

REGISTERED COMPANY NUMBER: 12118933 (England and Wales)
REGISTERED CHARITY NUMBER: 1191924

Report of the Trustees and
Audited Financial Statements for the Year Ended 31 December 2021
for
Good Neighbours UK

Good Neighbours UK

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for the Year Ended 31 December 2021

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Chair's Report
for the Year Ended 31 December 2021

How best to describe 2021? A year of ups and downs, challenges, unexpected events and a world that seems incapable of harnessing the power of a common approach to addressing the biggest threats to our planet. Yes, Climate Change could be considered the most urgent issue but alongside that are the resurgent Covid-19 pandemic, humanitarian crises, mass migration and more poverty and inequality.

Our strategy, set against this backdrop, is to look for opportunities that have the potential to create change, however small, to address some of these key challenges.

We have a small, creative and organised team of staff who, in their short period of working together have devised opportunities which have enabled us to engage with our neighbours, other agencies and organisations, and with the general public. Our aim has been to create awareness of Good Neighbours UK's (GNUK's) work globally and to launch Campaigns that will attract interest and commitment from all those who would like to see change that can address some of the global challenges.

Alongside our York Office, we now have an office base in London which has enabled us to create working relationships with the local community in New Malden; a large proportion of which are Korean nationals. Working with the local community, we have identified possible projects that will benefit women, children and young people and should be able to implement these over the coming months. Our London based Funding Team, working with our Field Country Representatives apply themselves tirelessly to identifying possible funding solutions for projects that could have life changing impacts for the communities we serve across the globe.

We continue to understand the needs of our own local communities and have created a wonderful, safe and peaceful haven in the centre of York, known as the GN Garden. By working with volunteers, local organisations and the public, we are beginning to develop a strategy that can see this space being used to benefit our neighbours in a variety of ways; growing produce to address food poverty issues, providing a safe place for refugees to meet and socialise, through inclusive gardening projects addressing the issue of loneliness in our society.

As a Board, it is right to say that we too are developing as a team and bringing together our collective skills, knowledge and expertise, provide the stability that is needed for the development of GNUK in the longer term. We have had to adapt and pause for reflection; sometimes in the 'race' to find solutions we forget how much we have achieved in such a short space of time and against such a chequered backdrop.

In spite of so much unrest globally, I feel optimistic, that in our own way, we will make a difference and in the process develop awareness amongst our neighbours and create an environment where we attract and encourage a collective approach to seeking solutions. It is the only way forward.

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 December 2021. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

OBJECTIVES AND ACTIVITIES

Objectives and aims

The object of the charity is to prevent or relieve poverty by way of, but not limited, to providing education and sustainable development initiatives for the benefit and protection of children and their families in charitable need by fundraising and managing projects locally, nationally and internationally.

Significant activities

International

Good Neighbours globally works in 40+ field countries. Field countries are where the delivery projects take place. A project database captures local need which is available to all affiliated Good Neighbours partners. Good Neighbours UK will seek funding to develop these projects, this may be through international aid or other forms of fundraising.

In 2021 Good Neighbours UK applied for funding from the Global Partnership Centre to support three international projects which have been approved.

Good Neighbours UK is employing enhanced due diligence practices to deliver these projects and is in the process of developing partner relationships by developing protocols around responsibilities; project outputs and outcomes; safeguarding and whistleblowing; safer recruitment; risk management; code of conduct; anti-fraud and bribery practices; governance; financial control; monitoring and evaluation; donor reporting and dispute management.

UK

The focus in the UK has been to develop the infrastructure necessary to undertake projects locally and nationally. This includes policy development, the implementation of a CRM system, donation capability, Gift-Aid management, financial management systems and control, marketing capability and social media platform development.

We have implemented and tested a two-stage decision making process to review potential projects. Stage one approval looks at project alignment with the mission and ensuring that it provides public benefit. Stage two approval is given when due diligence has been carried out with potential partners.

Public benefit

We have referred to guidance contained in the Charity Commission's general guidance on public benefit when reviewing our aims and objectives and in planning our future activities.

ACHIEVEMENT AND PERFORMANCE

Charitable activities

Good Neighbours UK has been investing in developing its infrastructure during the start-up phase: establishing an office; becoming incorporated; and gaining charity commission status in England and Wales. It has recruited a small staff team to develop the policies, processes and practices necessary to apply for UK aid direct funding.

Good Neighbours UK has donated PPE for Trafford Domestic Abuse Service (TDAS) staff to help protect those within the refuge from the spread of Covid-19. TDAS is a registered charity that supports individuals and families affected by domestic abuse in Trafford, Manchester. During the global crisis, their vital face to face service had to be put on hold. Sadly, due to the lock-down situation, the service TDAS provides has been more in demand than ever.

"We are desperately wanting to get back to providing our face-to-face services as we know this is so important for the families that we support. Demand for our services has increased and we need to reach out to those in need so by having the equipment to protect staff and service users we can now do this sooner and we are ever so grateful", Samantha Fisher CEO at TDAS said.

Good Neighbours UK

Report of the Trustees for the Year Ended 31 December 2021

FINANCIAL REVIEW

Principal funding sources

Good Neighbours UK principal fund comes in the form of a donation from The Good Neighbours Global Partnership Centre (GPC). This fund is unrestricted however, a budget is prepared in advance and approved highlighting the areas of expenditure and income. Funding has been approved for the period 1 January 2021 to 31 December 2021.

Reserves policy

The trustees have set a target of holding three months of operating costs in reserves for the charity as the amount required for staff redundancies should the operations cease, this amount is calculated to be £120,000 (approved by the Board on 3rd November 2021).

The year-end free reserves of the charity were £117,237 and were below the required reserves level. The current free reserves of the charity are above the required reserves level.

The trustees recognise that six months would be healthy reserve however, whilst we are in the development stage and relatively small, three months reserve would be sufficient. The reserves policy will be reviewed at the quarterly board meetings and adjusted as we grow.

Going concern

The primary source of funding comes from donations to Good Neighbours International in the United States.

There is a commitment by Good Neighbours International to fund Good Neighbours UK for a period of three years. However, the GNUK team will develop local and national fundraising capability to ensure that there are additional funding streams for the operation and implementation of projects.

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, they continue to adopt the going concern basis in preparing the financial statements.

FUTURE PLANS

The Charity plans to continue its present activities in the future. Funds are available to meet future needs where these have been identified.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

Charity constitution

Good Neighbours UK was incorporated is a company limited by guarantee on 24 July 2019 company number 12118933. It was registered as a charity in England and Wales on 21 October 2020 charity number 1191924.

Recruitment and appointment of new trustees

Members of the board, who are Trustees for the purpose of Charity Law, who have served during the period are set out on the Trustees Report. Trustees are appointed for a three-year term.

A retiring Trustee shall be eligible for re-election for consecutive periods not exceeding in aggregate nine years from the date of his or her original appointment but thereafter a Trustee shall not be eligible for re-appointment until one year after his or her retirement.

Trustees will be properly appointed. Potential trustees will undergo a full recruitment and interview process, references will be sought, and their appointment will be confirmed by the Board.

Key management remuneration

Key management personnel is reviewed and is in line with other charities of similar nature.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Risk management

The Board of Trustees has continued to meet virtually throughout the COVID-19 pandemic. Our financial position is reviewed on a monthly basis. We have carried out a robust analysis of our current financial position and have a dedicated Finance Officer to monitor all income and expenditure.

We have implemented two signature sign-off for any expenditure. Further we have established a sign-off authority level agreed by the trustees:

£1,000 and under - minimum of one quote - approval by Chief Officer

£1,001 to £5,000 - minimum of two written quotes - approval by Chief Officer

£5,001 to £14,999 - minimum of three written quotes - approval by Chief Officer and Treasurer

£15,000 and above - formal tender required - approval by Chief Office, Treasurer and Chair

The Trustees have assessed the major risks to which the charity is exposed, in particular those related to the operations and finances of the charity and are satisfied that systems and procedures are in place to mitigate our exposure to the major risks.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

12118933 (England and Wales)

Registered Charity number

1191924

Registered office

Office Suite 6

20 Castlegate

York

North Yorkshire

YO1 9RP

Trustees

Mr J A O'Reilly Trustee (resigned 10.2.22)

Dr H E Seong Trustee

Mrs C Siddons Board Chair

Ms S Skerratt Trustee (resigned 22.7.21)

Mr M Foy Trustee

Ms N S Kendrick Trustee

Ms V A Wickenden Trustee

Mr J Park (appointed 10.2.22)

Auditors

Armstrong Watson Audit Limited

York House

Thornfield Business Park

Northallerton

North Yorkshire

DL6 2XQ

Bankers

Barclays Bank UK PLC

1 Churchill Place

London

E14 5HP

Good Neighbours UK

Report of the Trustees
for the Year Ended 31 December 2021

REFERENCE AND ADMINISTRATIVE DETAILS

Accountants

Asquith & Co Accountants Limited
Rowan House
7 West Bank
Scarborough
North Yorkshire
YO12 4DX

AUDITORS

The auditors, Armstrong Watson Audit Limited, will be proposed for re-appointment at the forthcoming Annual General Meeting.

Approved by order of the board of trustees on 19 July 2022 and signed on its behalf by:

A handwritten signature in black ink, appearing to read 'C Siddons', written in a cursive style.

Mrs C Siddons - Trustee

Statement of Trustees' Responsibilities
for the Year Ended 31 December 2021

The Trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England & Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable incorporated organisation and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

Select suitable accounting policies and then apply them consistently; observe the methods and principles of the Charities SORP (FRS 102); make judgments and accounting estimates that are reasonable and prudent; state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements; prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable incorporated organisation will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable incorporated organisation's transactions and disclose with reasonable accuracy at any time the financial position of the charitable incorporated organisation and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the Trust Deed. They are also responsible for safeguarding the assets of the charitable incorporated organisation and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by order of the members of the board of Trustees and signed on their behalf by Cheryl Siddons (Board Chair).

Report of the Independent Auditors to the Members of
Good Neighbours UK

Opinion

We have audited the financial statements of Good Neighbours UK (the 'charitable company') for the year ended 31 December 2021 which comprise the Statement of Financial Activities, the Balance Sheet and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2021 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 UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

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

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

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

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to take advantage of the small companies exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Trustees.

Responsibilities of trustees

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

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

Our responsibilities for the audit of the financial statements

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

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

We identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and then design and perform audit procedures responsive to those risks, including obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion.

In identifying and addressing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- We obtained an understanding of laws and regulations that affect the company, focusing on those that had a direct effect on the financial statements or that had a fundamental effect on its operations. Key laws and regulations that we identified included the UK Companies Act, UK Charities Act, tax legislation and employment legislation.

- We enquired of the trustees, reviewed correspondence with the charity commission and reviewed trustee meeting minutes for evidence of non-compliance with relevant laws and regulations. We also reviewed controls the trustees have in place to ensure compliance.

- We gained an understanding of the controls that the trustees have in place to prevent and detect fraud. We enquired of the trustees about any incidences of fraud that had taken place during the accounting period.

- The risk of fraud and non-compliance with laws and regulations and fraud was discussed within the audit team and tests were planned and performed to address these risks. We identified the potential for fraud in the following areas: misappropriation of cash and other assets..

- We reviewed financial statements disclosures and tested to supporting documentation to assess compliance with relevant laws and regulations discussed above.

- We enquired of the trustees and third-party advisors about actual and potential litigation and claims.

- We performed analytical procedures as a planning tool to identify any unusual or unexpected relationships that might indicate risks of material misstatement due to fraud.

- In addressing the risk of fraud due to management override of internal controls we tested the appropriateness of journal entries and assessed whether the judgements made in making accounting estimates were indicative of a potential bias.

Due to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing fraud or non-compliance with laws and regulations and cannot be expected to detect all fraud and non-compliance with laws and regulations.

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 Report of the Independent Auditors.

Report of the Independent Auditors to the Members of
Good Neighbours UK

Use of our report

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



Simon Turner (Senior Statutory Auditor)
for and on behalf of Armstrong Watson Audit Limited
York House
Thornfield Business Park
Northallerton
North Yorkshire
DL6 2XQ

Date:25 July 2022.....

Good Neighbours UK

Statement of Financial Activities
for the Year Ended 31 December 2021

				Year Ended 31.12.21 Total funds £	Period 24.7.19 to 31.12.20 Total funds £
	Notes	Unrestricted fund £	Restricted fund £		
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	200,720	541	201,261	217,990
 EXPENDITURE ON					
Charitable activities					
Activities undertaken directly		163,266	226	163,492	138,107
 NET INCOME		<u>37,454</u>	<u>315</u>	<u>37,769</u>	<u>79,883</u>
 RECONCILIATION OF FUNDS					
Total funds brought forward		79,783	100	79,883	-
 TOTAL FUNDS CARRIED FORWARD		<u><u>117,237</u></u>	<u><u>415</u></u>	<u><u>117,652</u></u>	<u><u>79,883</u></u>

The notes form part of these financial statements

Good Neighbours UK

Balance Sheet
31 December 2021

	Notes	Unrestricted fund £	Restricted fund £	31.12.21 Total funds £	31.12.20 Total funds £
FIXED ASSETS					
Tangible assets	7	3,452	-	3,452	2,789
CURRENT ASSETS					
Debtors	8	1,943	-	1,943	1,269
Cash at bank		123,767	415	124,182	82,831
		<u>125,710</u>	<u>415</u>	<u>126,125</u>	<u>84,100</u>
CREDITORS					
Amounts falling due within one year	9	(11,925)	-	(11,925)	(7,006)
NET CURRENT ASSETS		<u>113,785</u>	<u>415</u>	<u>114,200</u>	<u>77,094</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>117,237</u>	<u>415</u>	<u>117,652</u>	<u>79,883</u>
NET ASSETS		<u>117,237</u>	<u>415</u>	<u>117,652</u>	<u>79,883</u>
FUNDS	10				
Unrestricted funds				117,237	79,783
Restricted funds				<u>415</u>	<u>100</u>
TOTAL FUNDS				<u>117,652</u>	<u>79,883</u>

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

The financial statements were approved by the Board of Trustees and authorised for issue on 19 July 2022 and were signed on its behalf by:



Mrs C Siddons - Trustee

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Fixtures and fittings - 15% on reducing balance

Taxation

The charity is exempt from corporation tax on its charitable activities.

Fund accounting

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

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

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

Hire purchase and leasing commitments

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight line basis over the period of the lease.

Pension costs and other post-retirement benefits

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

Notes to the Financial Statements - continued
for the Year Ended 31 December 2021

2. DONATIONS AND LEGACIES

	Year Ended 31.12.21 £	Period 24.7.19 to 31.12.20 £
Donations	1,558	103
Grants	199,703	217,887
	<u>201,261</u>	<u>217,990</u>

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

	Year Ended 31.12.21 £	Period 24.7.19 to 31.12.20 £
Global Partnership Centre	194,565	212,887
City of York Council	-	5,000
The Korean Government Fellowship	5,138	-
	<u>199,703</u>	<u>217,887</u>

3. NET INCOME/(EXPENDITURE)

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

	Year Ended 31.12.21 £	Period 24.7.19 to 31.12.20 £
Depreciation - owned assets	504	244
Other operating leases	7,484	5,265
Auditors fee	4,800	4,000
	<u></u>	<u></u>

Within activities undertaken by the charity are £8,568 of governance costs relating to audit, accountancy and legal and professional costs. These represent the support costs of the charity and have been classified as such based on the fact they are not part of the delivery of charitable activities.

4. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the period ended 31 December 2021.

4. TRUSTEES' REMUNERATION AND BENEFITS - continued

Trustees' expenses

There were trustees' expenses totalling £59.60 paid for during the period ended 31 December 2021. The expenses were reimbursing the trustees' for expenses incurred on behalf of the charity.

5. STAFF COSTS

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

	Year Ended 31.12.21	Period 24.7.19 to 31.12.20
Management	2	2
Administration	4	2
	<u>6</u>	<u>4</u>

Key management personnel are deemed to be H Yang and D King with total salary costs of £50,238 combined.

There were no employees with emoluments in excess of £60,000.

6. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted fund £	Restricted fund £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	217,890	100	217,990
EXPENDITURE ON			
Charitable activities			
Activities undertaken directly	138,107	-	138,107
NET INCOME	<u>79,783</u>	<u>100</u>	<u>79,883</u>
TOTAL FUNDS CARRIED FORWARD	<u>79,783</u>	<u>100</u>	<u>79,883</u>

Notes to the Financial Statements - continued
for the Year Ended 31 December 2021

7. TANGIBLE FIXED ASSETS

	Fixtures and fittings £
COST	
At 1 January 2021	3,033
Additions	1,167
At 31 December 2021	4,200
DEPRECIATION	
At 1 January 2021	244
Charge for year	504
At 31 December 2021	748
NET BOOK VALUE	
At 31 December 2021	3,452
At 31 December 2020	2,789

8. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.12.21 £	31.12.20 £
Prepayments	1,943	1,269

9. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.12.21 £	31.12.20 £
Social security and other taxes	3,898	38
Pension liability	571	314
Accrued expenses	7,456	6,654
	11,925	7,006

10. MOVEMENT IN FUNDS

	At 1.1.21 £	Net movement in funds £	At 31.12.21 £
Unrestricted funds			
General fund	79,783	37,454	117,237
Restricted funds			
Restricted fund	100	315	415
TOTAL FUNDS	79,883	37,769	117,652

Notes to the Financial Statements - continued
for the Year Ended 31 December 2021

10. MOVEMENT IN FUNDS - continued

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	200,720	(163,266)	37,454
Restricted funds			
Restricted fund	541	(226)	315
TOTAL FUNDS	<u>201,261</u>	<u>(163,492)</u>	<u>37,769</u>

Comparatives for movement in funds

	Net movement in funds £	At 31.12.20 £
Unrestricted funds		
General fund	79,783	79,783
Restricted funds		
Restricted fund	100	100
TOTAL FUNDS	<u>79,883</u>	<u>79,883</u>

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	217,890	(138,107)	79,783
Restricted funds			
Restricted fund	100	-	100
TOTAL FUNDS	<u>217,990</u>	<u>(138,107)</u>	<u>79,883</u>

11. RELATED PARTY DISCLOSURES

Good Neighbours UK has an inclusive partnership with Good Neighbors (Global Partnership Centre). During the period Good Neighbours UK received £194,565 (2020: £212,887) in grants from Good Neighbors (Global Partnership Centre).

12. RESTRICTED/UNRESTRICTED FUNDS

During the period Good Neighbours UK received both unrestricted and restricted funds. The restricted funds received totalled £541, with expenditure totalling £226. Once the restricted funds from 2020 are taken into account there is a balance held of £415.

Unrestricted funds are funds that have been received which are not held for a specific charitable purpose. They can be spent as deemed fit by the trustees.

Restricted funds are funds that have been given to the charity for a particular purpose and must be spent on the specified purpose only.

13. GOING CONCERN

The Trustees' have prepared budgets and forecasts for a period of at least 12 months from the date of approval of these financial statements. These reflect known committed income (from existing donors and new arrangements with UNICEF) and committed costs such as payroll and known delivery costs of new projects and plans. The outcome of these budgets and forecasts is that the Charity has significant cash head room. The level of which is such that any adverse impact of macro economic factors (such as new COVID spikes, the cost of living or global conflicts) would not give rise to a significant financial pressure on the charity. As such sensitivities such as a 50% fall in forecast income from historic donors would still leave the charity with cash head room. On that basis the Trustees' have considered it appropriate to prepare the financial statements on a going concern basis.

Good Neighbours UK

Detailed Statement of Financial Activities
for the Year Ended 31 December 2021

	Year Ended 31.12.21 £	Period 24.7.19 to 31.12.20 £
INCOME AND ENDOWMENTS		
Donations and legacies		
Donations	1,558	103
Grants	199,703	217,887
	201,261	217,990
Total incoming resources	201,261	217,990
EXPENDITURE		
Charitable activities		
Wages	111,430	69,869
Social security	5,123	38
Pensions	2,004	1,291
Other operating leases	7,484	5,265
Marketing and public relations	2,416	4,115
Networking and research	2,228	300
Proposal writers	3,240	5,025
Project costs	883	2,874
Strategy consultants	-	3,750
Insurance	490	509
Printing, postage and stationery	1,180	1,616
Subscriptions and licences	2,275	2,002
Advertising and website	8,550	6,388
Telephone and internet charges	3,162	3,058
Training	76	637
Repairs and renewals	-	357
Accommodation and subsistence	668	809
Travelling	525	2,665
Employee costs	2,686	-
Fixtures and fittings	504	244
	154,924	110,812
Support costs		
Governance costs		
Accountancy fees	2,865	3,915
Legal fees	300	11,880
Bank charges	103	7
Human resource consultants	500	6,693
Audit fees	4,800	4,800
	8,568	27,295
Total resources expended	163,492	138,107
Net income	37,769	79,883

This page does not form part of the statutory financial statements