

Company number: 4402061

Charity number: 1094827

Friends First

Report and Financial Statements

Year ended 31 August 2024

FRIENDS FIRST

Financial Statements - 31 August 2024

CONTENTS

	Page
Reference and Administrative Details	1
Trustees' Report	2-5
Independent Examiner's Report	6
Statement of Financial Activities	7
Balance Sheet	8
Cash Flow Statement	9
Notes to the Financial Statements	10-15

FRIENDS FIRST

REFERENCE AND ADMINISTRATIVE DETAILS

Friends First is a registered charity (1094827) and a company limited by guarantee (4402061).

Its registered office is: 21/23 Clarendon Villas
Hove
East Sussex
BN3 3RE

The Trustees throughout the year, (unless otherwise shown), and at the date the report is signed were:

K Ball (resigned on 31st December 2023)
A Bateman (appointed on 11th June 2024)
W Bigwood
N de Freese (appointed on 20th February 2024)
J Foreman (resigned on 7th November 2023)
P Jarvis (resigned on 14th May 2024)
A Knight
M Sibanda
J Waller (appointed on 14th May 2024)
D Wilson (appointed on 19th March 2024)

Company Secretary A Waller

The company's advisors are:

Bankers: National Westminster Bank plc
103 Church Road
Hove
East Sussex
BN3 2BF

Independent Examiner: Dr Shona Wardrop C.A
44 Grand Parade
Brighton
BN2 9QA

FRIENDS FIRST

TRUSTEES' ANNUAL REPORT

The trustees present their 23rd report and the unaudited financial statements for the year ended 31 August 2024.

The financial statements have been prepared in accordance with the accounting policies set out on pages 10 and 11 and comply with current statutory requirements the Financial Reporting Standard applicable in the U.K. and Republic of Ireland (FRS102) (effective from 1 January 2019), the Memorandum and Articles of Association, and the Statement of Recommended Practice: Accounting and Reporting by Charities 2019.

STRUCTURE, GOVERNANCE AND MANAGEMENT

The company was incorporated on 22 March 2002 and was registered as a charity on 28 November 2002. It is governed by its Memorandum and Articles of Association. The company is limited by guarantee and has no share capital.

Friends First is connected with Clarendon Trust Ltd (of 21-23 Clarendon Villas, Hove, East Sussex, BN3 3RE) in that the charities have common trustees and Clarendon Trust Ltd is the sole corporate member of Friends First. The trustees of the company are appointed upon becoming a trustee of Clarendon Trust Ltd. The induction process for trustees involves supplying them with copies of the Memorandum & Articles of Association, recent Accounts and Minutes of trustees' Meetings. They are also shown the work of Friends First and meet with the senior staff. Trustees meet regularly through the year and all the major decisions of the charity are made by them in consultation with the charity's managers.

The trustees have recognised the importance of assessing and managing risk associated with the charity's objectives. The process of identifying risk is ongoing and has been an essential part of the management of the charity. The trustees have implemented systems to ensure ongoing identification, management and documentation of foreseeable risks.

OBJECTIVES AND ACTIVITIES FOR THE PUBLIC BENEFIT

The trustees have had regard to the Charity Commission guidance on public benefit, and paid due regard to it in deciding what activities the charity should undertake. The trustees are satisfied that the ongoing activities which they are involved in means that the charity is continuing to meet the public benefit requirement.

Friends First Trust aims to contribute toward:

- reducing long-term unemployment
- reducing homelessness
- reducing social isolation
- increasing the provision of safe supportive housing

Friends First also works with socially minded property investors, enabling Friends First beneficiaries access to secure and affordable accommodation. The accommodation Friends First have available includes: short stay and emergency accommodation, shared housing and lodgings in the local community.

Friends First provides intensive personal support for beneficiaries to assist them in gaining momentum and achieving independent living. Alongside this Friends First recruit, screen, and train volunteer mentors and befrienders to come alongside beneficiaries living in their local

communities. The charity also has access to counselling referral and regularly work alongside and signposts to other like-minded agencies in the city.

FRIENDS FIRST

Trustees' Report – continued

ACHIEVEMENTS AND PERFORMANCE FOR THE PUBLIC BENEFIT

Housing

Friends First provides support to residents in three houses across the city. This year we have successfully raised funds for a part time post for a housing support worker. We have employed someone with lived experience of homelessness who has come through our accommodation and been volunteering for over a year.

Coldean House: 4 -5 bed

The focus of this house is Christian discipleship and preparation and transition to full time work. The house is currently full with four of the men in full time work and the fifth engaged in voluntary work experience. We hold weekly prayer meetings at the house and have several people waiting for a place in the house.

Hove House: 3 bed

This is home to a single parent mum from Ethiopia with three children. She is part of City Coast Church and Friends First is partnering with them to support her.

Moulsecoomb House 3 bed

An Emmanuel church member has asked us Friends First to manage this property. Currently Friends First trainees are housed in this property.

Holland Road Baptist Church

We are working in partnership with Holland Road Baptist Church to provide a basic start-up kit of a kettle, microwave etc. together with some furniture for individuals accessing emergency accommodation. The team would like to find premises where donated furniture can be stored.

Foodbanks

Friends First Team members continue to support all the Emmanuel Foodbanks enabling us to signpost or refer clients who may need further support with counselling, housing or work experience.

Keys Community Detox

Keys Detox is a National church based detox programme to help people escape from alcohol and drug addiction through integrated medical, spiritual and community support. Friends First has become the Keys hub coordinating support across Brighton & Hove. We are currently looking for a project Lead to take this forward.

FRIENDS FIRST

Trustees' Report – continued

St Columba's Farm

Friends First is partnering with St Columba's Farm in West Sussex which offers a day-long structured activity. The project provides personal development and life skills training and the opportunity to be with others in a relaxed, safe and supportive environment. The farm is part of the Country stewardship scheme and there is instruction in ecology, horticulture, land management and animal husbandry.

FINANCIAL REVIEW

The Statement of Financial Activities on page 7 shows total incoming resources of £128,660. The charitable company has funded a variety of projects and activities, which are in line with its stated objectives. The level of activity for the year was satisfactory. There was a deficit for the year £4,944. At the end of the year the funds of the charity were in surplus by £50,933. The trustees of Clarendon Trust Ltd have indicated that they will provide ongoing financial support for at least 12 months from the date of this report.

RESERVES POLICY

The trustees have formulated a reserves policy in line with Charity Commission guidance. It is the trustees' intention to create free reserves sufficient to enable the trust to meet its recurring expenditure for the foreseeable future. At year end unrestricted reserves of £50,933 cover more than three months of current expenditure.

PLANS FOR FUTURE YEARS

Friends First hopes to be able to relaunch its pathway to employment project that provides work experience and training to the homeless & long-term unemployed. We are in discussions with Holland Road and other CAB (Christian Action Brighton) Churches about how best to do this.

FRIENDS FIRST

Trustees' Report – continued

Chariot House Limited have been appointed as independent examiners via a resolution at the Annual General Meeting.

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies' exemption.

Approved by the trustees on 25th March 2025 and signed on their behalf by

William Bigwood
Chair of Trustees

21/23 Clarendon Villas
Hove
East Sussex
BN3 3RE

INDEPENDENT EXAMINER'S REPORT TO THE SOLE MEMBER OF FRIENDS FIRST

I report to the charity trustees on my examination of the accounts of Friends First for the year ended 31 August 2024.

Responsibilities and basis of report

As the charity trustees of Friends First you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of Friends First's accounts carried out under section 145 of the Act and in carrying out my examination I have followed all applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent examiner's statement

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

- accounting records were not kept in respect of the Trust as required by section 130 of the Act; or
- the accounts do not accord with those records; or
- the accounts do 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 no concerns and 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.

Dr Shona Wardrop C.A.
44 Grand Parade
Brighton
East Sussex
BN2 9QA

Date: 25th March 2025

FRIENDS FIRST

Statement of Financial Activities for the year ended 31 August 2024

	<i>Notes</i>	2024	2023
		£	£
INCOME AND EXPENDITURE ACCOUNT			
Incoming resources from generated funds			
Voluntary income	2	71,186	90,102
Activities for generating funds		24,920	18,613
Incoming resources from charitable activities	4	32,555	30,361
		<hr/>	<hr/>
Total incoming resources		<u>128,660</u>	<u>139,076</u>
Resources expended			
Cost of generating funds			
Fundraising and publicity		-	-
Charitable activities			
Housing & Employment Support	5	133,605	121,648
		<hr/>	<hr/>
Total resources expended		<u>133,605</u>	<u>121,648</u>
Net movement in funds		(4,944)	17,428
Fund balances brought forward at 1 September 2023		<u>55,877</u>	<u>38,449</u>
Fund balances carried forward at 31 August 2024		<u>50,933</u>	<u>55,877</u>

All funds are unrestricted.

The Statement of Financial Activities reflects the results of continuing activities for the year. There were no recognised gains or losses for the year other than those shown on the Statement of Financial Activities.

The notes on pages 10 to 15 form part of these financial statements.

FRIENDS FIRST

Company number: 4402061

Balance Sheet at 31 August 2024

	Notes	2024		2023	
		£	£	£	£
CURRENT ASSETS					
Debtors	7	672		825	
Cash at bank and in hand		57,279		72,098	
		<u>57,951</u>		<u>72,923</u>	
CREDITORS - AMOUNTS FALLING DUE WITHIN ONE YEAR					
	8	<u>(7,018)</u>		<u>(17,046)</u>	
NET CURRENT ASSETS			50,933		55,877
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>50,933</u>		<u>36,907</u>
FUNDS					
Unrestricted funds					
General fund	9		49,478		54,422
Designated funds	9		1,455		1,455
TOTAL FUNDS			<u>50,933</u>		<u>55,877</u>

The company is entitled to exemption from audit under section 477 of the Companies Act 2006 for the year ended 31 August 2024. The members have not required the company to obtain an audit of its financial statements for the year in accordance with section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for:

- (a) ensuring the company keeps accounting records which comply with sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its surplus and deficit for each financial year in accordance with the requirements of section 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to the financial statements, so far as applicable to the company.

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

Approved by the trustees, signed on their behalf by and authorised for issue on 25th March 2025.

William Bigwood
Chair of Trustees

The notes on pages 10 to 15 form part of these financial statements.

FRIENDS FIRST

Cash Flow Statement for the year ended 31 August 2024

	2024		2023	
Reconciliation of net movement in funds to net cash flows from operating activities	£	£	£	£
Net movement in funds	(4,944)		17,428	
Depreciation	-		-	
Decrease/(increase) in debtors	154		11,382	
Increase/(decrease) in creditors	(10,028)		7,293	
Net cash outflow from operating activities		(14,819)		36,093
Capital expenditure				
Purchase of tangible fixed assets	-		-	
Net cash outflow from capital expenditure		-		-
Increase/(decrease) in cash in the year		(14,819)		36,093
Reconciliation of net cash flow to movement in net cash funds				
Net funds at beginning of the year		72,098		36,005
Change in net funds during the year		(14,819)		36,093
Net funds at end of the year		57,279		72,098

FRIENDS FIRST

Notes to the Financial Statements for the year ended 31 August 2024

1 ACCOUNTING POLICIES

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with 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

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern. The trustees do not consider that Covid 19 will have a significant impact on the charity for the following reasons:

In light of the above and following a review of our financial position, reserves and future plans, the trustees have confidence the charity will remain a going concern for the foreseeable future.

(a) Incoming resources

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

Cash donations are recognised on receipt. Other donations are recognised once the Charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Gifts in kind are included at estimated market value.

(b) Resources expended

Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably. Expenditure is recognised on an accruals basis and is allocated between cost of generating funds, charitable expenditure, support costs and governance of the charitable company. Overhead and

support costs have been allocated to charitable expenditure.

Support costs are those that assist the work of the charity but do not directly represent charitable activities and include office and governance costs. They are incurred directly in support of expenditure on the objects of the charity.

Governance costs comprise all costs involving the public accountability of the charity and its compliance with regulation and good practice. These costs include costs related to statutory audit and legal fees.

FRIENDS FIRST

Notes to the Financial Statements for the year ended 31 August 2024

(c) Voluntary assistance

A certain amount of time is expended by volunteers on the charitable company's activities which is donated free of charge. It is not possible to quantify the value of the time given, and accordingly it is neither recorded as donated income nor as an expense in the financial statements.

(d) Taxation

The company is a charity within the meaning of Para 1 Schedule 6 Finance Act 2010. Accordingly the company is potentially exempt from taxation in respect of income or capital gains within categories covered by Chapter 3 of Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes. No tax arose in the year.

(e) Pensions

The charitable company contributes to defined contribution pension schemes. The charge to the Statement of Financial Activities for 2024 was £6,022 (2023 - £5,929).

(f) Fund accounting

An explanation of the nature and purpose of each fund is included in the notes to the financial statements. Funds held by the charity are either:

Unrestricted general funds - these are funds which can be used in accordance with the charitable objects at the discretion of the trustees.

Designated funds - these are funds set aside by the trustees out of unrestricted general funds for specific future purposes or projects.

All funds held are unrestricted funds.

FRIENDS FIRST

Notes to the Financial Statements for the year ended 31 August 2024

2 VOLUNTARY INCOME

	2024 £	2023 £
Housing and Employment Support		
General Income	71,186	90,102
Donated facilities	-	-
	<hr/> 71,186	<hr/> 90,102
	<hr/>	<hr/>

3 GRANTS RECEIVED

During the year the following grants above £2,000 were received:

Garfield Weston	£10,000
Sussex Community Foundation	£9,804
Derek & Eileen Dodgson	£3,000

4 INCOMING RESOURCES FROM CHARITABLE ACTIVITIES

	2024 £	2023 £
Housing and Work Support		
Local authority funding	32,555	30,361
Other funding	-	-
	<hr/> 32,555	<hr/> 30,361
	<hr/>	<hr/>

FRIENDS FIRST

Notes to the Financial Statements for the year ended 31 August 2024

5 RESOURCES EXPENDED ON CHARITABLE ACTIVITIES

	2024 £	2023 £
Direct Costs:		
Direct staff costs	56,971	53,129
Other direct costs	74,159	66,301
	<hr/>	<hr/>
	131,130	119,430
Support costs:		
Support staff costs	-	-
Other support costs	2,475	2,218
Depreciation	-	-
	<hr/>	<hr/>
	133,605	121,648
	<hr/>	<hr/>

Other support costs include independent examiner's fees of £1,600.

6 TRUSTEES AND STAFF COSTS

No trustees received or waived salary or expenses from the company during the year.

Staff costs

	2024 £	2023 £
Gross salaries	47,558	43,698
Social security costs	3,390	3,502
Pension costs	6,022	5,929
	<hr/>	<hr/>
	56,971	53,129
	<hr/>	<hr/>

Total paid to key management personnel was £42,105 (2023: £38,671 restated).

The average number of persons employed by the charitable company during the year was as follows:

	2024	2023
	Number	Number
Housing and work support	2	2
	<u> </u>	<u> </u>

No employees had emoluments in excess of £60,000: nil (2022/23: nil).

FRIENDS FIRST

Notes to the Financial Statements for the year ended 31 August 2024

7 DEBTORS

	2024	2023
	£	£
Other Debtors	672	825
	<u> </u>	<u> </u>

8 CREDITORS - AMOUNTS FALLING DUE WITHIN ONE YEAR

	2024	2023
	£	£
Accruals and deferred income	7,018	17,046
	<u> </u>	<u> </u>

9 UNRESTRICTED FUNDS

	Balance at	Movement in resources			Balance at
	1 September	Incoming	Outgoing	Transfers	31 August
	2023	£	£	£	2024
	£	£	£	£	£
General fund	54,422	128,660	133,605	-	49,478
Specific Project fund	1,455	-	-	-	1,455
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
	55,877	128,660	133,605	-	50,933
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>

	Balance at	Movement in resources			Balance at
	1 September 2022	Incoming	Outgoing	Transfers	31 August 2023
	£	£	£	£	£
General fund	36,994	139,076	121,648	-	54,422
Specific Project fund	1,455	-	-	-	1,455
	<u>38,449</u>	<u>139,076</u>	<u>121,648</u>	<u>-</u>	<u>55,877</u>

The designated fund was established to specifically develop Social Enterprise initiatives.

FRIENDS FIRST

Notes to the Financial Statements for the year ended 31 August 2024

10 CONNECTED CHARITY

The charitable company is connected with Clarendon Trust Limited (of 21-23 Clarendon Villas, Hove, East Sussex, BN3 3RE) in that the charities have common trustees and Clarendon Trust Ltd is the sole corporate member of Friends First.

11 CHARITABLE COMPANY STATUS

The charitable company does not have a share capital and the liabilities of its sole member are limited to the guarantee of up to a maximum of £10.

12 RELATED PARTY TRANSACTIONS

There were no related party transactions during the year.