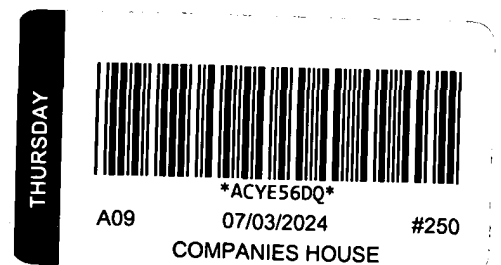




West Lothian Social Enterprise Network
Directors' Report and Financial Statements
Year ended 31 March 2023



Charity Number: SC050766

Registered Company Number: SC479215

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West Lothian Social Enterprise Network
Legal and administrative information

Charity Number: SC050766

Registered Company Number: SC479215 (Incorporated 4th June 2014)

Charity Number: SC050766 (Registered 11 February 2021)

Registered address Polbeth Community HUB
Village Hall
Polbeth
West Calder
EH55 8SD

Board Members / Directors Maria Throp (Resigned 31 March 2023)
Angela Moohan (Resigned 20 December 2022)
Silence Chihuri (Resigned 29 May 2023)
Judith Eele – Chair (Appointed 25 May 2022)
Jane Deary (Appointed 25 May 2022)
Florence Aluu (Appointed 1 April 2023)
David Stewart (Appointed 1 May 2023)

Co-opted Members Jayne

Staff L. White, Network Manager (resigned 30 June 2022)
C. Forester, Membership Coordinator (resigned 22 March 2023)
J Cooper, Mental Health Coordinator (contract end December 2022)

Independent Examiner Heather Moore MAAT
HMM Accounting Services Ltd
1 West Haugh Cottages
Newbridge
EH28 8LA

Bankers Bank of Scotland

The Directors who are also the Trustees for the purposes of this report have pleasure in presenting their report and financial statements for the year ended 31 March 2023. The Board Members who served during the year and up to the date of this report are set out on page 3.

STRUCTURE, GOVERNANCE AND MANAGEMENT

West Lothian Social Enterprise Network (WLSN) is a Private Limited Company, Limited by Guarantee and is registered in Scotland under Company Number 479215 and operates under the rules of its Memorandum and Articles of Association dated 4th June 2014. The organisation received its charitable status on 11 February 2021.

In seeking to establish effective governance arrangements we are committed to pursue the following:

The governance and management of WLSN is the responsibility of the Board Members Committee who are granted membership under the terms of the constitution. Board Members are committed to ensuring WLSN is administrated effectively and can account for its activities and outcomes to Companies House, our stakeholders and the public.

The number of Board Members comprises a maximum of 6 and minimum of 4 members. The Board Members Committee meets at least 3 times a year and all key decisions are made at these meetings and are formally recorded.

Recruitment & Appointment of New Board Members

Board Members are elected following an open and thorough selection process which takes account of skills, knowledge, experience, and alignment with the aims and objectives of WLSN.

Risk Management

The Board Members considers the risks to which WLSN is exposed as part of regular review. Internal risks are minimised by control procedures for authorisation of all transactions and projects, and by ensuring appropriate people, policies and practices are in place. The most material risk relates to the availability and access to finance. Board Members believe that by diversifying the funding and activities, improving performance and reputation, and continuing to make a difference to Social Enterprises in West Lothian, help to mitigate risks. Actions in support of this are indicated below:

Medium	Funding	Lack of certainty of ongoing core funding. Cost-cutting measures have been identified.
Medium	Reputation	Need for regular communication with members despite reduced staffing. Board to take on responsibility, with reduced frequency prioritising important news and announcements.
Medium	Governance	Unsettled period due to high level of change in composition of Board. New board members joined in March 2023.

Equality & Diversity

We recognise that many individuals and communities experience unlawful and unfair discrimination and oppression on the grounds of their gender, race, disability, age, sexual orientation, religion or belief. We believe that equality for all is a basic human right and actively oppose all forms of unlawful and unfair discrimination. We celebrate the diversity of society and are striving to promote and reflect that diversity within WLSN in as much as we can in the way we run our organisations and the way we deliver our services.

OBJECTIVES AND ACTIVITIES

The objects of WLSN are as follows:

- a) To strengthen the social enterprise model in West Lothian, ensuring that Network members have the best circumstances in which to grow
- b) To create a mechanism for West Lothian based social enterprises to learn from each other and work together

The Network shall seek to achieve the stated objectives by all appropriate means including:

- I. Bringing together those persons who it deems are most able to contribute towards achievement of its objects in particular holding regular West Lothian Social Enterprise Network meetings
- II. Assisting organisations by the provision of information, advice, training, guidance and running events
- III. Informing the public, stakeholders and other interested parties of the role of organisations through the production of information and publicity
Advocating a social enterprise model with policy makers and influencers. Building effective relationships between the Network and stakeholders across Scotland with particular focus on: Third Sector Strategy Working Group, Voluntary Sector Gateway West Lothian, Scotland's social enterprise intermediaries, funding and support organisations including Just Enterprise, West Lothian Council and Scottish Government's Third Sector Unit.

ACHIEVEMENTS AND PERFORMANCE

Over the 2022-23 financial year, the Board and Core Team continued to adapt and deliver WLSN activities, restarting face-to-face activities after the pandemic and delivering an innovative West Lothian Wellbeing project connecting people to suitable services in the area. Our Network Manager resigned in June 2022 and rather than filling this post on a fixed-term basis for the remaining months of the year, the decision was taken to commission Community Enterprise to provide consultancy support, with Sarah Cameron leading on this. Jane Cooper joined us as Mental Health Coordinator responsible for delivering the West Lothian Wellbeing project at the end of the previous financial year. Throughout 2022, Jane developed and grew this project. Her contract ended in December 2022 and she left WLSN to work with the member organisation which has now taken over the project. Our Membership Coordinator also stepped down at the end of the financial year, with the Board instead taking on additional responsibility. The Board would like to thank our departing staff members for their hard work during the year.

The Board would also like to thank our funders, West Lothian Council and Voluntary Sector Gateway West Lothian (VSGWL) for their support during the year.

Membership

WLSen membership grew to 84 organisations by end of March 2023, an increase of 15% (2022 baseline). Six start-ups joined WLSen. Members highlighted the value of networking and being part of a social enterprise hub as key reasons for joining. We will continue to encourage social entrepreneurs and start-ups to become members of the WLSen family.

Access to Funding and Support

This year has been difficult for our social enterprise and associate members, who faced increased demand for their services due to the cost-of-living crisis at the same time as grant income became increasingly insecure. We worked closely with and VSGWL to share information across the Network about the availability of vital funding and business support provided offered by West Lothian Council, Lottery, sector intermediaries, Foundations etc. This was reflected in the numbers of West Lothian organisations accessing Scottish Government-funded support through Just Enterprise (44 West Lothian social enterprises) and the Accelerate programme (17 West Lothian charities and aspiring social enterprises).

Member and Stakeholder Engagement

Throughout the year, we circulated a weekly news bulletin and monthly newsletters which signposted funding, learning opportunities, networking and collaboration opportunities as well as sector specific information and relevant policy changes. Topics of particular interest to our members include mental health and well-being, employability, public procurement, marketing and social media. WLSen hosted a presentation for the Social Enterprise in Schools programme in June 2022, and a Community Labs Crash Course in August. We held our first in-person member events in over two years in October and December 2022. Both were hosted at member venues, featuring presentations by members and guest speakers, and were well-attended. At members' request, one event delved into West Lothian's statistical profile and a data pack was then distributed to support members in project planning and funding applications. We also held a member showcase in March 2023, alongside our AGM.

WLSen continued to develop its social media presence to raise our profile sector and engage positively with our members, funders, partners and allies. The LinkedIn profile set up in 2021 has grown to 125 followers, and WLSen has a following on Twitter/X of 1,056. A Facebook profile was established during the year, which only has 13 followers, so this is a key opportunity to increase member engagement in future. As well as posting WLSen and members' news, we joined with other organisations across the sector to support local and national campaigns. At the end of the 2022/23 financial year, our Membership Coordinator stepped down, and the board took over responsibility for member management and communications, with support from Community Enterprise via their consultancy contract.

Policy Landscape

A key priority for WLSen is to ensure that our members' voices are heard both at local and national level. During the year, WLSen remained an active member of the West Lothian Third Sector Strategy Group and regularly reported at the Voluntary Organisations Policy Development and Scrutiny Panel.

During the year, the transition to a single intermediary for the social enterprise sector in Scotland concluded, with Social Enterprise Scotland (SES) taking on this role. We continued to engage with SES in 2022 and early 2023, with Jayne Chappell of their staff team joining the board as a coopted member just after the close of the year.

We continued to be involved in both sector and cross sector consortia including: network of SENS across Scotland, Third Sector Working Group facilitated by West Lothian Council, Edinburgh & South East Scotland City Deal SE and TSI Group managed by City of Edinburgh Council and West Lothian Council's Anti-Poverty Task Force. These provide invaluable opportunities to:

- raise awareness of the sector's value in delivering economic, social, and environmental benefits
- encourage a policy environment that is supportive to social enterprise; and
- advocate that government and agencies open markets in the public and social sectors to social enterprise.

Mental Health & Wellbeing

In early 2021, WLSen submitted a tender on behalf of the Mental Health Forum to create a new mental health network and self-referral system in West Lothian. Following a period of consultation and engagement, the WLSen Board accepted a tender award in late 2021.

This innovation project, West Lothian Well-being, launched in late February 2022. Funded by West Lothian Council and delivered in partnership with West Lothian Health and Social Care Partnership, the project connected adults experiencing mild to moderate mental health issues, with organisations able to offer support and advice. This new signposting service is person-centred. By completing a short, digital form, individuals connect with the project's Mental Health Coordinator and together, they identify their individual needs and, through discussion, find a pathway that is right for them. A Mental Health Co-ordinator was appointed to manage the signposting service and ensure that our compliance and reporting requirements are fulfilled. A Steering Group, made up of representatives from our local partners and chaired by Wellbeing Scotland's CEO, guided project activity at a strategic level.

The project ran successfully during 2022, dealing with as many as 25 referrals a month. In January 2023, after the end of the initial 12-month contract, the Mental Health Co-ordinator transferred to employment with one of the partner charities in the Steering Group, which took on the lead role in the project, with the Steering Group continuing to advise.

Strategic Direction

Prior to the start of the year, the board came together to revise a 2020 Strategic Review carried out by Community Enterprise and determine next steps, resulting in a new strategic framework which set out three priority action lines to:

- **advocate for change** by **amplifying** the voices of the social enterprise sector to influence policy and decision making;
- **make change happen** by **empowering** social enterprises to become sustainable, resilient and inclusive organisations; and
- **collaborate for change** by **collaborating** with others to create ecological and socially just communities through action.

These remain our key priorities, although by the end of the financial year the Board had begun reassessing how to deliver on these without the staff resources we have had in recent years.

FINANCIAL REVIEW AND RESULTS

Reserves Policy

The Reserve Fund of £41,528 represents the unrestricted funds arising from past operating results (2022 - £34,629). It is the policy of WLSN to set aside funds at a level that equates to three month's running costs and redundancy payments for all staff and the board are satisfied that the current level of Reserves should be sufficient for these purposes. The Net surplus for the year is £6,899 (2022 – £18,154). The information outlined in pages 12 to 16 provides more detail in support of the financial position.

West Lothian Social Enterprise Network does not distribute profits. Any surplus is re-invested in providing additional services to members in agreement with funders. The Board have taken advice on the practicalities of registering the organisation as a Scottish Charity and are pleased to confirm that the organisation received charitable status on 11 February 2021.

Funding Sources

Incoming resources for the period amounted to £56,600. The main source of funding remains grant from West Lothian Council. The Restricted project for NHS Lothian valued at £30,852 was completed at the end of December 2022 and spent in full. The contract from the local Third Sector Interface (Voluntary Sector Gateway West Lothian) valued at £3,750 for the first quarter to deliver TSI social enterprise outcomes.

PLANS FOR FUTURE PERIODS

Governance & Leadership

We understand and believe in the link between good governance, leadership, and delivering an excellent service and business performance.

Policy & Strategy

Board Members will provide strategic direction and support, ensuring appropriate planning and governance that takes account of wider policy and the changing dynamics of the environment within which we operate.

Partnerships & Resources

We recognise the benefits to be gained from knowledge sharing, partnership working, and efficient resource management.

Processes, Products & Services

Our key business processes will focus on continuous improvement in supporting our strategic goals.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The Directors of WLSN for the purpose of charity law, are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles in the Charities SORP 2019 (FRS 102)
- Make judgments 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 resume that the charitable company will continue in business.

The Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the Financial Statements comply with the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

This report has been prepared in accordance with the Statement of Recommended Practice – Accounting and Reporting by Charities (January 2019) applicable to charities preparing their accounts in accordance with FRS 102 and in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small entities.

Approved by the Board on 27th February 2024 and signed on their behalf by



Name: Judith Eele

Title: Trustee

I report on the financial statements for the year ended 31 March 2023 set out on pages 12 to 16.

Respective responsibilities of directors and examiner

The Directors, who are also Trustees for charity law purposes are responsible for the preparation of the accounts in accordance with the terms of the Companies Act (2006), Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006. The charity trustees consider that the audit requirement of section 10(1) (a) to (c) of the 2006 Accounts Regulations does not apply for this year and that an independent examination is needed.

It is my responsibility to examine the accounts under section 44(1) (c) of the 2005 Act and to state whether particular matters have come to my attention.

Basis of independent examiner's report

My examination was carried out in accordance with Regulation 11 of the Charities Accounts (Scotland) Regulations 2006 and general guidance issued by relevant professional bodies and The Office of the Scottish Charity Regulator. 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 the seeking of explanations from you as directors concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and, consequently, I do not express an audit opinion on the view given by the accounts for the purposes of this report.

Independent examiner's statement

In connection with my examination, no matter has come to my attention which gives me reasonable cause to believe that, in any material respect, the requirements:

1. to keep accounting records in accordance with Section 44(1) (a) of the 2005 Act and Regulation 4 of the 2006 Accounts Regulations;
2. to prepare accounts which accord with the accounting records and comply with regulation 8 of the 2006 Accounts regulations

have not been met; or to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.



Heather Moore MAAT
HMM Accounting Services Ltd
1 West Haugh Cottages
Newbridge
EH28 8LA

Date: 4th March 2024

This Page does not form part of the Financial Statements

West Lothian Social Enterprise Network
Statement of Financial Activities
Year Ended 31 March 2023

Charity Number: SC050766

		Unrestricted Funds	Restricted Funds	Total Funds 2023	Total Funds 2022
	Notes	£	£	£	£
<i>Income and endowments from:</i>					
Donations and legacies	2	21,998	0	21,998	41,500
Charitable activities	3	3,750	30,852	34,602	26,648
Other		0	0	0	0
Total Income		25,748	30,852	56,600	68,148
<i>Expenditure:</i>					
Raising funds		0		0	0
Charitable activities	4	18,849	30,852	49,701	49,994
Other		0	0	0	0
Total Expenditure		18,849	30,852	49,701	49,994
Net Income / (Expenditure) before transfers		6,899	0	6,899	18,154
Transfers between funds		0	0	0	0
Net Movement in Funds		6,899	0	6,899	18,154
Corporation Tax		0	0	0	0
<i>Reconciliation of Funds:</i>					
Total Funds Brought Forward		34,629	0	34,629	10,547
Total Funds Carried Forward	9	41,528	0	41,528	28,701

The statement of financial activities includes all gains and losses recognised in year.
All incoming resources and resources expended derive from continuing activities.

Notes form part of the Financial Statements

West Lothian Social Enterprise Network
Balance Sheet
At 31 March 2023

Charity Number: SC050766
Company Registration Number: SC479215

	Notes	2023	2022
		£	£
Fixed Assets:			
Tangible Fixed Assets		0	0
Current Assets:			
Trade and other Receivables	7	22,258	236
Cash at bank and in hand		<u>20,950</u>	<u>52,300</u>
		43,208	52,536
Liabilities:			
Creditors: Amount falling due within one year	8	(1,680)	(17,907)
Net Current Assets		41,528	34,629
Total Net Assets		<u><u>41,528</u></u>	<u><u>34,629</u></u>
The Funds of the Charity:			
Restricted Funds General		0	0
Unrestricted Funds		<u>41,528</u>	<u>34,629</u>
Total Charity funds	9	<u><u>41,528</u></u>	<u><u>34,629</u></u>

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 March 2023.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 March 2023 in accordance with Section 476 of the Companies Act 2006.

The directors acknowledges their responsibilities for:

- Ensuring that the company keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006 and
- 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 profit and loss 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 financial statements, so far as applicable to the company.

The financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies and with the Financial Reporting Standard for Smaller Entities (effective January 2019).

The Financial Statements were approved by the Board Members on the 27th February 2024 and signed on their behalf by:



Name: Judith Eele

Title: Trustee

Notes form part of the Financial Statements

1. Accounting Policies

The principal accounting policies are summarised below. The accounting policies have been applied consistently throughout the year and the preceding year.

1.1 Basis of Accounting

The Financial Statements are prepared under the historical cost convention in accordance with the Financial Reporting Standards for Smaller Entities (effective January 2019). The Directors are of the view that the immediate future of the company is secured and on this basis the assessment of the Directors is that the company remains a going concern.

1.2 Cashflow

The Social Enterprise has taken advantage of the exemption from the requirement to produce a cashflow statement in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2019).

1.3 Fund Accounting

Unrestricted funds are available at the discretion of the Trustees in furtherance of the general objectives of the Enterprise. Restricted funds are subjected to restrictions on their expenditure imposed by the donor or through the terms of an appeal.

1.4 Incoming Resources

All incoming resources are included in the Statement of Financial Activities when the Social Enterprise is entitled to the income and the amount can be quantified with reasonable accuracy.

1.5 Resources Expended

Expenditure is recognised on an accrual basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is reported as part of the expenditure to which it relates.

1.6 Tangible Fixed Assets and Depreciation

Tangible fixed assets are stated at cost less accumulated depreciation. Depreciation is provided at rates calculated to write off the cost less residual value of each asset over its expected useful life.

2. Donations & Legacies

	Unrestricted Funds £	Restricted Funds £	Total 2023 £	Total 2022 £
WLC - General Grant	21,998	0	21,998	41,500
Donations	0	0	0	0
	21,998	0	21,998	41,500

3. Income from Charitable Activities

	Unrestricted Funds £	Restricted Funds £	Total 2023 £	Total 2022 £
Voluntary Sector Gateway WL	3,750	0	3,750	15,000
NHS Lothian - H&SCP Project	0	30,852	30,852	11,648
Miscellaneous Income	0	0	0	0
	3,750	30,852	34,602	26,648

4. Charitable Activities

	Unrestricted Funds £	Restricted Funds £	Total 2023 £	Total 2022 £
Networking Events	-2,820	0	-2,820	0
Staff Salaries & Wages	18,687	22,452	41,139	43,450
Staff Travel	174	45	219	47
Staff Training & Conferences	0	0	0	323
Staff Recruitment	0	0	0	690
Working from Home Allowance	0	0	0	96
Insurances	422	0	422	401
Rent & Services	400	400	800	0
Telephone & Mobiles	349	45	394	379
Stationery & Postage	62	0	62	37
IT Expenses	757	182	939	1,034
Computer Equipment Renewals	0	0	0	563
Advertising & Marketing	0	84	84	264
Subscriptions	0	294	294	294
Accountancy	589	0	589	1,000
Consultancy & Professional fees	216	7,350	7,566	1,403
Legal Fees	0	0	0	0
Governance	13	0	13	13
AGM & Sundry	0	0	0	0
	18,849	30,852	49,701	49,994

5. Board Members Remuneration and Benefits

There were no Board Members remuneration or other benefits for the year ended 31 March 2023 (2022 – zero).

There were no Board Members expenses for the year ended 31 March 2023 (2022 – zero)

6. Staff Costs

No employees received emoluments of more than £60,000 (2022: None)

	Unrestricted Funds	Restricted Funds	Total 2023	Total 2022
	£	£	£	£
Gross Salaries	18,213	22,052	40,265	41,540
Employers National Insurance	0	0	0	0
Employers Pension Contribution	474	400	874	813
Statutory Redundancies	0	0	0	1,097
	18,687	22,452	41,139	43,450

The average number of staff during the year was 2 (2022: 3)

7. Trade and other receivables: Amount falling due within one year

	2023	2022
	£	£
Accrued Income	21,998	236
Prepayments	260	236
	22,258	236

8. Creditors: Amount falling due within one year

	2023	2022
	£	£
Trade Creditors	0	3,260
Pension Creditor	39	234
Social Security & Tax	(135)	0
Accruals	1,776	4,811
Deferred Income	0	9,602
	1,680	17,907

9. Movement in Funds

	As at 01/04/22	Income	Expenses	Transfer between funds	As at 31/03/23
	£	£	£	£	£
Unrestricted Funds	34,629	25,748	(18,849)		41,528
Restricted Funds	0	30,852	(30,852)		0
Total Funds	34,629	56,600	(49,701)	0	41,528