report required of medium and large companies under the Companies Act 2006 (Strategic Report and Directors’ Report). Regulations 2013 has been omitted.



Statement of financial activities for the year ended 31 March 2023

	Notes	Unrestricted funds £'000	Restricted funds £'000	2023 Total funds £'000	2022 Total funds £'000
Income from:					
Donations and legacies	2	16	5,771	5,787	3,994
Other income	3	2	0	2	0
Total		18	5,771	5,789	3,994
Expenditure on:					
Charitable activities	5	18	5,384	5,402	3,784
Total		18	5,384	5,402	3,784
Net income/(expenditure)		0	387	387	210
Reconciliation of funds:					
Total funds brought forward		10	771	781	571
Net movement		0	387	387	210
Total funds carried forward		10	1,158	1,168	781

The Statement of Financial Activities includes all gains and losses recognised in the period. The notes on pages 44 to 51 form part of these financial statements.

Balance sheet at 31 March 2023

	Notes	2023 £'000	2022 £'000
Current assets			
Debtors	10	276	165
Cash at bank		905	631
Total		1,181	796
Creditors			
Amounts falling due within one year	11	(14)	(15)
Net current assets/(liabilities)		1,167	781
Total assets less current liabilities		1,167	781
Net assets		1,167	781
Total net assets			
		1,167	781
Charity funds			
Restricted funds	12	1,157	771
Unrestricted funds	12	10	10
Total funds		1,167	781

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

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

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:



Steve Butterworth
Chair of Trustees
3 November 2023

The notes on pages 44 to 51 form part of these financial statements.

Cashflow statement for the year ended 31 March 2023

	2023 £'000	2022 £'000
Cash flows from operating activities:		
Net cash provided by / (used in) operating activities	274	62
Change in cash and cash equivalents in the reporting period	274	62
Cash and cash equivalents at the beginning of the period	631	569
Cash and cash equivalents at the end of the period	905	631

Reconciliation of net income to net cash flow

	2023 £'000	2022 £'000
Net income for the period	387	210
Adjustments for:		
Increase in debtors	(111)	(149)
Decrease in creditors	(2)	1
Net cash provided by operating activities	274	62

Notes to the financial statements

General Information

The Neighbourly Foundation is a charitable company limited by guarantee and not having a share capital, registered in England and Wales. The registered office is Engine Shed, Station Approach, Bristol, BS1 6QH. The members of the charity are the Trustees named below:

Steve Butterworth
Chris Kelly
Howard Russell
Nicholas Smailes

1. Accounting policies

Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) – Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The Neighbourly Foundation meets the definition of a public benefit entity under FRS 102.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

Going concern

The accounts have been prepared on a going concern basis which assumes that sufficient working capital will be available for operational requirements.

To conclude on this basis the trustees reviewed the cash flow forecast to October 2024 (12 months from the date of signing). As ongoing funding from Neighbourly Ltd is also key in our considerations, the budget and cash flow forecasts of the company were also reviewed. No material uncertainties were identified.

Income

All income is recognised once the Charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Grants are included in the Statement of financial activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

Other income is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Charity's objectives, as well as any associated support costs.

Grants payable are charged in the period when the offer is made except in those cases where the

offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to conditions which have not been met at the period end are noted as a commitment, but not accrued as expenditure.

All expenditure is inclusive of irrecoverable VAT.

Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Charity; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the Charity anticipates it will pay to settle the

debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Statement of financial activities as a finance cost.

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 with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Charity for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.



2. Income from donations and legacies

	2023 £'000	2022 £'000
Restricted – Donations	5,771	3,967
Unrestricted – Donations	16	27
Total	5,787	3,994

3. Other incoming resources

	2023 £'000	2022 £'000
Income from participating interests – Unrestricted	16	27

4. Analysis of grants

	2023 £'000	2022 £'000
Grants to Institutions	5,384	3,761

The Neighbourly Foundation provides micro-grants to support good causes in line with the charitable objectives. Further analysis can be found under the ‘Charity Partners’ heading earlier in this report.

5. Analysis of expenditure on charitable activities

	2023 £'000	2022 £'000
Unrestricted funds	18	23
Restricted funds	5,384	3,761
Total	5,402	3,784

6. Allocation of support costs

Support costs of £18,000 are allocated to charitable activities. These costs include Marketing costs (£1,000), audit and accountancy fees (£12,950), bank fees (£1,000) and insurance (£2,500). All other support costs are borne directly by Neighbourly Limited and are not recharged to The Neighbourly Foundation as it is not possible for the allocation to be accurately determined.

7. Auditors’ remuneration

The auditors’ remuneration amounts to an auditor fee of £10,750, and preparation of accounts of £2,200.

8. Staff costs

Staff costs are borne wholly by Neighbourly Limited and not recharged to The Neighbourly Foundation.

9. Trustees’ remuneration and expenses

During the period, no Trustees received any remuneration or other benefits.

During the period ended 31 March 2023, no Trustee expenses have been incurred.

10. Debtors

	2023 £'000	2022 £'000
Due within one year		
Trade debtors	266	155
Amounts owed by participating interests	10	10
Total	276	165

11. Creditors: amounts falling due within one year

	2023 £'000	2022 £'000
Other creditors	0	0
Accruals and deferred income	14	15
Total	14	15



12. Statement of funds

Statement of funds (current period)	Opening balance at 1 April 2022	Income £'000	Expenditure £'000	Transfers in/out £'000	Balance at 31 March 2023 £'000
Unrestricted funds					
Income from participating interests	10	18	(18)		10
Restricted funds					
B&Q	45	1,597	(1,597)	-	45
M&S	-	1,000	(1,000)	-	-
Cadent	24	50	(48)	-	26
Lidl	125	743	(492)	-	376
RSA	45	80	(60)	-	65
Sainsbury's	274	1,090	(1,121)	-	243
Southern Co-op	35	439	(416)	(25)	33
Aldi	28	258	(219)	-	67
Gallagher	50	300	(236)	-	114
Certas	-	86	(12)	-	74
Coca-cola	25	50	(32)	-	43
Good health & well-being	47	22	(38)	-	31
Climate Change	11	-	-	-	11
Reduced inequalities	16	1	(17)	-	-
Volunteering support	-	12	(8)	-	4
Community fund - SOC	24	-	(26)	2	-
Community fund - COVID19	22	17	(7)	(32)	-
Community fund - Warm Communities	-	26	(55)	55	26
	771	5,771	(5,384)	0	1,158
Total of funds	781	5,789	(5,402)	0	1,168

Statement of funds (prior period)	Opening balance at 1 April 2021	Income £'000	Expenditure £'000	Transfers in/ out £'000	Balance at 31 March 2022 £'000
Unrestricted funds					
Income from participating interests	6	27	(23)		10
Restricted funds					
B&Q	0	1,466	(1,421)	-	45
Cadent	6	113	(95)	-	24
Lidl	5	125	-	(5)	125
RSA	29	315	(298)	(2)	44
Sainsbury's	-	1,238	(963)	-	275
Southern Co-op	100	114	(162)	(17)	35
Aldi	301	-	(273)	-	28
VM02	-	400	(400)	-	0
Good health & well-being	31	20	(12)	8	47
Climate Change	11	-	-	-	11
Reduced inequalities	1	19	(4)	-	16
Volunteering support	0	75	0	0	75
Community fund - SOC	-	66	(74)	32	24
Community fund - COVID19	81	16	(59)	(16)	22
	565	3,967	(3,761)	0	771
Total of funds	571	3,994	(3,784)	0	781

B&Q: These funds were allocated to support projects that are improving, maintaining, providing or creating places to make people feel comfortable, safe and welcome.

M&S: These funds were restricted to charities and community groups that met the specific criteria of the Christmas Clothing & Home campaign, including supporting families and proximity to M&S stores.

Cadent: These funds were donated to charities and community groups through Cadent's employee-led matched giving initiative and volunteering programmes.

Lidl: This community fund is a quarterly recurring fund made available to good causes partnered with Lidl which are helping to alleviate food poverty.

RSA: These funds were donated to charities and community groups through RSA's

employee-led matched giving initiative and volunteering programmes.

Sainsbury's: These funds were donated to store-nominated charities, CICs and community groups that help people to access food, and/or help lift people out of food poverty.

Southern Co-op: These funds were allocated to good causes located across the South of England through various campaigns including their local funding scheme, Love Your Neighbourhood Local Partnerships campaign and Food Bank campaign.

Aldi: These funds were allocated to charities and community groups partnered with an Aldi store for food surplus and that support families and children with access to food and daily essentials.

Gallagher: These funds were paid out to charities and community organisations

through Gallagher's employee-nominated community fund, volunteering and match giving programmes.

Certas: Funding was open to registered charities to apply for grants as part of their 'Making a Difference' campaign.

Coca-cola: These funds were donated as part of volunteer events to support projects focusing on carbon reduction, environment and water conservation, litter and recycling.

Warm Communities Fund: These funds were restricted to support charities that help local communities affected by the cost-of-living crisis.

We also have a number of smaller funds that overall support the following UN SDGs; Good Health & Wellbeing; Climate Change; Reduced Inequalities.

13. Summary of funds

Summary of funds (current period)	Opening balance at 1 April 2022	Income £'000	Expenditure £'000	Transfers in/out £'000	Balance at 31 March 2023 £'000
General funds	10	18	(18)	-	10
Restricted funds	771	5,771	(5,384)	0	1,158
Total	781	5,789	(5,402)	-	1,168

Summary of funds (prior period)	Opening balance at 1 April 2021	Income £'000	Expenditure £'000	Transfers in/out £'000	Balance at 31 March 2022 £'000
General funds	6	27	(23)		10
Restricted funds	565	3,967	(3,761)	0	771
Total	571	3,994	(3,784)	-	781

14. Analysis of net assets between funds – current period

	Unrestricted funds 2023 £'000	Restricted funds 2023 £'000	Total funds 2023 £'000	Total funds 2022 £'000
Current assets	21	1,160	1,181	796
Creditors due within one year	(14)	-	(14)	(15)
Total	7	1,160	1,167	781

15. Reconciliation of net movement in funds to net cash flow from operating activities

	2023 £'000	2022 £'000
Net income for the period (as per SOFA)	387	210
Adjustments for:		
Decrease/(increase) in debtors	(111)	(149)
Increase in creditors	(2)	1
Net cash provided by operating activities	274	62

16. Analysis of cash and cash equivalents

	2023 £'000	2022 £'000
Cash at bank and in hand	905	631
Total cash and cash equivalents	905	631

17. Analysis of changes in net debt

	Cash flows £'000	2023 £'000	2022 £'000
Cash at bank and in hand	905	905	631

18. Members' liability

Each member of the charitable company undertakes to contribute to the assets of the company in the event of it being wound up while he/she is a member, or within one year after he/she ceases to be a member, such amount as may be required, not exceeding £1 for the debts and liabilities contracted before he/she ceases to be a member.

19. Related party transactions

The Neighbourly Foundation has not entered into any related party transaction during the period, nor are there any outstanding balances owing between related parties and The Neighbourly Foundation at 31 March 2023.

Trustees remuneration and expenses is detailed in note 9.

20. Controlling party

There is no registrable person or registrable relevant legal entity at the date of signing.





The Neighbourly Foundation
Trustees Report and Financial Statements
For the year ended 31 March 2023