

Charity number: 1200486

Company number: CE030261 (England and Wales)

NATURAL NEIGHBOURS CIO

FINANCIAL STATEMENTS

FOR THE PERIOD FROM 26 SEPTEMBER 2022 TO 30 SEPTEMBER 2023

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees:

- Annwen Johnson BEM
- Kirstie Beaven
- Caroline Loden
- Lauren Mills
- Madeleine Jarratt (Chair)
- Christiana Adegoke

Charity number: 1200486

Company number: CE030261

Registered office: 1 Principal Square, London, E9 6AD

Principal office address: 1 Principal Square, London, E9 6AD

Independent examiner: Chris Wheatley ACA, 12 Andre Street, London, E8 2AA

TRUSTEES' REPORT

FOR THE PERIOD ENDED 30 SEPTEMBER 2023

The trustees present their annual report and financial statements for the period ended 30 September 2023. The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the Memorandum and Articles of Association, the Charities Act 2011, and "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).

Chair's Introduction

As the Chair of Natural Neighbours, I am pleased to present our Trustee Annual Report for the financial year 2022-2023. This year has been one of significant governance and strategic development for our organisation. Our dedicated team has worked tirelessly to establish our foundational frameworks, initiate our first phase of activities, and begin forming key partnerships.

Purpose

The trustees have considered the Charities Act 2011 when defining the charity as a Public Benefit entity. As set out in our governing document, Natural Neighbours operates for the benefit of the public: (a) to promote the conservation of wildlife and the conservation, improvement and protection of the physical and natural environment, in particular but not exclusively by promoting biodiversity; (b) to advance the education of the public in relation to such conservation, improvement and protection and related matters. For the purposes of this object, we are defining biodiversity as richness (number of species), abundance (size of populations) and distribution of species in a geographical area.

Objectives and Activities

Using public demonstration events backed up by online media, Natural Neighbours inspires and supports people in urban communities to create and connect essential habitat for wildlife in their private or shared outdoor spaces. We raise awareness of the health and wellbeing benefits of supporting and experiencing nature wherever and whoever you are, with a particular focus on the most marginalised communities.

Our Vision

Our vision is of towns and cities reaching their full potential to buzz, bloom and sing with wildlife, benefitting the health and wellbeing of global climate and local communities alike. During the year, we have made substantial strides in aligning our activities with our vision. The approval of our Outline Concept and Business Plan has provided a clear roadmap for our initiatives.

Key activities included:

- Developing our governance, finance, communications, and fundraising systems and plans.
- Preparing for the Phase 1 launch and development of our pilot project.
- Engaging with potential advisory partners such as Associate Professor Mark Goddard of Northumbria University and representatives of the Natural History Museum and the RHS.
- Setting up systems for stakeholder communication and data recording.

Achievements and Performance

Governance and Finance:

- Established a clear governance structure with defined roles and responsibilities for trustees.
- Setting up of charity bank account with Metro Bank.
- Created policies for safeguarding, risk management, inclusion, and GDPR.
- Undertook Trustee Skills audit to assess any areas of development or skills gaps.
- Created risk register to complete during each Trustee meeting.

Fundraising:

- Developed initial fundraising strategy including identifying potential donors, charitable trusts and companies.
- Created case for support documents for different audiences.
- Setting up mechanisms such as charity donation opt-ins, Giving Machine, CAF online and online fundraising tools.
- Encouraged trustees to begin informal fundraising efforts within their networks.
- Employment of copywriter fundraising consultant.
- Raised £25,000 from Postcode Lottery Trust and £10,000 from two individual donors. Started recruiting regular donors through direct debit scheme and via People Fundraising platform.

Communications and Systems:

- Agreed on the need for a coordinated communications strategy to avoid duplication and enhance efficiency.
- Set up of Instagram, Twitter/X, Facebook and LinkedIn accounts.
- Recruitment of a communications volunteer to update socials.
- Evaluated suitable CRM systems with Airtable being the chosen system due to budget and size.
- Set up of Discord as communications system for the Natural Neighbours team.

Pilot Campaign Development:

- Discussed the proposal for our pilot campaign extensively and identified key areas for impact measurement and development.
- Engaged with potential data partners and stakeholders to refine our approach.
- Created Interim Director job description to enable recruitment of an individual to run the Charity's day to day work. This role is currently being fulfilled on a contract basis while the charity builds financial stability.
- Garnered support from Mayor of Hackney and members of his cabinet.
- Agreed pilot project with the Head of Daubeney Primary School in Hackney and 'broke ground' at the site with construction of a wildlife pond.
- Survey completed with Daubeney School householders to determine a baseline level of nature awareness and engagement.

Financial Review

As this is our first year, our financial activities have primarily focused on setting up foundational systems and processes. Our main expenses have been related to administrative costs and initial project development. Our expenditure was £18,405 and included Contract director and Copywriting consultant costs of £16,306, Marketing £1,637 and insurance. Our income was £35,439 and included a £25,000 Postcode lottery grant, £10,000 individual donations and £439 from Giving Machine. Detailed financial statements are included below. The Charity does not have a reserves policy during the period of fund growth, this will be reviewed periodically and a policy created when the Charity running costs become more defined.

Plans for Future Periods

Our plans for the coming year include:

- Expanding our pilot project at Daubeney Primary School to organise its diverse parent/carer and wider neighbourhood communities in the creation of a network of habitats across the school grounds.
- Continuing to build and strengthen partnerships with key organisations including developing site project partnerships with other schools and housing estates in the area.
- Building an informative website to support communities in creating nature rich areas.
- Expanding our fundraising efforts and exploring new funding opportunities.
- Implementing a comprehensive CRM system to manage stakeholder relationships.
- Working with our tech partner to develop a bespoke app that supports Natural Neighbours's community work and inspires habitat creation in surrounding neighbourhoods.

Structure, Governance, and Management

Natural Neighbours is a Charitable Incorporated Organisation (CIO) governed by a board of trustees who meet regularly to oversee the strategic direction and management of the charity. We are committed to adhering to best practices in governance and ensuring transparency and accountability in all our activities.

Trustees 2022-23:

- Sion Elis Williams (Chair) - Recruited June 2022*
- Caroline Loden - Recruited June 2022* - 1 year term
- Lauren Mills - Recruited June 2022*
- Julian Kirby - Recruited June 2022*, Resigned January 2023
- Vicki Hird - Recruited June 2022*
- Kirstie Beaven - Recruited February 2023
- Annwen Johnson BEM - Recruited March 2023

*Trustees recruited 3 months prior to formal charity commission incorporation to support the registration process.

Trustees are recruited via online platforms and personal referrals to fill the needs of the charity - which are defined by a skills and experience needs requirement audit as recommended by Charity Excellence. Each potential Trustee is asked to submit a covering letter and CV and undertake an informal interview with a Trustee.

We also acknowledge the support of our advisors and volunteers who have contributed immensely to our progress this year.

Conclusion

We are proud of the progress made during our inaugural year and look forward to building on this foundation in the coming years. Thank you to all our supporters and partners who have shared our vision and contributed to our mission.

Statement of Trustees' responsibilities

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). Charities SORP requires the trustees to prepare financial statements for each

financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these 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; and
- state whether applicable accounting standards 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 charity will continue in operation.

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charity. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees' report was approved by the Board of Trustees.

A handwritten signature in black ink, appearing to read 'Sion Williams', followed by a period.

Sion Williams, Chair

Date: 23rd July 2024

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES

FOR THE PERIOD ENDED 30 SEPTEMBER 2023

I report on the financial statements of Natural Neighbours CIO for the period ended 30 September 2023.

Respective responsibilities of trustees and examiner

The charity's trustees are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year under section 144 of the Charities Act 2011 ("the Charities Act") and that an independent examination is needed. Having satisfied myself that the charity is not subject to audit under company law and is eligible for independent examination, it is my responsibility to:

- examine the accounts under section 145 of the Charities Act,
- to follow the procedures laid down in the general Directions given by the Charity Commission (under section 145(5)(b) of the Charities Act), and
- to state whether particular matters have come to my attention.

Basis of independent examiner's statement

My examination was carried out in accordance with general directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from the trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statement below.

Independent examiner's statement

In connection with my examination, no material matters have come to my attention which gives me cause to believe that in, any material respect:

- the accounting records were not kept in accordance with section 130 of the Charities Act; or
- the accounts did not accord with the accounting records; or
- the accounts did not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a "true and fair" view which is not a matter considered as part of an independent examination.

I have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

Chris Wheatley ACA

12 Andre Street London E8 2AA

Date: 30th July 2024

NATURAL NEIGHBOURS
STATEMENT OF FINANCIAL ACTIVITIES
PERIOD ENDED 30TH SEPTEMBER 2023

	NOTE	UNRESTRICTED FUNDS	
		£	£
INCOME			
Donations and Legacies	3		35,439
EXPENDITURE	5		
Raising funds		(16,306)	
Charitable activities		(1,637)	
Others		<u>(463)</u>	
			(18,405)
NET MOVEMENT IN FUNDS			<u><u>17,034</u></u>

All income and expenditure are from continuing activities.

NATURAL NEIGHBOURS
BALANCE SHEET
AS AT 30 SEPTEMBER 2023

	NOTE	£
CURRENT ASSETS		
Cash at bank		26,153
CREDITORS DUE WITHIN ONE YEAR		
Accruals	6	(9,120)
NET ASSETS		<u>17,034</u>
RESERVES		
Unrestricted Funds		<u>17,034</u>
		<u>17,034</u>

These financial statement were approved by the Board on and are signed on its behalf by



Sion Williams
Chair

NATURAL NEIGHBOURS NOTES TO THE ACCOUNTS PERIOD ENDED 30TH SEPTEMBER 2023

1.1 BASIS OF ACCOUNTING

The accounts have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Charities SORP. Natural Neighbours qualifies as a public benefit entity under FRS 102.

The financial statements are being prepared using the historical cost convention.

The financial statements are prepared in pounds sterling, which is the functional currency of the company. These financial statements are rounded to the nearest £.

1.2 GOING CONCERN

The trustees have assessed the charity's ability to continue as a going concern and have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. As a result, the financial statements were prepared on a going-concern basis.

1.3 CHARITABLE FUNDS

Unrestricted funds are used at the trustees' discretion to advance their charitable goals.

1.4 INCOME

Income is recognised when the charity is entitled to the funds, any performance conditions attached to the income have been met, it is probable that the income will be received, and the amount can be measured reliably.

1.5 EXPENDITURE is recognised when 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.

2. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

In applying the charity's accounting policies, the trustees made judgments, estimates, and assumptions regarding the carrying amounts of assets and liabilities that are not readily apparent from other sources. These estimates and assumptions are based on historical experience and other relevant factors. These estimates and judgments are reviewed regularly to ensure they reflect current conditions and the best available information.

3. ANALYSIS OF INCOME

	UNRESTRICTED FUNDS £
Grants: Postcode Society Trust	25,000
Donations: High Net Worth programme	10,000
Fundraising	439
	<u>35,439</u>

4. INCOME FROM GRANTS

	£
Postcode Society Trust	25,000

5. ANALYSIS OF EXPENDITURE

	CHARITABLE ACTIVITIES £	RAISING FUNDS £	OTHERS £	TOTAL £
Marketing	1,637			1,637
Consultancy fee		16,306		16,306
Insurance			463	463
	<u>1,637</u>	<u>16,306</u>	<u>463</u>	<u>18,405</u>

6. CREDITORS DUE WITHIN ONE YEAR

	£
Accruals	<u>9,120</u>

7. TRUSTEES

The trustees were unpaid, did not claim any expenses, and did not receive any additional benefits from working with the charity during this period.

8. EMPLOYEES

The charity did not have any employees during this period.

9. RELATED PARTY TRANSACTION

There were no related-party transactions during this period.