West Lothian Social Enterprise Network

Directors' Report and Financial Statements

Year ended 31 March 2024

Charity Number: SC050766

Registered Company Number: SC479215

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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	Judith Eele – Chair Florence Aluu (Appointed 1 April 2023, Resigned 20 December 2024) David Stewart (Appointed 1 May 2023)
Co-opted Members	Jayne Chapell
Staff	
Independent Examiner	Heather Moore MAAT HMM Accounting Services Ltd 1 West Haugh Cottages Newbridge EH28 8LA
Bankers	Bank of Scotland

West Lothian Social Enterprise Network **Charity Number: SC050766**
Report of the Trustees / Directors'
Year ended 31 March 2024

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 2024. 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 (WLSEN) 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 WLSEN is the responsibility of the Board Members Committee who are granted membership under the terms of the constitution. Board Members are committed to ensuring WLSEN 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 WLSEN.

Risk Management
The Board Members considers the risks to which WLSEN 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:

High	Funding	Lack of ongoing core funding. Cost-cutting measures have been identified and implemented.
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.

Going Concern
The organisation has been unable to secure funding but has sufficient reserves to continue operating without staff and with cost reduction measures in place for the next year. However, it is at risk of no longer being a going concern if funding is not found in future.

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 WLSEN 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 WLSEN 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 2023-24 financial year, the Board continued delivery of some of WLSEN's key services and activities, following the loss of core funding and departure of staff members in the last financial year.

Membership
WLSEN membership was at to 84 organisations by end of March 2024, an increase of 15% (2022 baseline).

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 with 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 (22 West Lothian charities and aspiring social enterprises).

Member and Stakeholder Engagement

Throughout the year, we circulated 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. We held a member showcase co-hosted with member Smile Counselling, which was an opportunity to show members and sector partners around their premises and for other members to share their latest updates.

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 last year, which has 17 followers. As well as posting WLSEN and members' news, we shared local and national campaigns.

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. We continued to engage with SES as the single intermediary for the social enterprise sector in 2023 and early 2024, with Jayne Chappell of their staff team supporting the board as a coopted member.

We continued to be involved in both sector and cross sector groups 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.

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 £39,294 represents the unrestricted funds arising from past operating results (2023 - £41,528). It is the policy of WLSEN 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 deficit for the year is (£2,234) (2023 – surplus £6,899). 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

The organisation has been unable to secure any funding for 2023/24 and is therefore at risk.

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 WLSEN 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 30/12/2024 and signed on their behalf by



Name: Judith Eele
Title: Trustee

West Lothian Social Enterprise Network **Charity Number: SC050766**

INDEPENDENT EXAMINERS' REPORT TO THE DIRECTORS ON THE UNAUDITED ACCOUNTS OF WEST LOTHIAN SOCIAL ENTERPRISE NETWORK

I report on the financial statements for the year ended 31 March 2024 set out on pages 11 to 15.

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.

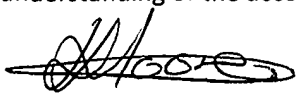
Independent examiner's statement

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: 31st December 2024

This Page does not form part of the Financial Statements

West Lothian Social Enterprise Network **Charity Number: SC050766**

Statement of Financial Activities

Year Ended 31 March 2024

	Notes	Unrestricted Funds £	Restricted Funds £	Total Funds 2024 £	Total Funds 2023 £
Income and endowments from:					
Donations and legacies	2	0	0	0	21,998
Charitable activities	3	0	0	0	34,602
Other		0	0	0	0
Total Income		**0**	**0**	**0**	**56,600**
Expenditure:					
Raising funds		0		0	0
Charitable activities	4	2,234	0	2,234	49,701
Other		0	0	0	0
Total Expenditure		**2,234**	**0**	**2,234**	**49,701**
Net Income / (Expenditure) before transfers		**(2,234)**	**0**	**(2,234)**	**6,899**
Transfers between funds		**0**	**0**	**0**	**0**
Net Movement in Funds		**(2,234)**	**0**	**(2,234)**	**6,899**
Corporation Tax		**0**	**0**	**0**	**0**
Reconciliation of Funds:					
Total Funds Brought Forward		41,528	0	41,528	34,629
Total Funds Carried Forward	9	**39,294**	**0**	**39,294**	**41,528**

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 **Charity Number: SC050766**
Balance Sheet **Company Registration Number: SC479215**
At 31 March 2024

	Notes	2024		2023	
		£	£	£	£
Fixed Assets:					
Tangible Fixed Assets			0		0
Current Assets:					
Trade and other Receivables	7	0		22,258	
Cash at bank and in hand		41,398		20,950	
		41,398		43,208	
Liabilities:					
Creditors: Amount falling due within one year	8	(2,104)		(1,680)	
Net Current Assets			39,294		41,528
Total Net Assets			**39,294**		**41,528**
The Funds of the Charity:					
Restricted Funds General			0		0
Unrestricted Funds			39,294		41,528
Total Charity funds	9		**39,294**		**41,528**

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 March 2024.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 March 2024 in accordance with Section 476 of the Companies Act 2006.
The directors acknowledges their responsibilities for:

(a) Ensuring that 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 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 30/12/2024 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 aware of the great material uncertainties due to the lack of funding and therefore believe that the charity will not continue to be a going concern for much longer.

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 2024 £	Total 2023 £
WLC - General Grant	0	0	0	21,998
Donations	0	0	0	0
	0	**0**	**0**	**21,998**

3. Income from Charitable Activities

	Unrestricted Funds £	Restricted Funds £	Total 2024 £	Total 2023 £
Voluntary Sector Gateway WL	0	0	0	3,750
NHS Lothian - H&SCP Project	0	0	0	30,852
Miscellaneous Income	0	0	0	0
	0	**0**	**0**	**34,602**

4. Charitable Activities

	Unrestricted Funds £	Restricted Funds £	Total 2024 £	Total 2023 £
Networking Events	296	0	296	-2,820
Staff Salaries & Wages	0	0	0	41,139
Staff Travel	0	0	0	219
Insurances	260	0	260	422
Rent & Services	276	0	276	800
Telephone & Mobiles	426	0	426	394
Stationery & Postage	0	0	0	62
IT Expenses	255	0	255	939
Computer Equipment Renewals	0	0	0	0
Advertising & Marketing	0	0	0	84
Subscriptions	0	0	0	294
Accountancy	450	0	450	589
Consultancy & Professional fees	258	0	258	7,566
Governance	13	0	13	13
	2,234	**0**	**2,234**	**49,701**

5. Board Members Remuneration and Benefits

There were no Board Members remuneration or other benefits for the year ended 31 March 2024 (2023 – zero).
There were no Board Members expenses for the year ended 31 March 2024 (2023 – zero)

6. Staff Costs

No employees received emoluments of more than £60,000 (2023: None)

	Unrestricted Funds	Restricted Funds	Total 2024	Total 2023
	£	£	£	£
Gross Salaries	0	0	0	40,265
Employers National Insurance	0	0	0	0
Employers Pension Contribution	0	0	0	874
Statutory Redundancies	0	0	0	0
	0	**0**	**0**	**41,139**

The average number of staff during the year was zero (2023: 2)

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

	2024	2023
	£	£
Accrued Income	0	21,998
Prepayments	0	260
	0	**22,258**

8. Creditors: Amount falling due within one year

	2024	2023
	£	£
Trade Creditors	0	0
Pension Creditor	0	39
Social Security & Tax	(135)	(135)
Accruals	2,239	1,776
Deferred Income	0	0
	2,104	**1,680**

9. Movement in Funds

	As at 01/04/23	Income	Expenses	Transfer between funds	As at 31/03/24
	£	£	£	£	£
Unrestricted Funds	41,528	0	(2,234)		39,294
Restricted Funds	0	0	0		0
Total Funds	**41,528**	**0**	**(2,234)**	**0**	**39,294**