

Charity Number: SC045232

THE SOCIAL BITE FUND

**ANNUAL REPORT AND
ACCOUNTS**

FOR THE YEAR ENDED 31 MAY 2024



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The trustees present their annual report together with the audited consolidated financial statements of The Social Bite Fund ("the charity" or "Social Bite"), and its group, for the financial year ended 31 May 2024. The report is prepared in accordance with the charity's constitution, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland ("FRS 102") 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)".

A. WHAT WE STAND FOR AND HOW WE DO IT

i) Our vision

A society where no one should have to be homeless.

ii) Our mission

We are a movement to end homelessness. We are a charity and social business providing homes, jobs, food and support to empower people to transform their own lives. We are a catalyst for change. We challenge the status quo with innovative and scalable solutions that create lasting impact. Each of our pioneering projects support people to break the cycle of homelessness, whether that starts with a free meal, supported employment, or a safe place to call home.

iii) Our objectives

Our objectives, as stated in our constitution, are as follows:

- (1) to relieve homelessness and poverty by giving donations, grants or interest free loans to other charitable bodies, social enterprises, not for profit organisations and other similar bodies, who focus on tackling homelessness.
- (2) to relieve poverty, suffering and distress of people who are in a condition of need, hardship or distress by providing, or assisting in the provision of food, employment and accommodation, with the object of improving the conditions of life generally but in particular those who have need of such facilities by virtue of their youth, age, infirmity, disability, handicap, poverty, homelessness, unemployment or social and economic circumstances and to undertake other such activities that would relieve their needs.
- (3) the advancement of education through the provision of practical training as a route to employment.
- (4) give to anything the trustees consider to be a charitable purpose.

Our constitution was updated and adopted as of 22 April 2024. The main changes made were to provide greater clarity on whom we primarily support (our objectives) and the geographical area in which we operate (this being the United Kingdom, forming Scotland, England, Wales and Northern Ireland).

iv) Our values

- *Make it happen (entrepreneurial spirit)*
We believe in the power that every person has, to take action and solve the social challenges we face.
- *In it together (equality)*
We are committed to equality and social justice. Dignity, respect and kindness are central to our work.



TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 31 MAY 2024

- *Keeping it real (authenticity & trust)*
We listen. Our work is built on positive trusting relationships and is shaped by people who are experts through experience.
- *Every relationship counts (purposeful relationships)*
Meaningful connections and strong relationships, with people and organisations, are at the heart of everything we do.

v) Our Social Enterprises

Social Bite Limited operates four public facing coffee shops (in Edinburgh, Glasgow, Aberdeen and London) on behalf of the charity. We use the infrastructure of this social enterprise to provide food, support and employment opportunities to people affected by homelessness, to be a shopfront for the charity and to raise funds via pay it forward donations.

The coffee shops provide a weekday free food service for any person affected by homelessness. This can be a mix of takeaway and sit in services, where people are offered support and can engage with external agencies who may be invited along.

Social Bite Restaurants Limited operated a restaurant in Edinburgh called 'Vesta'. In addition to serving paying customers, the restaurant:

- operated a free of charge weekly sit-down service to diners who were experiencing homelessness. This was a two-course meal of equal quality to that of paying customers.
- raised funds via pay it forward donations.
- created awareness of the work undertaken by the charity.
- aimed to provide training and employment opportunities for people with backgrounds of homelessness.

In October 2023, a decision was taken to cease trading and end the restaurant lease early. This was a result of the sale of the building that the restaurant occupied and the future redevelopment plans by the new owner. Beneficial arrangements for such closure were negotiated with the new owner. See section F(iii) for further information.

vi) Our Village

The Social Bite Village, Granton, Edinburgh, welcomed its first residents in July 2018. It was built to give people the right environment, support and opportunities they need to build a happy and independent life. We work in partnership with Cyrenians and Hillcrest Homes to help deliver this service, along with residential volunteers.

The Village presents an alternative model to temporary accommodation, which is used significantly in Edinburgh. Many people are currently housed in B&Bs for an average of over 24 months at a time without the facilities of a normal home and with little or no support to help them break out of homelessness.

In contrast, the Village provides a highly supported community for up to 16 people at a time. Over this time, people will contribute to the life of the community, learn a range of new skills and engage in work and voluntary placements. A wellbeing programme is also offered to all residents.



B. FOOD PROVISION

Euan Brock, Social Bite’s Development and Support Worker in Glasgow, explains why free meals are so important to the people he works with:

“Primarily I lead the free food services in Glasgow, provide one-to-one support for anyone who accesses the service, and help to oversee the volunteering programme. I try to get people that access free food into volunteering — it helps build confidence and skills.

<p>People who attend the service at Social Bite come from many different situations. It can be from rough sleeping or living in temporary or emergency accommodation. Or it could be they’ve just got their own permanent flat but haven’t got any white goods in place yet.</p> <p>Some people are at risk of becoming homeless soon. This can be for a variety of reasons but sadly is becoming more common, what with rising living costs, increases in energy prices, and the cost of putting food on the table. Many people are living in food poverty and struggling to see the end of the month, even though they’re housed and employed.</p> <p>It doesn’t matter what someone’s circumstances are – we don’t ask. Everyone is welcome at Social Bite.</p> <p>Food and drink are a tool of engagement, and without it people might not know about the wider services and support we offer. Attending a free food service helps to build a trusting relationship with support workers. Some people can find that hard if they’ve been through traumatic events, or if they’re suspicious of people in an authoritative role.</p> <p>When people can’t afford food or their accommodation lacks cooking facilities, a free food service like Social Bite’s daily scran services provides a nutritious, hot meal that someone might be unable to access otherwise.</p>	<p>But it’s more than a meal, really. When someone comes to scran it enables me to build a trusting relationship. I can then go on to support people in various ways – with housing or benefits applications, advocacy, accessing fuel support, volunteering, and referrals to our Jobs First programme if they are ready for employment.</p> <p>Conversation and inclusion are so important to prevent isolation and loneliness becoming silent killers. It’s a major part of what we do at Social Bite. Paying it forward powers our free food provision, which means we’re able to welcome people with a smile, a hot meal and a simple “how are you today?” It can make someone’s day if they haven’t spoken to anyone or been ignored on the street all day. A simple “how are you?” can save lives.</p> <p>Anyone funding these meals should know that they’re part of the solution on the road to ending homelessness.</p> <p>Sometimes, free food helps someone who still needs to wait a couple of days or a week for their next payment to come in. The hot meal and drink provided will help them through those days and not face the hardest decision of buying food or putting themselves in debt. This can stop a cycle of homelessness before it’s even started.”</p>
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i) Food supplied by our social enterprises

Anyone in need, no questions asked, can receive food during set hours, from our public-facing coffee shops on any weekday they are open or they could receive a nutritious food pack through our delivery service. We deliver all of these services via our social enterprise subsidiaries, Social Bite Ltd and Social Bite Restaurants Ltd (until its closure in October 2023).

During the year we have delivered the following services:

- Breakfasts: during the morning, we serve a warm breakfast roll and hot drink.
- Scran: ‘Scran’ is a colloquial term for food and it’s the name for our free lunch provision across our coffee shops. The one exception to this is our London shop (due to the complexities associated with being in an area experiencing the second highest rates of homelessness in the UK) where people experiencing homelessness are given vouchers from local outreach workers/charity partners to redeem for a meal at our coffee shop.



- Suppers: sit down meals at our coffee shops when they are closed to paying customers. These events are opportunities for people who might normally suffer from social isolation to socialise and receive support. We often invite other charities/support services to these events for further signposting.
- Christmas meals: our coffee shops in Scotland are all open on 24 & 25 of December to provide a sit-down festive meal. We also supply ready cooked meals to other partner organisations as well as ingredients to make meals from scratch.
- Food Packs: we produce and deliver nutritious food packs to partner organisations across Scotland. We support organisations who align to our values and the food we provide helps them to engage beneficiaries with their services.

During the year we provided 120,010 food and drink items from our coffee shops (2023: 110,296); 7,990 Christmas meals served, delivered or ingredients supplied (2023: 8,632); 21,428 food packs prepared and delivered (2023: 62,771); 879 meals served either in our restaurant or via a partner restaurant (2023: 1,234).

The reduction in food packs prepared and delivered during the year was due to the prior year closure of our Central Kitchen facility. This was a decision taken as part of a restructure of Social Bite Ltd, to improve efficiencies and to focus on the free food offering from our coffee shops.

ii) UK wide food grants

We supplied grants to partners in England, Wales and Northern Ireland, enabling them to provide 90,095 meals (including Christmas) during the winter and spring months of the year (2023: 209,100). Meals were provided via a wide range of services, such as:

- Mental health groups.
- Community centres.
- Drop-in centres for people experiencing homelessness.
- Temporary accommodation for people experiencing homelessness.
- Food parcels for families in poverty.

Further details on the beneficiaries of our grants can be found at note 7(i).



C. EMPLOYMENT & VOLUNTEERING

i) Jobs First

“All the evidence suggests that good work improves health and well-being for nearly everyone, but evidence also suggests that work for people on the fringes of the labour market is often difficult to obtain, and for those who find employment, it may still be insecure and poorly paid”

Tim Gray, “Employment and homelessness in the context of the new economy from Covid-19” (Centre of Homelessness Impact report published September 2020)

Employment can, on the face of it, appear like an opportunity available to everyone. However, any opportunity is wrapped up in several existing factors that may not initially be apparent. Many of the people we work with have had to overcome difficult circumstances to simply survive. Along the way, things are often sacrificed, such as completing education, gaining qualifications or having identifiable work experience. Things which are essential in a competitive work environment just to get your foot in the door for an entry-level job.

Jobs First aims to provide people in a situation of homelessness with real job opportunities and ongoing support. We strongly believe that like housing, work is a fundamental human need and ‘good employment’, as well as a fair and constant source of income which delivers on personal and societal benefits. This includes better health and well-being and integration into the community.

Our Jobs First programme is based on the ‘place and train’ model. It offers real job opportunities alongside support to obtain work and sustain it. Support is provided around all areas of life and includes education around homelessness for the employers.

Franny’s Story

“I first became involved with Social Bite when I’d just come out of rehab and if I’m honest I had no idea about what I was meant to do next. I felt a bit lost but I was working with Glasgow City Mission and one of the guys there told me about Social Bite, I’d heard of them and used their drop-in to get fed when I was homeless. I was lost and I needed some kinda direction so I said aye, I’ll go see what they’ve got to offer. So I made the appointment and went to see them and told them where I was at in life and that I needed some direction and they told me about the Jobs First Programme they run. If I’m honest I just showed up when I was meant to and they got me a job in a restaurant which was something I’d never done and I’d no idea how to get a job never mind work in a kitchen!

“But here I am, more than a year later still employed and doing most of the jobs in the kitchen and I live in one of the employee flats. As much as life might not be exactly how I want it I’ve managed to get this far without ending up homeless or back in prison and I know if I never had the job, the home, then I definitely would have ended up with my life in a mess again. All it took was to see the people in Social Bite. As for the future like I said, there’s still a lot in my life I’d like to change but stuff I don’t want to change having the job and I’ve got the people at Social Bite to thank for that.

“At the time of writing this I have successfully completed the Jobs First programme with Social Bite and have now been in employment for over a year and been in my own tenancy for the past two and a half years. The hope is that by writing down my thoughts and experiences of my involvement with Social Bite it might help somebody who’s in the position I was in and hearing my story might help them find their own path.”

We launched Jobs First in October 2021 and are pleased with the progress to date. 28 people have been placed during this year (2023: 23), taking the total to 68 people who have experienced the programme since its inception.

We are pleased to work with a range of significant employer partners, such as Andron, Baxter Storey, Change Waste Recycling and Mitchells & Butlers, to name but a few, who support our Jobs First programme and help to make a real difference to the lives of others.



“This process challenges everyone involved in many ways. I’ve found it’s challenged my team in terms of how they integrate new people but also challenged them to ask questions to make sure the new members are doing ok, which in this day and age is very important. There are so many high points going through this process, too many to mention. The most important one is the pride this whole process gives you in seeing the net stage in the person’s development and see them gain confidence and grow throughout the process”

Grant Abercrombie – Head Chef, BaxterStorey

An independent evaluation of Jobs First is now being carried out by Edinburgh University.

ii) **Volunteers and their contribution to Social Bite**

During the year we received support from 71 volunteers (including trustees and subsidiary directors) to run the free food take away service, social suppers and dinners from our restaurant and to help govern and safeguard the charity.

In November/December 2023, during our Festival of Kindness campaign, we had 360 people providing their time, equating to over 1,500 hours of volunteering across all sites and within the gift re-distribution centre.

We are hugely grateful for all the support and commitment shown by every one of our volunteers.



D. ACCOMODATION & SHELTER

i) Social Bite Village, Granton, Edinburgh

It has been a busy year at the Social Bite Village, with members of our community growing in confidence and building positive relationships with their peers, residential volunteers and staff. The skilled and enthusiastic onsite team, from Cyrenians, create a nurturing and safe environment for people who have become homeless and need support. Staff offer community members practical advice and support, adapting to their different needs and styles. Community members are helped to look for volunteering, training and employment opportunities if they are ready.

The use of the Residential Volunteer model provides informal support for community members and encouragement to get involved in activities that they may not have experienced or had the confidence to try.

There have been positive successes over the year, both in terms of residents moving into longer term housing and in overall health improvement of individuals.

During the year, we had 12 new residents join the Village and 10 who departed. A total of 20 individuals were supported by the Village during the year. The average number of occupants during the year was 12 (2023: 12).

The Village sits on land that forms part of Edinburgh Council's long-term plans for the Granton Waterfront Regeneration. This has always been known and does mean that a new location for the Village would be required at some point in the future, with the existing nest-houses having been designed to be easily moved when required. It is anticipated that by June 2025 the Village will move to a nearby site that has been identified, subject to relevant planning consents being granted. The existing nest-houses were designed to be easily moved between sites and will be complemented by some new single occupancy houses. The planning application was submitted in September 2024 with a decision expected in February 2025. Post year end a contract was signed with a manufacturer for new houses and a new community hub building (more information on this can be found at note 18).

ii) New Social Bite Villages – Dundee & South Lanarkshire

At 31 May 2024, a total sum of £1,363,100 (2023: £877,225) was allocated towards the building of new villages, this being a mix of restricted funding and funds designated by the trustees towards these projects (see notes 15 & 16 for further detail). In addition to these sums received, we also had a commitment of future pledges (to be paid) from organisations and trusts totalling £1,847,500 (2023: £1,692,500). This pledged income has not been recognised in the accounts to date.

Dundee Village

In 2023 in Scotland, 1,172 people passed away from drug-related deaths, a 12% increase on the prior year after two years of decreases. This is the equivalent to almost three people dying every day and is by far the highest rate of any country in Europe, including the rest of Great Britain.

In fact, Scotland's drug death rate is still almost three times higher than the next worst-affected European country.

The human toll is profound. Behind each statistic lies individual and familial suffering with communities losing loved ones. Deprivation exacerbates the crisis, with those in the poorest areas 15 times more likely to die from drug misuse.

The lack of dedicated residential recovery facilities in Dundee is a major gap. People needing recovery treatment must leave their community, often worsening isolation and disconnection. Removed from support networks, the road to recovery becomes even more difficult. Residential rehabilitation is a vital piece of addressing Dundee's substance crisis. Enabling access to high-quality local treatment, integrated with community-based care, can save and transform lives.

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TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 31 MAY 2024



The Bill Sword Social Bite Recovery Village will bring a dedicated, state-of-the art, residential recovery facility for vulnerable people struggling with addiction in Dundee. Because we know that deprivation exacerbates the addiction crisis, the project will be focused on supporting vulnerable people who could not afford to pay for private residential rehabilitation services.

15 modern, sustainable modular homes will surround a vibrant, communal hub – more than just housing, this will be a compassionate community. The hub will encourage socialisation, and empower personal growth through skills training, recovery services and personalised support. Tranquil outdoor spaces will enrich relaxation and well-being. Outdoor exercise facilities will be available for all residents.

Most importantly, this will be a sanctuary where vulnerable individuals on the journey of recovery can rebuild and transform their lives while living in a supportive community with others on a similar journey. We will be partnering with a local addiction recovery support provider to provide structured drug and alcohol addiction recovery programmes on site with holistic support and community. With dedicated expert support, the Village will empower residents to gain independence and sustain recovery.

At the year end, a preferred location for the Bill Sword Social Bite Recovery Village had been identified, with the support of Dundee City Council. We anticipate a formal planning application to be made during 2024-25 with the aim of opening in Spring 2026.

South Lanarkshire Village

Greater Glasgow and South Lanarkshire face unprecedented levels of demand for temporary accommodation. South Lanarkshire council has expanded its homelessness assistance to avoid people sleeping rough but there's still a real need for self-contained housing in a highly supportive environment, which helps vulnerable people find their feet and break the cycle of homelessness.

In 2022-2023, there were 39,006 applications for homelessness assistance in Scotland – an increase of 3,247 (9%) compared with 2021-22, and higher than pre-pandemic (37,053 in 2019-20). Scotland has some of the UK's strongest homelessness protections, including rapid rehousing rules meant to cut the use of temporary accommodation. However, last financial year, Scottish councils spent over £160m on temporary accommodation – a rise of 50% in only three years.

The Social Bite Village will form part of South Lanarkshire Council's ambition to develop a wider range of options for people experiencing homelessness. Replicating the existing model of Social Bite's Village in Edinburgh, it will provide a beautiful living environment and intensive onsite support. Working with local charity partners, people in a situation of homelessness will have the opportunities to build an independent life, secure stable employment and sustain future tenancies.

Social Bite is partnering with South Lanarkshire Council and a local support charity to ensure that this initiative becomes a crucial response to homelessness in the area.

We'll construct 15 contemporary, environmentally conscious homes within a compassionate community, surrounded by picturesque landscaping. A vibrant hub will foster social interaction and promote individual development through skill-building, recovery services, and personalised assistance. Serene outdoor areas will enhance relaxation and wellbeing, while exercise amenities will cater to all community members. Above all, this will serve as a refuge, supporting individuals on their journey out of homelessness.

At the year end, a preferred location had been identified with South Lanarkshire Council and a formal planning application was submitted post year-end, with planning permission approved on 24 September 2024. Manufacturing and building works should commence in early 2025 with the Village opening later that year. Post year end a contract was signed with a manufacturer for houses and a new community hub building (more information on this can be found at note 18).



E. FUNDRAISING & GIVING EVENTS

i) Festival of Kindness

For the fourth year running, we ran a UK-wide relief effort called the Festival of Kindness with our 'Trees of Kindness' returning in 5 cities (Edinburgh, Glasgow, Dundee, Aberdeen and London) over the Christmas 2023 period.



Our aim was to provide essential support and bring some festive cheer to people experiencing hardship through the winter. We asked supporters to donate money, goods and time to provide hundreds of thousands of Christmas meals, winter food packs, gifts and essentials to people experiencing homelessness and poverty across the UK.

As a result of the campaign, we were able to:

- distribute 48,015 gifts and essentials that were either donated or purchased by us;
- fund 166,800 meals across the UK, benefitting 44 towns, cities and boroughs. The meals include our own sit down Christmas dinner service delivered in our coffee shops on 24/25 December, Christmas food packs distributed, winter meals funded by the UK wide grants we provide and supporting our ongoing weekday food provision from our shops (further detail on all of this is provided at section B of this report);
- provide grants to partner charitable organisations to enable temporary accommodation and support to be supplied to those suffering from homelessness. This included the direct funding of emergency hotel beds, funding of night shift project workers at a Rapid Re-accommodation Welcome Centre and supporting other essential running costs.
- strengthen our relationship with charity partners and support the work they do in their local areas to help those affected by homelessness.

Further detail on grants awarded can be found in note 7 to the accounts.

As always we are extremely thankful to the public for donating gifts, making cash donations and volunteering their time to make Festival of Kindness the success that it is.

We were fortunate to have the continued support of itison, Just Eat and Mitchells & Butlers, who provided various donation giving mechanisms to their customers across the UK or were generous in other ways. We also have other significant corporate partners who donated cash, gifts, time and expertise – we cannot name you all here, but you have all made a difference in one way or another.



ii) The Great Scots Burns Supper

Buoyed by the success of our first ever fundraising dinner in 2023, we ran this again in January 2024, with the generous support of Gleneagles Hotel, donating the venue and a four-course meal for our 200+ guests and supporters.

We were fortunate to have a fantastic line up on the night, including Fred Macaulay, The London Essentials, Amy MacDonald and a surprise appearance from Sir Bob Geldof. Alongside the entertainment, guests were able to hear more about our great work and the difference we have made to the lives of others.

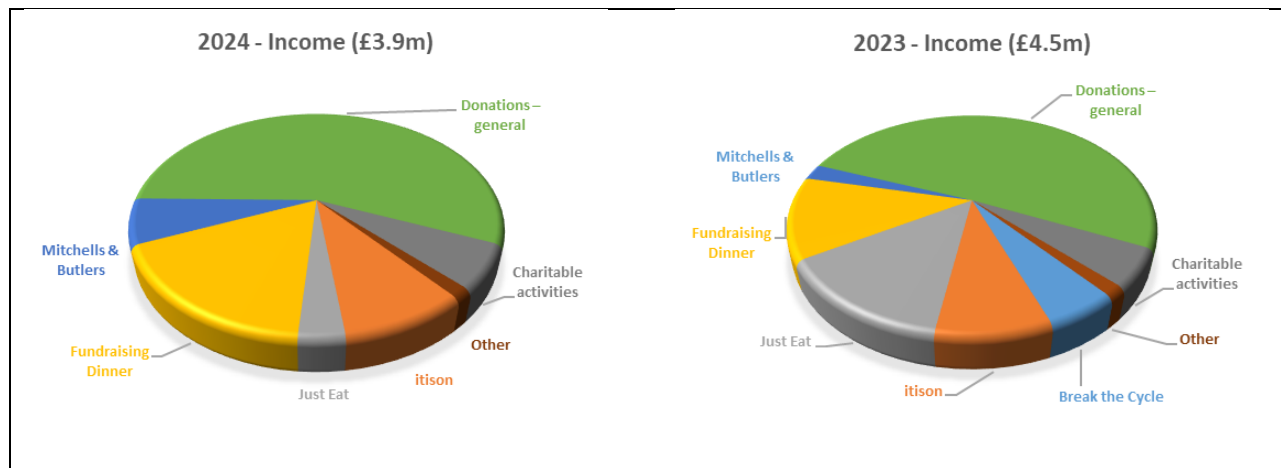
During the evening, we were able to raise funds via donations made on the night, a silent auction and a main auction, with £670,000 raised, an increase of £130,000 on our prior year event.

As ever, we are amazed by the generosity of those who attended, helping us to continue to deliver our daily services, whilst pushing forward with our pioneering projects, such as the building of new Villages.



F. FINANCIAL REVIEW

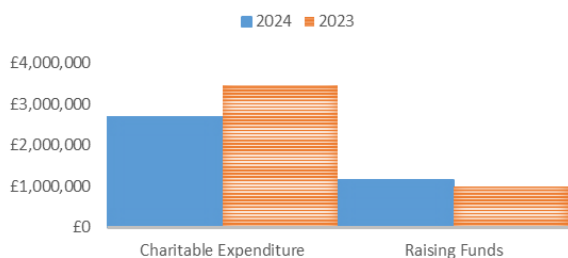
i) Social Bite Fund



Income of £3.9m (2023: £4.5m), a 13% decrease.

- Donations – General, at comparable level to prior year of £2.2m
- Just Eat Christmas Campaign saw a reduction of £492k (80%) with customer donations replaced by a generous one-off corporate donation.
- Mitchells & Butlers donations from their customers increased to £254k, as more venues were included in the Christmas campaign.
- Fundraising dinner generated over £0.6m.
- 36% reduction in itison donations in December, potentially due to increase in other donation activations over the festive period.
- Break the Cycle event did not run in 2024, replaced by a virtual 100-mile challenge event.
- A £30k donation was paid from taxable profit by Social Bite Ltd.
- £0.51m of income received was Restricted.

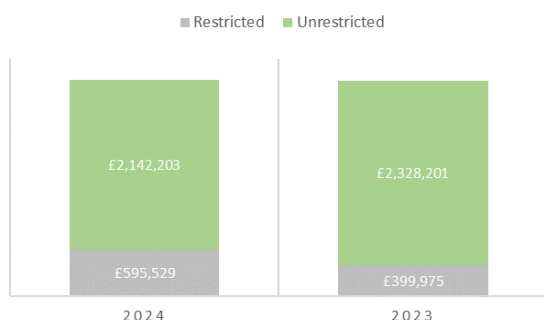
Expenditure



Expenditure of £3.85m (2023: £4.45m), a 14% decrease.

- £2.79m spend on charitable expenditure (representing 72% of income in the year) – reduction in year relates to reduced costs in Social Bite Ltd, one-off CAPEX grants in the prior year and the end of our commitment to Housing First costs (with this project now being supported by the public sector).
- £0.07m increase in raising fund expenditure (total cost representing 27% of income in the year).
- Total spend in the year of £0.9m on free food, support and employment.

End of year reserves



Reserves of £2.74m (2023: £2.73m), a 0.4% increase.

- Unrestricted reserves of £2.1m a decrease of £186k
- Restricted reserves of £0.6m, an increase of £196k. £580k of this is allocated towards the building of New Villages.
- Cash in the bank, included in reserves, was £2.12m (2023: £2.14m)



ii) Social Bite Limited

The extensive charitable activities carried out by Social Bite Ltd are detailed in previous sections of this Report. In return for these activities, recompense is paid by the charity to its subsidiary, at a fair and reasonable rate. Further detail on grants supplied by the charity to Social Bite Ltd can be found at note 19.

Turnover and Other Income for the year was £1.4m (2023: £1.9m), including sums provided by the charity. There was a profit before tax for the year of £48,529 (2023: £144,528 this including the waiver of an inter-company loan balance due to the charity of £134,591). A £30,061 donation was made to the charity from prior year taxable profits (2023: £0).

Net assets at the year-end were £61,069 (2023: £42,771).

The trustees are clear that the charity intends to continue to financially support Social Bite Ltd, as is reasonably required, such is its importance to the work that charity undertakes and fulfils through its subsidiary that is adequately outlined in this Trustees' Report. Any financial support is factored into future Social Bite cash flow forecasts.

iii) Social Bite Restaurants Limited

As previously mentioned, a decision was taken by the Directors of Social Bite Restaurants Ltd, in consultation with the trustees of the charity, to close the restaurant on 21 October 2023. This followed discussions that were undertaken with the new landlord of the restaurant regarding future redevelopment plans for the entire building (in which the restaurant partly occupies). Considering the negative impact this would likely have on the trading performance of the restaurant, a deal was entered into, to terminate the lease early. This deal brought financial benefits to Social Bite Restaurants Ltd and will, in future, to the charity.

The charity also benefited from the landlord committing to provide a restaurant quality meal to homeless customers via a venue they own in Edinburgh, with this new monthly service commencing in January 2024.

Turnover and Other Income for the year was £256,696 (2023: £647,227), including grants provided by the charity. A profit before tax of £27,973 (2023: £7,297) was incurred.

During the year, grants were paid to Social Bite Restaurants Ltd by the charity totalling £7,784 (2023: £17,477). Further detail on this can be found at note 19.

The balance sheet of Social Bite Restaurants Ltd remains insolvent (as it was last year) – net liabilities of £270,330 (2023: net liabilities of £298,302). This in part relates to an inter-company balance due to the charity of £226,357 (2023: £161,418).

The trustees remain clear in their duty to protect the interests of the charity and whilst future financial benefits will accrue from the landlord deal to the charity, the ability of Social Bite Restaurants Ltd to repay the inter-company debt is not expected. As with the prior year, the trustees have taken a prudent view and made a provision of £77,079 (2023: £72,021) against the outstanding debt.

Social Bite Restaurants Ltd is not expected to trade again and will remain dormant whilst all liabilities are discharged.



G. PRIOR YEAR & FUTURE PLANS

Last year, we stated that we would focus on the following:

No	Focus for year to 31 May 2024	Progress made
1.	Further refining our longer-term mission, vision and values of the charity, following on from the work undertaken over the last 12 months.	We have finalised our mission, vision and values and created a management dashboard to track key results.
2.	Securing land for 2 new villages in Dundee and South Lanarkshire (with the Bill Sword Social Bite Recovery Village in Dundee being publicly announced on 1 November 2023).	Land identified in both locations with a planning application having been submitted post year-end in South Lanarkshire.
3.	Carrying out an external evaluation of our 'Jobs First' programme, to build on its initial success and to ascertain how this could be shifted towards a mainstream proposition in future.	Edinburgh University contracted with to carry out this evaluation. Results expected during 2024-25.
4.	Recruiting at least 3 new trustees to expand the breadth of experience and knowledge on the Board and further strengthening the governance of the charity.	An external recruitment exercise was carried out and 2 new trustees were appointed in November 2023. A Chair for the reformed Audit & Risk Committee was identified post year-end, who may join the Board in due course.
5.	'The Great Scots Burns Supper' will be held again at the Gleneagles Hotel in January 2024, raising awareness and funds for the charity.	This event was held again in January 2024, raising significant sums for the charity.
6.	Taking all necessary steps to maximise efficiencies within Social Bite Ltd, with the ultimate aim of removing losses and establishing a profitable entity that will gift profits back to the charity (whilst still carrying out the charitable activities previously mentioned within this report).	Social Bite Ltd restructuring was completed and a donation of £30,061 from taxable profits was gifted back to the charity during the year.

Over the next financial year to 31 May 2025, the charity and will focus on the following:

- Social Bite Village (Edinburgh) - securing new land and moving the existing Village to its new location.
- The Bill Sword Social Bite Recovery Village (Dundee) – planning permission granted and groundworks commenced.
- Social Bite Village (South Lanarkshire) – planning permission granted, groundworks and house production commenced.
- Jobs First independent evaluation completed, with outcomes shared via an external Conference.
- Grow our regular donor base through targeted campaigns and communications about our work.
- Review the charity’s structure, ensuring it is fit for purpose and designed to support our continued growth.



H. STRUCTURE, GOVERNANCE AND MANAGEMENT

i) Trustees

The power of appointing new or additional trustees is vested with the trustees. All trustees are advised of their responsibilities as part of a standard induction process and given the opportunity to visit and learn about the different initiatives of the charity.

The Board meet at least once a quarter. The trustees have equal voting rights, and the Chair has the casting vote.

ii) Audit & Risk Committee

The Audit & Risk Committee has been re-established post year-end with a new independent Chair being appointed, who will report back to the trustees at each quarterly Board meeting. The Committee will meet at least once a quarter.

iii) Group structure governance

Social Bite has two wholly owned subsidiaries – Social Bite Ltd and Social Bite Restaurants Ltd.

The Board of Social Bite Ltd is scheduled to meet once a quarter, with key management personnel of the charity in attendance.

The Board of Social Bite Restaurants Ltd meet as and when required, given the company is now dormant and will be wound up once all liabilities have been discharged.

The subsidiary Boards have a level of decision-making authority, with there being frequent updates on performance and any other matters of significance reported back to the charity Board.

iv) Management Structure

The day-to-day operational oversight of the charity and its subsidiaries is provided by the Operational Management Board, made up of all the key individuals within the Social Bite group and Sir Andrew Cubie, our Executive Chair. This group meets weekly, to share information and discuss issues in real time. Any decisions to be made are based on a majority. Every individual has an equal voice. Where required, any significant strategic matters will be escalated to the main Board in the normal way.

v) Reserves & Reserves Policy

Total group reserves at 31 May 2024 are £3.0m (2023: £3.0m) of which £595,529 (2023: £399,975) are restricted. Tangible fixed assets comprise £776,739 (2023: £764,482) of unrestricted funds, leaving free unrestricted reserves of £1.6m (2023: £1.8m), £934,531 (2023: £790,403) of which was designated towards future projects (see note 16(ii) for further detail).

The trustees approved a reserves policy such that Social Bite would have an aim of maintaining unrestricted reserves at a level of at least £500,000 but allows for the flexibility (subject to approval of the trustees) for this to be utilised to some extent if there is a clear charitable purpose for doing so and a plan to build it back up to the approved level.

In deciding on the level of reserves, the trustees have reflected on previous experience, where reserves were significantly less than this level and the challenges and risks that arose from this. The figure of £500,000 is one that the trustees continue to feel is reasonable.



vi) Risk Management

The Board reviews organisational risk and maintains a strategic risk register with a view to proactively managing risks across the charity and its subsidiaries. The register includes a section of how each risk identified is being mitigated. Where there are any significant projects, a separate risk register is developed and maintained. Risks are regularly discussed by the management team

vii) Registration & administrative details

Registered Name	The Social Bite Fund
Charity Registration Number & Date	SC045232, registered 17 November 2014
Organisation Type	Scottish Charitable Incorporated Organisation (SCIO) being governed by a SCIO constitution.
Registered Office	1 Leith Walk, Edinburgh, EH6 8LN
Email	info@social-bite.co.uk
Telephone	0131 353 0250
Website	www.social-bite.co.uk
Trustees	Kathryn Crook Sir Andrew Cubie (Executive Chair) William Gorol Malcolm Rust (appointed 30 November 2023) Graeme Watt (appointed 30 November 2023)
Bankers	The Royal Bank of Scotland plc, 142-144 Princes Street, Edinburgh, EH2 4EQ
Auditor	Saffery LLP, 9 Haymarket Square, Edinburgh, EH3 8RY
Solicitors – Charity Administration	Shepherd & Wedderburn, 9 Haymarket Square, Edinburgh EH3 8FY
Solicitors – Property & Commercial	CMS, Saltire Court, 20 Castle Terrace, Edinburgh, EH1 2EN
Solicitors – HR & Employment	Clyde & Co, 4th Floor, 1 George Square, Glasgow G2 1DY
Wholly Owned Subsidiaries	Social Bite Limited, company number SC424001 Social Bite Restaurants Limited, company number SC534592

On behalf of the Board of Trustees,

Sir Andrew Cubie
Trustee and Chair

Date: 31 January 2025



STATEMENT OF TRUSTEES' RESPONSIBILITIES FOR THE YEAR ENDED 31 MAY 2024

The trustees are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in Scotland requires the trustees to prepare financial statements for each financial period which give a true and fair view of the state of affairs of the charity and of the group and of the incoming resources and application of resources of the group and charity for the period. In preparing those financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019 (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group will continue in operation.

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

The trustees are responsible for the maintenance and integrity of the charity and financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.



Opinion

We have audited the financial statements of The Social Bite Fund (the 'parent charity') and its subsidiaries (the 'group') for the year ended 31 May 2024 which comprise the Consolidated and Charity Statements of Financial Activities, the Consolidated and Charity Balance Sheets, the Consolidated and Charity Statements of Cash Flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the affairs of the group and the parent charity's affairs as at 31 May 2024 and of the group's and the parent charity's incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities and Trustee Investment (Scotland) Act 2005 and regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group and parent charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group or the parent charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact.

We have nothing to report in this regard.



INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE SOCIAL BITE FUND (continued)

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities Accounts (Scotland) Regulations 2006 (as amended) require us to report to you if, in our opinion:

- the information given in the trustees' annual report is inconsistent in any material respect with the financial statements; or
- the parent charity has not kept proper accounting records; or
- the parent charity's financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Trustees' Responsibilities Statement set out on page 17, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the group and the parent charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the group or the parent charity or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

We have been appointed as auditors under the Charities and Trustee Investment (Scotland) Act 2005 and report in accordance with regulations made under that Act.

Our objectives are to obtain reasonable assurance about whether the group and parent financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud are detailed below.

Identifying and assessing risks related to irregularities:

We assessed the susceptibility of the group and parent charity's financial statements to material misstatement and how fraud might occur, including through discussions with the trustees, discussions within our audit team planning meeting, updating our record of internal controls and ensuring these controls operated as intended. We evaluated possible incentives and opportunities for fraudulent manipulation of the financial statements. We identified laws and regulations that are of significance in the context of the group and parent charity by discussions with trustees and updating our understanding of the sectors in which the group and parent charity operate.

Laws and regulations of direct significance in the context of the group and parent charity include the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended) and guidance issued by the Office of the Scottish Charity Regulator.



INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE SOCIAL BITE FUND (continued)

Audit response to risks identified:

We considered the extent of compliance with these laws and regulations as part of our audit procedures on the related financial statement items including a review of financial statement disclosures. We reviewed the parent charity's records of breaches of laws and regulations, minutes of meetings and correspondence with relevant authorities to identify potential material misstatements arising. We discussed the parent charity's policies and procedures for compliance with laws and regulations with members of management responsible for compliance.

During the planning meeting with the audit team, the engagement partner drew attention to the key areas which might involve non-compliance with laws and regulations or fraud. We enquired of management whether they were aware of any instances of non-compliance with laws and regulations or knowledge of any actual, suspected or alleged fraud. We addressed the risk of fraud through management override of controls by testing the appropriateness of journal entries and identifying any significant transactions that were unusual or outside the normal course of business. We assessed whether judgements made in making accounting estimates gave rise to a possible indication of management bias. At the completion stage of the audit, the engagement partner's review included ensuring that the team had approached their work with appropriate professional scepticism and thus the capacity to identify non-compliance with laws and regulations and fraud.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities is available on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the parent charity's trustees, as a body, in accordance with Regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the parent charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the parent charity and the parent charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

A handwritten signature in black ink, appearing to read "Saffery LLP".

Saffery LLP
Statutory Auditors

9 Haymarket Square,
Edinburgh
EH3 8RY

Date: 31 January 2025

Saffery LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

THE SOCIAL BITE FUND



CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 MAY 2024

	Note	Unrestricted funds Continuing Operations £	Unrestricted funds Discontinued Operations £	Restricted funds £	Year ended 31 May 2024 £	Year ended 31 May 2023 £
Income from:						
Donations and legacies	3	3,019,126	-	510,696	3,529,822	4,173,695
Charitable activities	4	242,986	-	-	242,986	249,816
Other trading activities	5	535,221	246,270	-	781,491	1,205,760
Investments		51,901	-	-	51,901	13,595
Other income		884	-	-	884	50,000
Total income		3,850,118	246,270	510,696	4,607,084	5,692,866
Expenditure on:						
Charitable activities	7(i)	2,399,735	-	315,142	2,714,877	3,203,030
Raising funds	7(ii)	1,632,583	222,063	-	1,854,646	2,262,233
Total expenditure		4,032,318	222,063	315,142	4,569,523	5,465,263
Net income/(expenditure)		(182,200)	24,207	195,554	37,561	227,603
Transfers between funds		-	-	-	-	-
Net movement in funds		(182,200)	24,207	195,554	37,561	227,603
Reconciliation of funds:						
Total funds brought forward		2,866,696	(290,942)	399,975	2,975,729	2,748,126
Total funds carried forward	15&16	2,684,496	(266,735)	595,529	3,013,290	2,975,729

The statement of financial activities includes all gains and losses in both the current and prior periods.

Discontinued operations in the year relate to Social Bite Restaurants Ltd which ceased trading on 21 October 2023. All other income and expenditure derive from continuing activities.

THE SOCIAL BITE FUND



STATEMENT OF FINANCIAL ACTIVITIES – CHARITY ONLY FOR THE YEAR ENDED 31 MAY 2024

	Note	Unrestricted funds £	Restricted funds £	Year ended 31 May 2024 £	Year ended 31 May 2023 £
Income from:					
Donations and legacies	3	3,049,186	510,696	3,559,882	4,173,695
Charitable activities	4	242,986	-	242,986	249,816
Investments		51,901	-	51,901	13,595
Other	6	884	-	884	51,500
Total income		<u>3,344,957</u>	<u>510,696</u>	<u>3,855,653</u>	<u>4,488,606</u>
Expenditure on:					
Charitable activities	7(i)	2,471,332	315,142	2,786,474	3,460,341
Raising funds	7(ii)	1,059,623	-	1,059,623	994,057
Total expenditure		<u>3,530,955</u>	<u>315,142</u>	<u>3,846,097</u>	<u>4,454,398</u>
Net income/(expenditure)		(185,998)	195,554	9,556	34,208
Transfers between funds		-	-	-	-
Net movement in funds		(185,998)	195,554	9,556	34,208
Reconciliation of funds:					
Total funds brought forward		<u>2,328,201</u>	<u>399,975</u>	<u>2,728,176</u>	<u>2,693,968</u>
Total funds carried forward	15&16	<u>2,142,203</u>	<u>595,529</u>	<u>2,737,732</u>	<u>2,728,176</u>

The statement of financial activities includes all gains and losses in both the current and prior periods.

All income and expenditure derive from continuing activities.

THE SOCIAL BITE FUND



BALANCE SHEETS AS AT 31 MAY 2024

	Note	Group Total funds		Charity Total funds	
		31 May 2024 £	31 May 2023 £	31 May 2024 £	31 May 2023 £
Fixed assets					
Tangible assets	9	776,739	764,482	519,969	397,720
Investments	10	-	-	-	-
		776,739	764,482	519,969	397,720
Current assets					
Stock	11	10,965	15,118	-	-
Debtors	12	447,842	521,627	412,456	428,065
Cash at bank and in hand		2,195,217	2,196,067	2,116,534	2,142,394
		2,654,024	2,732,812	2,528,990	2,570,459
Creditors: amounts falling due within one year	13	(383,683)	(483,668)	(311,227)	(240,003)
Net current assets		2,270,341	2,249,144	2,217,763	2,330,456
Total assets less current liabilities		3,047,080	3,013,626	2,737,732	2,728,176
Creditors: amounts falling due after one year	14	(33,790)	(37,897)	-	-
Net assets		3,013,290	2,975,279	2,737,732	2,728,176
Funds					
Restricted funds	15	595,529	399,975	595,529	399,975
Unrestricted funds	16	2,417,761	2,575,754	2,142,203	2,328,201
		3,013,290	2,975,729	2,737,732	2,728,176

The financial statements were approved by the Board of Trustees on 31 January 2025 and were signed on its behalf by:

Sir Andrew Cubie
Trustee & Chair

THE SOCIAL BITE FUND

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MAY 2024



	Note	Year ended 31 May 2024		Year ended 31 May 2023	
		£	£	£	£
Cash flows from operating activities					
Net cash provided by operating activities	20		<u>236,253</u>		<u>146,171</u>
Cash flows from investing activities					
Purchase of tangible fixed assets	9	(198,696)		(256,604)	
Interest received		<u>51,901</u>		<u>13,595</u>	
Net cash used in investing activities			(146,795)		(243,009)
Repayments of borrowing		(90,308)		(65,165)	
Cash inflows from new borrowing		<u>-</u>		<u>-</u>	
Net cash provided by financing activities			(90,308)		(65,165)
Net (decrease) in cash and cash equivalents in the reporting period			(850)		(162,003)
Cash and cash equivalents at beginning of period			<u>2,196,067</u>		<u>2,358,070</u>
Cash and cash equivalents at end of period			<u>2,195,217</u>		<u>2,196,067</u>
Relating to:					
Cash at bank and in hand			<u>2,195,217</u>		<u>2,196,067</u>

THE SOCIAL BITE FUND



STATEMENT OF CASH FLOWS – CHARITY ONLY FOR THE YEAR ENDED 31 MAY 2024

	Note	Year ended 31 May 2024		Year ended 31 May 2023	
		£	£	£	£
Cash flows from operating activities					
Net cash provided by operating activities	20		<u>167,481</u>		<u>(114,585)</u>
Cash flows from investing activities					
Purchase of tangible fixed assets	9	(184,042)		3,040	
Interest received		<u>51,901</u>		<u>13,595</u>	
			(132,141)		16,635
Net cash used in investing activities					
Repayments of borrowing		(61,200)		(61,200)	
Cash inflows from new borrowing		<u>-</u>		<u>-</u>	
			(61,200)		(61,200)
Net (decrease) in cash and cash equivalents in the reporting period					
			(25,860)		(159,150)
Cash and cash equivalents at beginning of period			<u>2,142,394</u>		<u>2,301,544</u>
Cash and cash equivalents at end of period			<u>2,116,534</u>		<u>2,142,394</u>
Relating to:					
Cash at bank and in hand			<u>2,116,534</u>		<u>2,142,394</u>



1 Accounting policies

(a) Charity information

The Social Bite Fund (“the charity” or “Social Bite”) is a Scottish Charitable Incorporated Organisation (“SCIO”). The principal office is given in the charity information on page 15 of these financial statements. The nature of the charity’s operators and principal activities are set out within the Trustees’ Report.

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the charity’s financial statements.

(b) Basis of preparation

These financial statements have been prepared in accordance with FRS 102 “The Financial Reporting Standard applicable in the UK and Republic of Ireland (“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). The financial statements have also been prepared in accordance with the Charities Accounts (Scotland) Regulations Act 2006 and the Charities and Trustee Investment (Scotland) Act 2005.

The charity is a public benefit entity as defined by FRS 102.

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 accounts have been prepared under the historical cost convention. The principal accounting policies adopted are set out below. These policies have been consistently applied to all periods presented.

The charity has taken advantage of the relevant exemptions available to qualifying entities within the Reduced Disclosure Framework of FRS 102 from the requirement to disclose certain information in relation to the individual parent charity, including statement of cash flows and financial instruments. The consolidated group financial statements present this information for the group only.

(c) Going concern

The trustees have reviewed up to date cash flow forecasts up until 31 May 2026 and paid particular attention to the period of twelve months from the date of approval of the financial statements and are of the view that the charity and group will be able to meet liabilities as they fall due. As with any cash flow forecast, there are assumptions made regarding the availability and timing of incoming funds, especially donations that mean there can be no guaranteed certainty in relation to these. The trustees have factored into these forecasts the ability not to approve expenditure on any major new projects until sufficient funds for those projects have been identified and raised and the ability to scale back expenditure if required.

The Trustees’ Report explains the position in respect of Social Bite Ltd and Social Bite Restaurants Ltd in more detail. The current financial situation of the charity is fortunately one that continues to be of relative strength and supporting the subsidiaries will continue at agreed levels.

As set out in the reserves section of the Trustees’ Report, the trustees have approved a base level of £500,000 of cash reserves to be maintained to support core running costs of the charity. Actual group cash held as at 31 May 2024 was £2.20 million (2023: £2.20m). Unrestricted reserves, after deduction of fixed assets, of £1.64m (2023: £1.81m).



Accounting policies (continued)

Taking all of these factors together, the trustees have not identified any material uncertainties with respect to the going concern position of the group and parent charity. As such, these financial statements are prepared on a going concern basis.

(d) Basis of consolidation

The consolidated Statement of Financial Activities and Balance Sheet include the financial statements of the charity and its subsidiary undertakings, Social Bite Ltd and Social Bite Restaurants Ltd made up to the balance sheet date. Where this occurs, the results of subsidiaries sold or acquired in the period are included in the Statement of Financial Activities up to, or from, the date control passes. Intragroup sales and profits are eliminated fully on consolidation.

(e) Charitable Funds

The funds are available for use only according to the objectives of the charity. Unrestricted funds are expendable at the discretion of the trustees in furtherance of the objects of the charity unless they have been designated for other purposes.

Designated funds are funds which have been earmarked at the discretion of the trustees for a particular project. Where these arise, the purposes and uses of designated funds in respect of these projects are set out in the notes to the accounts.

Restricted funds are subject to restriction on their expenditure imposed by the donor. The purposes and uses of restricted funds in respect of these projects are set out in the notes to the accounts.

The costs of raising and administering such funds are charged against the specific fund.

(f) Income

All income is recognised in the statement of financial activities when the conditions for receipt have been met and it is probable that the income will be received. The following specific policies are applied to particular categories of income:

- Donations subject to the specific wish of the donors are allocated to the relevant restricted funds. Donations receivable for general purposes of the charity are allocated to unrestricted funds.
- Incoming resources from charitable activities represents occupancy income generated from the operation of the Social Bite Village which provides housing for homeless people.
- Income from donations and grant income is recognised when the charity has entitlement and the amount can be reliably measured. This is generally the earlier of the charity being notified of the impending distribution or the amount being received. On occasion, donations will be notified to the charity however it is not possible to measure the amount expected to be distributed. On these occasions, the income is recognised when the amount becomes reliably measurable. Where performance conditions are attached to grants receivable, recognition occurs once entitlement becomes unconditional.
- Income from other trading activities through coffee shop and restaurant sales and events' income are recognised as the related goods and services are provided.
- Donated goods, services and facilities are included at the value to the charity where this can be readily quantified. In accordance with the Charity SORP, the contribution of general volunteers has not been included as income in these accounts due to the lack of a reliable measurement basis.



1 Accounting policies (continued)

(g) Expenditure

Expenditure is recognised on an accruals basis as the liabilities are incurred. Expenditure includes any VAT which cannot be recovered and is reported as part of the expenditure to which it relates.

- Expenditure on raising funds includes expenditure in relation to events and fundraising activities and fees for processing donations.
- Expenditure on charitable activities comprises the costs associated with the charity's principal activities, including grants and other support to its subsidiary companies in their charitable and social enterprise activities as well as other charitable donations made by the charity. Grants payable are payments to third parties in the furtherance of the charitable objects of the charity. Grants are accounted for when the recipient has a reasonable expectation that they will receive a grant and the trustees have agreed to pay the grant.
- Other expenditure comprises those costs incurred by other group companies in respect of their activities.

All costs are allocated between the expenditure categories of the Statement of Financial Activities on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly while others are apportioned on an appropriate basis. All support costs are met by the unrestricted funds of the charity.

(h) Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset on a straight-line basis over its expected useful life, as follows:

Leasehold Improvements	10 years (or term of any associated lease if less)
Property	4% straight line
Equipment & Furniture	3 - 5 years

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 net income/(expenditure) for the year.

At each reporting date the charity reviews the carrying amounts of the tangible fixed 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.

(i) Fixed asset investments

Investments in subsidiary undertakings are included at cost.

A subsidiary is an entity controlled by the charity. Control is defined as the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

(j) Cash and cash equivalents

Cash and cash equivalents include cash in hand and deposits held with banks.



1 Accounting policies (continued)

(k) Financial instruments

The group 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 group's financial statements when the group becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset with the net amounts presented in the financial statements, only 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.

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date. Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in income and expenditure. If there is a decrease in the impairment loss from an event occurring after the impairment was recognised, the impairment is reversed in income and expenditure.

De-recognition of financial assets

Financial assets are de-recognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the group transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the charity after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including trade and other creditors and amounts due to subsidiary undertakings are initially recognised at transaction price and are subsequently carried at amortised cost, using the effective interest rate method.

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.



1 Accounting policies (continued)

De-recognition of financial liabilities

Financial liabilities are derecognised when, and only when, the group's obligations are discharged, cancelled, or they expire.

(l) Employee benefits

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

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

(m) Taxation

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charity for UK corporation tax purposes. It is therefore potentially exempt from taxation in respect of income or capital gains to the extent that such income or gains are applied for charitable purposes.

The charity's subsidiary companies have no such exemption for taxation. Current tax represents the amount of tax payable or receivable in respect of the taxable profit (or loss) for the current or past reporting periods. It is measured at the amount expected to be paid or recovered using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax represents the future tax consequences of transactions and events recognised in the financial statements of current and previous periods. It is recognised in respect of all timing differences, with certain exceptions. Timing differences are differences between taxable profits and total comprehensive income as stated in the financial statements that arise from the inclusion of income and expense in tax assessments in periods different from those in which they are recognised in the financial statements. Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date that are expected to apply to the reversal of timing differences. Deferred tax on revalued non-depreciable tangible fixed assets and investment properties is measured using the rates and allowances that apply to the sale of the asset.

(n) Leasing

Rentals payable under operating leases are charged against income on a straight-line basis over the lease term.

(o) Retirement benefits

The charity contributes to the employees' defined contribution personal pension plans. Contributions payable are charged to unrestricted funds in the year they are payable.

(p) Accounting for funds held as an agent

Any funds received by the charity whilst acting as an agent on behalf of another are recognised as a liability. Such funds are administered in accordance with the instructions received, with the exception of any funds for which the charity is the ultimate beneficiary to and then recognises this income in the period to which it relates.

NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 MAY 2024

2 Accounting judgements and key sources of uncertainty

In the application of the group's and the parent charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

The following judgements and estimation uncertainties have a significant effect on amounts recognised in the financial statements:

- Depreciation is calculated to fully write off the cost of assets over their estimated useful life. Management estimate the useful life of each asset. Details of the depreciation charged in the period are in note 9.
- In the year, the trustees reviewed all expenditure associated with delivering events and direct public campaigns and determined that the expenditure did not wholly relate solely to the costs of running an event and raising funds. Accordingly, the trustees took the view that splitting these costs towards campaigning within Charitable Expenditure (up to 50% of the total cost incurred) and towards the Cost of Raising Funds were deemed to be fair and reasonable. This is consistent with the judgements in previous years.

3 Donations and legacies

	Group		Charity	
	Year ended 31-May 2024 £	Year ended 31-May 2023 £	Year ended 31-May 2024 £	Year ended 31-May 2023 £
Break the Cycle	-	240,111	-	240,111
itison Christmas Campaign	350,995	376,624	350,995	376,624
Just Eat Christmas Campaign	127,238	619,866	127,238	619,866
Fundraising Dinner	669,606	542,655	669,606	542,655
Mitchells and Butlers Campaign	254,370	104,555	254,370	104,555
Donations – general	2,127,613	2,289,884	2,157,673	2,289,884
	3,529,822	4,173,695	3,559,882	4,173,695
Analysed by fund:				
Unrestricted fund	3,019,126	3,563,150	3,049,186	3,563,150
Restricted fund	510,696	610,545	510,696	610,545
	3,529,822	4,173,695	3,559,882	4,173,695

Further detail of the activities relating to this income is included within the Trustees' Report.

THE SOCIAL BITE FUND

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 MAY 2024



4 Income from charitable activities – group and charity

	Year ended 31 May 2024 £	Year ended 31 May 2023 £
Village occupancy income - unrestricted	<u>242,986</u>	<u>249,816</u>

5 Income from trading activities – group only

	Year ended 31 May 2024 £	Year ended 31 May 2023 £
Shop and restaurant sales – unrestricted	<u>781,491</u>	<u>1,205,760</u>

6 Other Income – charity only

	Year ended 31 May 2024 £	Year ended 31 May 2023 £
Other Income	<u>884</u>	<u>51,500</u>

7 Expenditure

(i) Expenditure on activities in furtherance of charitable objectives

	Group		Charity	
	Year ended 31 May 2024 £	Year ended 31 May 2023 £	Year ended 31 May 2024 £	Year ended 31 May 2023 £
Campaigning	203,549	238,846	203,549	238,846
Grants & donations provided to organisations to support free food provision & accommodation	209,010	233,640	209,010	233,640
Housing First programme	-	68,347	-	68,347
New Villages expenditure	86,626	9,684	86,626	9,684
Other charitable expenditure	78,127	88,145	78,861	88,145
Provision of free food, support and employment	782,995	1,096,667	782,995	1,096,667
CAPEX grants to support charitable objectives	-	-	70,863	257,311
Social Bite Village (includes depreciation)	347,273	378,671	347,273	378,671
Allocation of support costs – note 7(iii)	982,948	961,319	982,948	961,319
Allocation of governance costs – note 7(iii)	24,349	127,711	24,349	127,711
	2,714,877	3,203,030	2,786,474	3,460,341
Attributed to funds as follows:				
Unrestricted funds	2,399,735	2,554,520	2,471,332	2,811,831
Restricted funds	315,142	648,510	315,142	648,510
Total	2,714,877	3,203,030	2,786,474	3,460,341

Further detail of the activities relating to this expenditure is included within the Trustees' Report.

Provision of free food, support and employment includes sums paid to wholly own subsidiaries to support this service. Further details can be found at note 19 – Related Party Transactions.



**NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 MAY 2024**

7 Expenditure (continued)

Details of grants provided to external organisations that are included within “Grants & donations provided to organisations to support free food provision & accommodation” and “Housing First programme” are listed below:

	Year ended 31 May 2024 £	Year ended 31 May 2023 £
Food related grants:		
City Harvest	22,300	40,500
St Vincent de Paul Society	5,300	12,000
Huggard	4,500	10,000
Glass Door Homeless Charity	4,500	10,000
Other grants of less than £10,000	61,000	46,000
	<u>97,600</u>	<u>118,500</u>
Accommodation related grants:		
Corra Foundation	-	68,347
Glasgow City Mission	28,044	30,000
Bethany Christian Trust	28,366	27,528
Other grants of less than £10,000	15,000	15,000
	<u>71,410</u>	<u>140,875</u>
Other grants:		
David Yarrow Foundation	20,000	9,900
Other grants of less than £10,000	-	1,000
	<u>20,000</u>	<u>10,900</u>
Total Grants paid	<u><u>189,010</u></u>	<u><u>270,275</u></u>

7 Expenditure (continued)

(ii) Raising funds

	Group		Charity	
	Year ended 31 May 2024 £	Year ended 31 May 2023 £	Year ended 31 May 2024 £	Year ended 31 May 2023 £
Advertising & marketing costs	90,670	95,654	90,670	95,754
Donation processing fees	32,159	30,086	32,159	30,086
Event costs	436,871	382,265	439,513	382,265
Social enterprise operations	874,744	1,340,297	77,079	72,021
Allocation of support costs – note 7(iii)	411,451	382,687	411,451	382,687
Allocation of governance costs – note 7(iii)	8,751	31,244	8,751	31,244
	<u>1,854,646</u>	<u>2,262,233</u>	<u>1,059,623</u>	<u>994,057</u>

Event costs mainly relate to the attributable costs of running each event, with consideration to the purpose(s), whether this be campaigning, fundraising, or a mixture of both.

(iii) Allocation of governance & support costs – group and charity

	Method	Raising funds	Charitable activities	Year ended 31 May 2024	Year ended 31 May 2023 (Represent ed)
		£	£	£	£
Audit & Accountancy fees	% spend	13,331	37,092	50,423	59,921
Bank, professional & consultancy fees	% spend	6,654	18,515	25,169	40,756
Depreciation	% spend	2,727	7,588	10,315	12,372
General expenses	% spend	9,242	25,721	34,963	40,612
Insurance	% spend	3,843	10,694	14,537	12,127
IT Software & Consumables	% spend	6,487	18,051	24,538	22,341
Legal expenses	% spend	15,877	44,177	60,054	155,648
Rent & rates	% spend	1,624	4,518	6,142	9,666
Salaries	Direct	355,069	826,066	1,181,135	1,132,532
Training & development	% spend	5,346	14,875	20,221	16,987
		<u>420,200</u>	<u>1,007,297</u>	<u>1,427,497</u>	<u>1,502,962</u>

Total governance costs, included above, comprise of legal expenses of £60,054 (2023: £155,648) plus auditor’s remuneration in respect of the external audit of the charity and its group of £33,100 (2023: £33,900). Trustees have represented 2023 to include travel and office expenses within general expenditure.

The legal expenses include £38,457 of pro-bono services provided (2023: £30,185) – this is also reflected as an equal amount of income within Donations – General at note 3.



7 Expenditure (continued)

(iv) Auditor’s remuneration

The analysis of external auditor’s remuneration for the year is as follows:

	Group		Charity	
	Year ended 31 May 2024 £	Year ended 31 May 2023 £	Year ended 31 May 2024 £	Year ended 31 May 2023 £
Accountancy fees	-	5,158	5,880	6,600
Audit fees	33,100	33,900	27,220	33,900
Tax fees	9,906	7,920	6,954	5,220
	<u>43,006</u>	<u>46,978</u>	<u>40,054</u>	<u>45,720</u>

8 Employees

(i) Number of employees

The average monthly number of employees during the period was:

	Group		Charity	
	Year ended 31 May 2024	Year ended 31 May 2023	Year ended 31 May 2024	Year ended 31 May 2023
Management and administration	31	31	29	28
Shop and restaurant staff	44	37	-	-
	<u>75</u>	<u>68</u>	<u>29</u>	<u>28</u>

(ii) Employment costs

	Group		Charity	
	Year ended 31 May 2024 £	Year ended 31 May 2023 £	Year ended 31 May 2024 £	Year ended 31 May 2023 £
Wages and salaries	1,603,720	1,891,435	1,047,420	1,009,174
Social security	143,272	158,990	107,600	97,676
Pension contributions	34,434	39,508	26,115	25,682
	<u>1,781,426</u>	<u>2,089,933</u>	<u>1,181,135</u>	<u>1,132,532</u>

NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 MAY 2024

8 Employees (continued)

The number of employees whose annual remuneration (including termination payments but excluding employer pension contributions) were above £60,000 are set out below:

	2024	2023
Between £60,000 and £69,999	-	-
Between £70,000 and £79,999	1	1
Between £80,000 and £89,999	1	1
Between £90,000 and £99,999	1	-

No ex-gratia payments were paid in the year (2023: £21,250).

None of the trustees (or any persons connected with them) received any remuneration from the charity in their role as trustees during the financial year.

Trustee expenses totalling £186 (2023: £nil) were reimbursed during the year.

9 Tangible fixed assets

Group	Property £	Leasehold improvements £	Equipment & Furniture £	Total £
Cost or valuation				
At 1 June 2023	688,964	689,342	390,071	1,768,377
Additions	170,941	14,648	13,107	198,696
Disposals	-	(202,605)	(31,128)	(233,733)
Transfers	-	330	(330)	-
At 31 May 2024	859,905	501,715	371,720	1,733,340
Depreciation				
At 1 June 2023	473,813	349,439	180,643	1,003,895
Charge for the year	13,091	109,261	64,087	186,439
Eliminated on disposal	-	(202,605)	(31,128)	(233,733)
Transfers	-	75	(75)	-
At 31 May 2024	486,904	256,170	213,527	956,601
Net book value				
At 31 May 2024	373,001	245,545	158,193	776,739
At 31 May 2023	215,151	339,903	209,428	764,482



NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 MAY 2024

9 Tangible fixed assets (continued)

Charity	Property £	Leasehold Improvements £	Equipment & Furniture £	Total £
Cost or valuation				
At 1 June 2023	688,963	72,489	213,190	974,642
Additions	170,942	-	13,100	184,042
Disposals	-	-	(4,636)	(4,636)
At 31 May 2024	859,905	72,489	221,654	1,154,048
Depreciation				
At 1 June 2023	473,804	27,225	75,893	576,922
Charge for the year	13,085	7,260	41,448	61,793
Eliminated on disposal	-	-	(4,636)	(4,636)
At 31 May 2024	486,889	34,485	112,705	634,079
Net book value				
At 31 May 2024	373,016	38,004	108,949	519,969
At 31 May 2023	215,159	45,264	137,297	397,720

10 Investments – Charity

Shares in group
undertakings
£

Cost - at 1 June 2023 and 31 May 2024	-
Net book value - at 31 May 2023 and 31 May 2024	-

Holdings of more than 20%

The charity holds more than 20% of the share capital of the following companies:

Company	Reg Office	Principal activity	Class of shares held	
Social Bite Limited	Scotland	Operation of coffee shops	Ordinary	100%
Social Bite Restaurants Limited	Scotland	Dormant – trading ceased 21/10/2023	Ordinary	100%

THE SOCIAL BITE FUND



NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 MAY 2024

10 Investments – Charity (continued)

	Social Bite Limited	Social Bite Restaurants Limited	Year ended 31 May 2024	Year ended 31 May 2023
	£	£	£	£
Income	1,131,179	183,070	1,314,248	1,797,945
Cost of sales	(836,461)	(160,397)	(996,858)	(1,531,865)
Administration expenses	(544,616)	(71,703)	(616,319)	(900,919)
Other operating income	298,257	73,626	371,883	783,042
Interest payable	-	3,377	3,377	3,622
Tax	-	4,275	4,275	(4,155)
Profit	48,359	32,248	80,606	147,670

The Trustees' Report and the financial review provide further detail on the purpose of the group as a whole and the charitable activities delivered within each subsidiary.

The assets and liabilities of the subsidiaries:

	Social Bite Limited	Social Bite Restaurants Limited	31 May 2024	31 May 2023
	£	£	£	£
Tangible fixed assets	256,770	-	256,770	366,761
Current assets	150,701	11,761	162,462	246,417
Creditors: amounts falling due within one year	(192,545)	(244,025)	(436,570)	(624,606)
Creditors: amounts falling due after one year	(153,857)	(33,790)	(187,647)	(244,103)
Total net assets/liabilities	61,069	(266,054)	(204,985)	(255,531)

These results have been incorporated in the consolidated results of the group after elimination of intercompany transactions.

11 Stock

	Group		Charity	
	31 May 2024	31 May 2023	31 May 2024	31 May 2023
	£	£	£	£
Food, Drink & Other Consumables	10,965	15,118	-	-

12 Debtors

	Group		Charity	
	31 May 2024	31 May 2023	31 May 2024	31 May 2023
	£	£	£	£
Trade debtors	59,094	126,957	50,997	12,995
Taxation and other social security	-	7,383	-	547
Amounts due from group undertakings	-	-	-	68,454
Other debtors	388,748	387,287	361,459	346,069
	<u>447,842</u>	<u>521,627</u>	<u>412,456</u>	<u>428,065</u>

13 Creditors

	Group		Charity	
	31 May 2024	31 May 2023	31 May 2024	31 May 2023
	£	£	£	£
Trade creditors	71,190	114,394	19,321	16,973
Taxation and other social security	40,660	53,131	37,926	29,319
Amounts due to group company	-	-	33,090	-
Loans	12,666	37,667	-	-
Lease liability	-	61,200	-	61,200
Other creditors	35,805	39,513	32,977	8,706
Accruals and deferred income	223,361	177,763	187,913	123,805
	<u>383,683</u>	<u>483,668</u>	<u>311,227</u>	<u>240,003</u>

14 Creditors: amounts falling due after more than one year

	Group		Charity	
	31 May 2024	31 May 2023	31 May 2024	31 May 2023
	£	£	£	£
Lease liability	-	-	-	-
Other creditors	33,790	37,897	-	-
	<u>33,790</u>	<u>37,897</u>	<u>-</u>	<u>-</u>

Analysis of loans included within other creditors:

Wholly repayable within five years	46,456	75,564	-	-
Wholly repayable > 5 years	-	-	-	-
Included in current liabilities	(12,666)	(37,667)	-	-
	<u>33,790</u>	<u>37,897</u>	<u>-</u>	<u>-</u>

THE SOCIAL BITE FUND



NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 MAY 2024

15 Restricted Funds – Group and Charity

(i) Movement in restricted funds – current period

	Balance at 1 June 2023	Income	Expenditure	Transfers	Balance at 31 May 2024
	£	£	£	£	£
Restricted funds					
Free Food Provision	69,740	137,288	(193,199)	-	13,829
Housing First	-	-	-	-	-
New Villages	327,235	369,243	(116,378)	-	580,100
Employment	-	1,600	-	-	1,600
Location Specific	3,000	2,565	(5,565)	-	-
Total restricted funds	399,975	510,696	(315,142)	-	595,529

(ii) Movement in restricted funds – prior period

	Balance at 1 June 2022	Income	Expenditure	Transfers	Balance at 31 May 2023
	£	£	£	£	£
Restricted funds					
Free Food Provision	96,144	381,920	(408,324)	-	69,740
Housing First	67,952	5,380	(73,332)	-	-
New Villages	147,790	208,415	(28,970)	-	327,235
Employment	70,054	11,830	(81,884)	-	-
Location Specific	56,000	3,000	(56,000)	-	3,000
Total restricted funds	437,940	610,545	(648,510)	-	399,975

Nature and purpose of restricted funds:

Free Food Provision	Donations received towards free food provision.
Housing First	Grant income we have received to be used towards our Housing First commitment. Income received in each of the current year and prior period was fully utilised in the relevant period.
New Villages	Donations provided that are specifically to support the construction and opening of future new Villages, together with associated running costs.
Employment	Funding provided to support employment opportunities for staff who have a background of homeless. This employment is predominantly provided within Social Bite Limited.
Location Specific	Donations received that have a location related restriction, such as a specific place or area.

THE SOCIAL BITE FUND



NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 MAY 2024

16 Unrestricted Funds

(i) Movement in funds - group

Current year	Balance at 1 June 2023 £	Income £	Expenditure £	Transfers £	Balance at 31 May 2024 £
Unrestricted Funds	<u>2,575,754</u>	<u>4,096,388</u>	<u>(4,254,381)</u>	-	<u>2,417,761</u>

Prior period	Balance at 1 June 2022 £	Income £	Expenditure £	Transfers £	Balance at 31 May 2023 £
Unrestricted Funds	<u>2,310,186</u>	<u>5,082,321</u>	<u>(4,816,753)</u>	-	<u>2,575,754</u>

(ii) Movement in funds - charity

Current year	Balance at 1 June 2023 £	Income £	Expenditure £	Transfers £	Balance at 31 May 2024 £
Unrestricted Funds	<u>2,328,201</u>	<u>3,344,957</u>	<u>(3,530,955)</u>	-	<u>2,142,203</u>

Included within Unrestricted Funds is a Designated Funds balance of £934,531 at 31 May 2024 (2023 - £790,403). These funds were Designated by trustees for the purposes of future planned free food provision during the rest of the 2024 calendar year (£141,530) and for the construction of New Villages (£783,000). All of these initiatives are commented on within the Trustees' Report.

Prior period	Balance at 1 June 2022 £	Income £	Expenditure £	Transfers £	Balance at 31 May 2024 £
Unrestricted Funds	<u>2,256,028</u>	<u>3,878,061</u>	<u>(3,805,888)</u>	-	<u>2,328,201</u>



17 Analysis of net assets between funds

(i) Group

	Unrestricted Funds £	Restricted Funds £	Total £
Fund balances at 31 May 2024 are represented by:			
Tangible assets	776,739	-	776,739
Current assets	2,058,495	595,529	2,654,024
Current liabilities	(383,683)	-	(383,683)
Creditors: amounts falling due after more than one year	(33,790)	-	(33,790)
	<u>2,417,761</u>	<u>595,529</u>	<u>3,013,290</u>

Fund balances at 31 May 2023 are represented by:

Tangible assets	764,482	-	764,482
Current assets	2,332,837	399,975	2,732,812
Current liabilities	(483,668)	-	(483,668)
Creditors: amounts falling due after more than one year	(37,897)	-	(37,897)
	<u>2,575,754</u>	<u>399,975</u>	<u>2,975,729</u>

(ii) Charity

	Unrestricted Funds £	Restricted Funds £	Total £
Fund balances at 31 May 2024 are represented by:			
Tangible assets	519,969	-	519,969
Current assets	1,933,461	595,529	2,528,990
Current liabilities	(311,227)	-	(311,227)
	<u>2,142,203</u>	<u>595,529</u>	<u>2,737,732</u>

Fund balances at 31 May 2023 are represented by:

Tangible assets	397,720	-	397,720
Current assets	2,170,484	399,975	2,570,459
Current liabilities	(240,003)	-	(240,003)
	<u>2,328,201</u>	<u>399,975</u>	<u>2,728,176</u>



18 Financial commitments

At 31 May 2024, the Group was committed to making the following total future minimum lease payments under non-cancellable operating leases as follows:

	Group		Charity	
	31 May 2024	31 May 2023 Restated	31 May 2024	31 May 2023 Restated
	£	£	£	£
Operating leases which expire:				
In one year	82,750	100,160	82,750	100,160
Between two and five years	105,889	147,025	105,889	147,025
In over five years	-	-	-	-
	188,639	247,185	188,639	247,185

Post year-end, in December 2024, the charity entered into two contracts with a manufacturer to deliver nest houses and community hub buildings for the following projects:

- the planned relocation of the Social Bite Village in Edinburgh; and
- the new Social Bite Village in South Lanarkshire.

The total value of these two contracts was £2.18m. Section D(ii) of the Trustees’ Report provides further detail on both of these projects.

19 Related party transactions

The charity provided grants of £720,613 (2023: £1,049,265) to Social Bite Ltd, a wholly owned subsidiary. This grant funding was used to cover the costs related to:

- providing a daily food service from their outlets in Edinburgh, Glasgow and Aberdeen.
- producing and distributing food packs and other non-essential items to other charitable organisations in Scotland.
- supporting employment opportunities for those with a background of homelessness and other supported needs.
- being a shop front for the charity and providing service, support and information to the general public.

In addition, a grant of £70,863 (2023: £257,311) was provided to support coffee shop capital expenditure and other lease related obligations.

Further detail on these activities can be found in the Trustees’ Report.

At the year-end a net balance remained due to Social Bite Ltd of £33,152 (2023: due from £64,563) that will be paid post-year end.

The charity provided grants of £7,784 (2023: £17,447) to Social Bite Restaurants Ltd, a wholly owned subsidiary. These grants were approved to mainly fund the weekly homeless lunch service and to support loan repayments. At the year end, a provision of £77,079 (2023: £72,021) was made against a balance that was due from Social Bite Restaurants Ltd to the charity. Further detail on this can be found at section F(iii) of the Trustees’ Report. At the year-end a net balance remained due by Social Bite Restaurants Ltd of £63 (2023: £3,892).



NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 MAY 2024

Remuneration of key management personnel

The key management personnel of the group companies comprised of Executive Director – Co-Founder, Group Finance & Risk Director and Commercial Director. The total remuneration cost of employment over the financial year was £250,721 (2023: £256,525).

20 Reconciliation of net income to net cash flow from operating activities

	Group		Charity	
	31 May 2024 £	31 May 2023 £	31 May 2024 £	31 May 2023 £
Net income for the reporting period (as per the statement of financial activities)	33,285	227,603	9,556	34,208
Adjustment for:				
Interest received	(50,901)	(13,595)	(51,901)	(13,595)
Depreciation and impairment of tangible fixed assets	186,439	266,330	61,793	120,268
Loss on disposal of fixed assets	-	19,165	-	-
Movement in working capital:				
Decrease in stock	4,153	1,372	-	-
Decrease / (Increase) in debtors	73,785	(175,085)	15,609	(200,470)
Decrease in creditors	(9,508)	(179,619)	132,424	(54,996)
Cash provided by operations	236,253	146,171	167,481	(114,585)

21 Reconciliation of net debt

(i) Group

	At 1 June 2023 £	Cash flows £	Other non-cash movements £	At 31 May 2024 £
Cash	2,196,067	(850)	-	2,195,217
Loans falling due within 1 year	(98,867)	86,201	-	(12,666)
Loans falling due after more than 1 year	(37,897)	4,107	-	(33,790)
Total	2,059,303	89,458	-	2,148,761

NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 MAY 2024

21 Reconciliation of net debt (continued)

(ii) Charity

	At 1 June 2023	Cash flows	Other non- cash movements	At 31 May 2024
	£	£	£	£
Cash	2,142,394	(25,860)	-	2,116,534
Loans falling due within 1 year	(61,200)	61,200	-	-
Loans falling due after more than 1 year	-	-	-	-
Total	<u>2,081,194</u>	<u>35,340</u>	<u>-</u>	<u>2,116,534</u>

22 Prior Year Consolidated Statement of Financial Activities

	Note	Unrestricted funds <i>Continuing Operations</i>	Unrestricted funds <i>Discontinued Operations</i>	Restricted funds	Year ended 31 May 2023	Year ended 31 May 2022
		£		£	£	£
Income from:						
Donations and legacies	3	3,563,150	-	610,545	4,173,695	3,333,395
Charitable activities	4	249,816	-	-	249,816	213,662
Other trading activities	5	655,980	549,780	-	1,205,760	1,201,004
Investments		13,595	-	-	13,595	557
Other income		50,000	-	-	50,000	-
Total income		<u>4,532,541</u>	<u>549,780</u>	<u>610,545</u>	<u>5,692,866</u>	<u>4,748,618</u>
Expenditure on:						
Charitable activities	7(i)	2,554,520	-	648,510	3,203,030	2,810,189
Raising funds	7(ii)	1,643,166	619,067	-	2,262,233	1,860,719
Total expenditure		<u>4,197,686</u>	<u>619,067</u>	<u>648,510</u>	<u>5,465,263</u>	<u>4,670,908</u>
Net income/(expenditure)		334,855	(69,287)	(37,965)	227,603	77,710
Transfers between funds		-	-	-	-	-
Net movement in funds		334,855	(69,287)	(37,965)	227,603	77,710
Reconciliation of funds:						
Total funds brought forward		<u>2,531,841</u>	<u>(221,655)</u>	<u>437,940</u>	<u>2,748,126</u>	<u>2,670,416</u>
Total funds carried forward	15&16	<u>2,866,696</u>	<u>(290,942)</u>	<u>399,975</u>	<u>2,975,729</u>	<u>2,748,126</u>

THE SOCIAL BITE FUND



NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 MAY 2024

23 Prior Year Statement of Financial Activities – Charity Only

	Note	Unrestricted funds £	Restricted funds £	Year ended 31 May 2023 £	Year ended 31 May 2022 £
Income from:					
Donations and legacies	3	3,563,150	610,545	4,173,695	3,333,395
Charitable activities	4	249,816	-	249,816	213,662
Investments		13,595	-	13,595	557
Other	6	51,500	-	51,500	3,000
Total income		<u>3,878,061</u>	<u>610,545</u>	<u>4,488,606</u>	<u>3,550,614</u>
Expenditure on:					
Charitable activities	7(i)	2,811,831	648,510	3,460,341	3,107,129
Raising funds	7(ii)	994,057	-	994,057	681,120
Total expenditure		<u>3,805,888</u>	<u>648,510</u>	<u>4,454,398</u>	<u>3,788,249</u>
Net income/(expenditure)		72,173	(37,965)	34,208	(237,635)
Transfers between funds		-	-	-	-
Net movement in funds		72,173	(37,965)	34,208	(237,635)
Reconciliation of funds:					
Total funds brought forward		<u>2,256,028</u>	<u>437,940</u>	<u>2,693,968</u>	<u>2,931,603</u>
Total funds carried forward	15&16	<u>2,328,201</u>	<u>399,975</u>	<u>2,728,176</u>	<u>2,693,968</u>