

Charity registration number SC043943 (Scotland)

Company registration number SC491013 (Scotland)

DUNDEE SOCIAL ENTERPRISE NETWORK
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023
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DUNDEE SOCIAL ENTERPRISE NETWORK

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Derek Marshall Roy O'Kane Alison Zerouk Mr F Storrier C Puzey G Tait	(Appointed 15 September 2022) (Appointed 15 September 2022)
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Charity number (Scotland) SC043943

Company number SC491013

Registered office 15 Balunie Drive
Dundee
DD4 8PS

Independent examiner Findlays
11 Dudhope Terrace
Dundee
Scotland
DD3 6TS

Bankers Royal Bank of Scotland
3 High Street
Dundee
DD1 9LY

DUNDEE SOCIAL ENTERPRISE NETWORK

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DUNDEE SOCIAL ENTERPRISE NETWORK

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2023

The Trustees present their annual report and financial statements for the year ended 31 March 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 Charity's constitution, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended) 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).

Objectives and activities

The objective of the charity is the advancement of community development, promotion of the voluntary sector and the effectiveness/efficiency of charities, and advance education. It provides opportunities for social enterprises to better manage and grow their businesses through exchange of information and facilitating joint trading.

DSEN is a partner in Dundee's Third Sector Interface (TSI) alongside Dundee Volunteer and Voluntary Action. The TSI supports and is a source of advice for the third sector across the city.

Achievements and performance

As we moved out of the Pandemic fresh challenges awaited both DSEN and our members. Clearly huge revenue issues have emerged for many of our members around utility costs in buildings, travel costs increasing and funding starting to narrow, especially for those who depend on the Local Authority. It was also challenging for members who had been able to trade properly for nearly two years, having to go back to their original Social Enterprise Model.

Within DSEN we have continued to support all those members both large and small to gain access to funding, look at how they can increase their trading side and also to consider other options around how to meet rising utility costs. Our membership continues to grow and with a wide and diverse sector we have taken pride in our face to face approach and to be there for our members at all times.

Our work with our TSI Partners DVVA has seen greater demands on our time to help with the administration of the Mental Health Fund, and also increasing Strategic Meetings at both local and national members where we can raise our members concerns and in turn hope to bring positive results.

This year has also seen a change to the national intermediary for Social Enterprise from Senscot to Social Enterprise Scotland (SES). It was good to see many of the staff from Senscot move across to the new model and we continue to work with SES to develop new relationships and again ensure that is the best model for our members and the sector as a whole.

New projects this year included a school's project where we worked with senior pupils from Grove Academy who developed a Social Enterprise project. The project was a huge success and each of the pupils gained an SVQ Level 6 award which is the equivalent of a higher. This project will continue to grow with a large school's event planned for June.

We would also like to thank our local funders who supplement the Scottish Government funds we get. This includes both Northwood Charitable Trust and the Leng Trust.

The next year will continue to be challenging but we look forward to helping our members and growing the sector in Dundee.

DUNDEE SOCIAL ENTERPRISE NETWORK

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

DSEN's future focus

The focus going forward for DSEN is very much about supporting our existing members and new members to become sustainable, thrive, and allow them to grow. There are clear challenges around the cost of living crisis, funding, organisations wishing to grow, and changes at local and national, however we are confident as Scotland's oldest Social Enterprise Network that we can support our members to continue on their successful roads.

DSEN are also looking to deliver more work with young people, with projects developing across all Dundee Secondary Schools, and we also hope to also develop stronger relationships with Dundee and Angus College. As the theme of Social Enterprise grows across many areas of life we will also look at how we can respond to more requests to help in this area.

No changes are presently envisaged in the Charity's policies as outlined above.

Financial review

At the year end the charity holds £59,038 (2022 - £50,464) in reserves of which all are unrestricted for use as the Charity sees fit. The charity currently holds reserves for approximately 12 months expenditure.

Reserves policy

The Charity has no official reserves policy but aims to hold a minimum of 6 months expenditure in unrestricted reserves at any time.

Risk management

The directors assess the major risks to which the Charity is exposed on an ongoing basis, and in particular those related to the operations and finances of the Charity. The principle risks faced by the Charity include loss of income, loss of funding and removal of charitable status. To mitigate these risks, systems are in place to ensure that the financial records are accurate, up to date and suitable for reporting to funders and to the board of Directors.

Structure, governance and management

The Charity is a company limited by guarantee and is governed by its Memorandum and Articles of Association.

The Trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

Derek Marshall

Roy O'Kane

Alison Zerouk

Mr F Storrier

C Puzey

(Appointed 15 September 2022)

G Tait

(Appointed 15 September 2022)

The minimum number of Trustees who must sit on the board is three, with a maximum of seven. The appointment, resignation and re-election of the directors is considered at each AGM.

Key management personnel

The board of Trustees are considered to be the key management personnel of the Charity, some of whom direct and control day-to-day operations. All Trustees give their time freely and no Trustee received remuneration or expenses during the year, as disclosed within the notes to these financial statements.

Directors are required to disclose all relevant interests and in accordance with the Charity's policy, must withdraw from any decisions where a conflict of interest may arise.

DUNDEE SOCIAL ENTERPRISE NETWORK

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

Trustee induction and training

Prospective Trustees must have an awareness of Trustee responsibilities, the governing documents, administrative procedures, and the history and philosophical approach of the Charity prior to being offered an invitation to join the board. New Trustees receive copies of the previous year's financial statements, board minutes and a copy of the OSCR leaflet 'Guidance for Charity Trustees - acting with care and diligence'. If appropriate, training is offered to current Trustees as and when required.

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

Derek Marshall
Chairperson

25 May 2023

DUNDEE SOCIAL ENTERPRISE NETWORK

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF DUNDEE SOCIAL ENTERPRISE NETWORK

I report on the financial statements of the Charity for the year ended 31 March 2023, which are set out on pages 5 to 12.

Respective responsibilities of Trustees and examiner

The Charity's Trustees, who are also the directors of Dundee Social Enterprise Network for the purposes of company law, are responsible for the preparation of the financial statements in accordance with the terms of the Charities and Trustee Investments (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006. The Trustees consider that the audit requirement of Regulation 10(1)(a) to (c) of the 2006 Accounts Regulations does not apply. It is my responsibility to examine the financial statements as required under section 44(1)(c) of the Act and to state whether particular matters have come to my attention.

Basis of independent examiner's statement

My examination is carried out in accordance with Regulation 11 of the 2006 Accounts Regulations. An examination includes a review of the accounting records kept by the charity and a comparison of the financial statements presented with those records. It also includes consideration of any unusual items or disclosures in the financial statements, and seeks 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 I do not express an audit opinion on the view given by the financial statements.

Independent examiner's statement

In connection with my examination, no matter has come to my attention:

- (a) which gives me reasonable cause to believe that in any material respect the requirements:
 - (i) to keep accounting records in accordance with section 44(1) (a) of the 2005 Act and Regulation 4 of the 2006 Accounts Regulations; and
 - (ii) to prepare financial statements which accord with the accounting records and comply with Regulation 8 of the 2006 Accounts Regulations;have not been met or
- (b) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the financial statements to be reached.

Lesley Campbell CA
Independent Examiner

Findlays
11 Dudhope Terrace
Dundee
DD3 6TS
Scotland

Dated: 25 May 2023

DUNDEE SOCIAL ENTERPRISE NETWORK

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 MARCH 2023

		Unrestricted funds 2023 £	Unrestricted funds 2022 £
	Notes		
<u>Income from:</u>			
Donations and legacies	2	58,430	58,800
Charitable activities	3	-	500
Investments	4	-	122
Total income		58,430	59,422
<u>Expenditure on:</u>			
Charitable activities	5	49,855	48,431
Net income for the year/			
Net movement in funds		8,575	10,991
Fund balances at 1 April 2022		50,463	39,473
Fund balances at 31 March 2023		59,038	50,464

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

The notes set out on pages 7 - 12 form part of these financial statements

DUNDEE SOCIAL ENTERPRISE NETWORK

BALANCE SHEET

AS AT 31 MARCH 2023

	Notes	2023 £	£	2022 £	£
Fixed assets					
Tangible assets	8		-		173
Current assets					
Debtors	9	1,132		54	
Cash at bank and in hand		60,149		52,549	
		<u>61,281</u>		<u>52,603</u>	
Creditors: amounts falling due within one year	10	<u>(2,243)</u>		<u>(2,312)</u>	
Net current assets			59,038		50,291
Total assets less current liabilities			<u>59,038</u>		<u>50,464</u>
Income funds					
Unrestricted funds			59,038		50,464
			<u>59,038</u>		<u>50,464</u>

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 March 2023.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

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

The financial statements were approved by the Trustees on 25 May 2023

Derek Marshall
Trustee

Company Registration No. SC491013

DUNDEE SOCIAL ENTERPRISE NETWORK

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies

Charity information

Dundee Social Enterprise Network is a private company limited by guarantee incorporated in Scotland. The registered office is 15 Balunie Drive, Dundee, DD4 8PS.

1.1 Accounting convention

The financial statements have been prepared in accordance with the Charity's constitution, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended), FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "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). The Charity is a Public Benefit Entity as defined by FRS 102.

The Charity has taken advantage of the provisions in the SORP for charities not to prepare a Statement of Cash Flows.

The financial statements are prepared in sterling, which is the functional currency of the Charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. Thus the Trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

1.4 Income

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.

1.5 Expenditure

Expenditure is recognised once 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.

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

DUNDEE SOCIAL ENTERPRISE NETWORK

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies

(Continued)

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

IT Equipment	3 years straight line
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The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

1.7 Impairment of fixed assets

At each reporting end date, the Charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.9 Financial instruments

The Charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the Charity's balance sheet when the Charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

DUNDEE SOCIAL ENTERPRISE NETWORK

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies

(Continued)

Derecognition of financial liabilities

Financial liabilities are derecognised when the Charity's contractual obligations expire or are discharged or cancelled.

1.10 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

1.11 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

2 Donations and legacies

	Unrestricted funds	Unrestricted funds
	2023 £	2022 £
Donations and gifts	21,430	21,800
Grants	37,000	37,000
	<u>58,430</u>	<u>58,800</u>
Donations and gifts		
Northwood Trust	10,000	10,000
Leng Trust	5,000	5,000
Wellbeing Fund	6,430	6,800
	<u>21,430</u>	<u>21,800</u>
Grants receivable for core activities		
TSI Core funding	37,000	37,000
	<u>37,000</u>	<u>37,000</u>

3 Charitable activities

	2022 £
Membership income	<u>500</u>

DUNDEE SOCIAL ENTERPRISE NETWORK

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

4 Investments

	Total	Unrestricted funds
	2023	2022
	£	£
Interest receivable	-	122
	<u> </u>	<u> </u>

5 Charitable activities

	2023	2022
	£	£
Staff costs	16,586	5,566
Depreciation and impairment	173	167
Events, training & conferences	650	-
Independent exam	1,540	1,440
Bank charges	55	59
Consultancy	22,650	33,800
Sundry expenses	180	154
Insurance	534	534
Legal and professional	451	272
IT costs	3,958	3,549
Rent	2,400	2,000
Rates	55	-
Telecommunications	623	890
	<u> </u>	<u> </u>
	49,855	48,431
	<u> </u>	<u> </u>
	49,855	48,431
	<u> </u>	<u> </u>

6 Employees

The average monthly number of employees during the year was:

2023	2022
Number	Number
1	1
<u> </u>	<u> </u>

DUNDEE SOCIAL ENTERPRISE NETWORK

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

6 Employees (Continued)

Employment costs	2023 £	2022 £
Wages and salaries	16,240	5,347
Other pension costs	346	219
	<u>16,586</u>	<u>5,566</u>

Key management personnel

During the year Fergus Storrier received a salary of £15,750 for his services under employment contract.

There were no employees whose annual remuneration was more than £60,000.

7 Taxation

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

8 Tangible fixed assets

	IT Equipment £
Cost	
At 1 April 2022	502
At 31 March 2023	<u>502</u>
Depreciation and impairment	
At 1 April 2022	329
Depreciation charged in the year	173
At 31 March 2023	<u>502</u>
Carrying amount	
At 31 March 2022	<u>173</u>

9 Debtors

	2023 £	2022 £
Amounts falling due within one year:		
Other debtors	<u>1,132</u>	<u>54</u>

DUNDEE SOCIAL ENTERPRISE NETWORK

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

10 Creditors: amounts falling due within one year

	2023	2022
	£	£
Other creditors	763	872
Accruals and deferred income	1,480	1,440
	<u>2,243</u>	<u>2,312</u>

11 Related party transactions

Transactions with related parties

During the year the Charity entered into the following transactions with related parties:

During the year, The Factory Skatepark, a company in which Derek Marshall is a director, charged Dundee Social Enterprise Network for support services of £4,800 (2022 - £3,600).

During the year, The Factory II Ltd, a company in which Derek Marshall is a director, charged Dundee Social Enterprise Network for rent of £2,400 (2022 - £2,000).

During the year, Community Warehouse Ltd, a company in which Fergus Storrier is a director, charged Dundee Social Enterprise Network for membership support, fundraising and representation of the network of £11,250 (2022 - £26,000).

During the year, Praesidium Vos Limited, a company in which Roy O'Kane is a director, charged Dundee Social Enterprise Network for administrative support of £6,600 (2022 - £4,200).

During the year, Fergus Storrier received a salary of £15,750 (2022 - £NIL) for his services under a separate employment contract.

During the year, Derek Marshall was reimbursed for expenses paid personally totalling £155 (2022 - £215).

During the year, Fergus Storrier was reimbursed for expenses paid personally totalling £125 (2022 - £NIL).

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