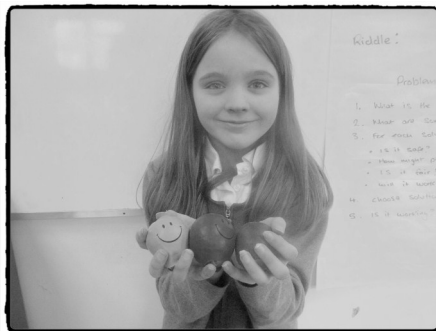


welcare

strengthening families since 1894



TRUSTEES' REPORT & ACCOUNTS

FOR THE YEAR ENDED 31 MARCH 2014

*Working to prevent the children of today from
becoming the troubled families of tomorrow*

Legal & Administrative Information

Trustees	<p>David Atterbury Thomas (Chair) Marion Parsons (Vice Chair) Julie Mayhew (Honorary Treasurer) David Marshall (to 25th September 2013) Margaret Squire (to 25th September 2013) The Venerable Daniel Kajumba (to 6th February 2014) Andrew Simon (to 6th February 2014) The Ven. Dr Paul Wright (from 25th September 2013) Sara Drake (from 16th December 2013) Nicholas Bull (from 16th December 2013) The Revd Andrew Wakefield (from 6th February 2014) Megan Pacey (from 8th May 2014) Mary Evans (from 8th May 2014) Chris Hansen (from 8th May 2014)</p>
Chief Executive Officer	<p>Anna Khan (from 30th September 2013) Reverend Anne-Marie Garton (to August 2013)</p>
Charity Number	1107859
Company Number	5275749
Principal Address & Registered Office	<p>19 Frederick Crescent London SW9 6XN</p>
Auditors	<p>haysmacintyre 26 Red Lion Square London WC1R 4AG</p>
Bankers	<p>National Westminster Bank plc London Bridge Branch PO Box 35 10 Southwark Street London SE1 1TT</p>
Solicitors	<p>Bates Wells & Braithwaite Solicitors 2-6 Cannon Street London EC4M 6YH</p>

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Letter from our Chief Executive

I am delighted to have this opportunity to write my first introductory letter for the Welcare annual report and accounts. I joined Welcare in the autumn of 2013 and am immensely proud to lead a charity with such a distinguished history working with hard to reach children and families in South London and East Surrey.

In the following pages you can read more about how Welcare staff and volunteers have transformed people's lives for the better. In 2014 Welcare celebrates 120 years serving mothers, families and children, and one of the truths evident through two world wars and enormous change in the economic and social climate is that when times are hard parenting is hard. We work with children and families to bring about significant and lasting change and do this by working to improve the relationship between parents or carers and children. At Welcare we offer a range of tailored and appropriate individual support and group work programmes to make this primary and most significant attachment as strong and positive as possible, within the individual circumstances of each family. Our mission continues to be to stop the troubled children of today from becoming the troubled families of tomorrow.

Examination of our accounts will demonstrate how the charity has adapted to a more constrained and challenging funding environment. Welcare continues to reform and evolve within the 'new normal' - a situation of reduced local authority spending and retained funding and contracts being rolled over for one year on a standstill budget. Welcare staff, trustees and supporters have reimaged how we deliver services; ensuring we are engaging with partners and volunteers, and generating new income.

Our focus for the next five years is to use our flexible and resourceful approach to deliver high quality services in new, effective ways and we have set the following priorities for the next year:

- ◆ To put the needs of our service users at the heart of the organisation and further develop innovative support services accountable to their needs
- ◆ To develop a Child and Family Support Service throughout South London and East Surrey for families with children aged 0-13 - a social worker-managed service delivered by Family Support Workers and highly trained, closely supervised volunteers



- ♦ To achieve the Investing in Volunteers award to demonstrate our commitment to volunteering within the organisation and promote Welcare as a valuable place to volunteer
- ♦ To consolidate our work with children who have been impacted by domestic abuse through delivery of My Space – a group work programme delivered in schools

I would like to thank all the staff, volunteers and supporters who have driven the charity forward over the past year and supported our work through challenging and demanding times. I look forward to working with you all for the next part of the journey.



Anna Khan, Chief Executive

Letter from our Chair

Welcome to our Annual Report 2013-14,

On behalf of the Board of Trustees of Welcare I am pleased to introduce our annual report and accounts. This has been an exciting year for the organisation as we welcomed our new Chief Executive, Anna Khan, and we prepared to celebrate our achievements since 1894.

I have been involved with the charity for 11 years and during the last year the Board has been proactive in implementing change to ensure that Welcare effectively continues to provide vital services to children and families in the greatest need. One of the key tasks of a high performance board is to conduct a skills and experience audit to ensure that it has the right combination of skills for the future. I would like to thank those trustees who have retired for their enormous contribution to our work and welcome our new trustees who bring energy and drive to make the changes necessary as we focus on our core mission, nurture an enterprising culture and continue to manage our resources astutely.

Thank you for your interest in our vital work.



David Atterbury Thomas, Chair

Trustees' Report

Introduction

The trustees, who are also directors of Southwark Diocesan Welcare for the purposes of the Companies Act 2006, are pleased to submit their annual report and audited financial statements for the year ended 31 March 2014. The trustees have adopted the provisions of the Statement of Recommended Practice "Accounting and Reporting by Charities" issued in 2005, the Companies Act 2006 and applicable UK accounting standards in preparing the annual report and financial statements of the organisation.

Public Benefit

The trustees confirm that they have complied with their duty under Section 4 of the Charities Act 2011 to have due regard to the Charity Commission's general guidance on public benefit.



Objects of the Charity

Our Vision:

A future where children and their families can thrive within their communities. We believe that by working together we can create a society where parents and children have the confidence to recognise and seize every opportunity to flourish. We continue to work for a world built on mutual respect and self-worth where everyone's contribution is valued.

Welcare is governed by the articles of association and memorandum dated 2nd November 2004 and amended 29th September 2010. The objects of the charity are:

- ♦ The relief of poverty and distress and the promotion of any charitable purpose for the benefit of families, children and pregnant women
- ♦ The promotion of the social mission of the Christian Church
- ♦ The advancement of education for the public benefit

Aims of the Charity

Welcare's trustees set aims that reflect the charity's objects. The organisation's aims over the past year have been:

1. To continue to provide services within our geographical remit that focus on relieving distress amongst families affected by poverty, disadvantage, domestic abuse or family breakdown, or work to prevent such distress from occurring.
2. To continue to assess and improve the outcomes for the children and families we work with, striving to provide services that are responsive to local need and uniquely delivered.
3. To continue to value our strong relationships with other professionals, agencies and charities, locally and organisationally, to ensure we are focused on identifying local needs and enhancing the experience of the families we work with.
4. To provide education through the provision of classes and groups for parents, mentoring projects, and activities and crèches for children, improving the life chances of disadvantaged and challenged families and benefiting the communities we work in as a whole.
5. To strengthen and expand upon our relationships with churches within the Anglican Diocese of Southwark, as well as those within three deaneries in the Diocese of Rochester and with the Hampton Deanery in the Diocese of London to increase community and regional awareness of Welcare and to aid fundraising.
6. To rationalise services and resources, identify alternative funding streams and build and develop a strong volunteer base equipped to deliver frontline child and family support services.
7. To further the work started in September 2012 to increase public awareness of the charity, and to broaden and diversify our income and fundraising streams.
8. To broaden and strengthen the trustee body.



*Between April 2013 and
March 2014 we worked with
1,050 families and 1,182 children
across all our services*

Faith Base & History of Welcare

Respect for people within their network of human relationships, and the recognition and fostering of community, are at the centre of Welcare's work. The charity derives its values from its Anglican origins and its continuing life as a Christian organisation, reflecting God's love as expressed in the ministry of Jesus.

At Welcare, we therefore:

- ♦ place a high value on each person's individual life and accept people as they are
- ♦ offer services of support and care unconditionally whenever possible
- ♦ recognise the need for each person to be loved and valued from birth so that he or she can, in turn, learn to give love and to value both self and others
- ♦ help people to use their gifts to realise their full potential
- ♦ stand against injustice and are on the side of the poor and disadvantaged

Welcare recognises that many of these values are shared by those of other faiths and none. We are proud of our Christian heritage, identity and strong church support and are inspired by

Our Mission: Welcare is a Christian charity working with children and families in need irrespective of faith, culture, abilities or life choices. By offering practical and individual family support, Welcare empowers families to rebuild their lives and helps parents give their children happy confident childhoods.

our faith base but we do not proselytise. Welcare inspires thorough the example of its work. We welcome staff, volunteers and supporters of all faiths and none, who are committed to the outworking of these and other values. We unreservedly offer a service to all.

Welcare serves the whole of the Diocese of Southwark and the London Borough of Bromley, parts of which are in the Diocese of Rochester. The Hampton Deanery, which lies north of the River Thames in the London Borough of Richmond, is within the Diocese of London.

The Diocese of Southwark encompasses urban South London, which includes a huge variety of ethnicities, socio-economic and cultural backgrounds, with parishes stretching into East Surrey. It is one of the most multicultural and diverse dioceses in England. For more than 1,000 years the area covered by the present Diocese belonged to the vast Diocese of Winchester. In 1877 the area was added to the Diocese of Rochester and it was in 1894 that the Bishop of Rochester,



Faith Base & History of Welcare



2006, twelve independent local Welcare associations had merged to form a larger charity capable of tendering for contracts to deliver local services for families and children, focusing on areas of work that voluntary organisations could deliver more effectively than statutory services. It is Southwark Diocesan Welcare which continues the work in South London and East Surrey.

Throughout the decades our role has progressed and developed to ensure we are reflecting the needs of the communities where we work. As the needs of troubled children and families in London has transformed, so too has the way we respond to those needs. We have moved away from mother and baby homes to focus on preventative work and life skills development, doing everything we can to keep families together.

The work of Welcare continues to evolve into 2014, as we establish our Child and Family Support Service,, extend our support work with families who have children up to the age of 13, and roll out our domestic abuse recovery project, MySpace.

Randall Davidson, and his wife launched the Diocesan Association for the Care of Friendless Girls, although the outreach work with unmarried mothers at a local level had started before that.

In 1905, the Diocese of Southwark was created to include the whole of the county of London south of the Thames and the Parliamentary divisions of East and Mid Surrey. In 1914 the organisation became the Southwark Diocesan Association for Prevention and Rescue Work to avoid confusion with the Girls' Friendly Society and to bring the organisation into line with other diocesan societies doing similar work.

A major reorganisation of the local associations took place in 1965 to bring them in line with the new London Boroughs. In 1970 the name Southwark Diocesan Council for Wel-Care was adopted, later shortened to Southwark Diocesan Welcare

The nature of the work of Welcare has changed considerably over the years. By

"We believe that what our predecessors began, we must take forward for t here can be no doubt about the need. We pray that we may be as responsive, Imaginative and tenacious as those who have brought us thus far."

Winifred Stone OBE, Chair of Welcare (1994)

The Need

Since Welcare's inception in 1894 we have been serving those families who find it difficult to access help from any other sources. 120 years ago that meant unmarried mothers who found themselves excluded and ignored by their families and their communities. Over the passage of time, the picture of 'family' has changed and evolved. For over a century Welcare has been providing a safe, open and accepting space to ensure children from vulnerable families have access to resources that can improve their lives, regardless of their background or family structure.



It has always been our goal to provide services that focus on equality and inclusion for children and families within society. While the Children Act 1989 requires the state to provide a child supervision order for families reaching certain criteria, it is Welcare's purpose to engage with families before they reach that threshold. From our significant experience we know that the key to improving the lives and futures of 'at risk' children is to engage with their parent or carer.

The time taken to work with a parent struggling with financial problems, domestic abuse, issues in their past, their refugee status in an unfamiliar country, their own childhood in care, or their relationship breakdown, for example, can literally save their children's future and prevent the need for comprehensive state involvement.

"many mothers are stuck in a destructive cycle of pregnancies and care proceedings"

Sanchia Berg, BBC News, bbc.co.uk

The BBC released an article and radio news piece on 23rd June 2014 discussing the subject of families with successive children being taken into care. As the article reports, "The courts remove a young child or baby from a mother, owing to abuse or neglect, only to see the same mother return to court a year or two later, with a new baby, and unable to care for that one either." It is these cycles of parenting Welcare works to break, by supporting parents to manage their emotional and physical responsibilities of care and the struggles they are facing.

While the state reaches these parents close to the point where there is no alternative but to repeatedly remove children from a parent's care, Welcare works with parents at an earlier stage to give them opportunities to turn their lives around for their children. We believe that wherever possible, the best place for a child to be raised is with their family. Not dealing with the root causes that have led a family to access Welcare's services will more often than not

The Need

lead to future issues for the child and potentially for their own children as well.

Charities like Welcare which work alongside parents and carers, by equipping them with better parenting skills, helping them to address their own past experiences, connecting them with their community's resources, and communicating with their peers and networks, provide effective, long-term change for families, not just quick fixes.

Over the past year we have identified a greater need amongst families with older children, including the need for direct work with young people. We have, in particular, identified a lack of services available to vulnerable children aged between 11 and 13 years old as they make the transition from primary to secondary school.

The needs of this group include the most frequent reasons for referral to Welcare: domestic abuse, mental health challenges and social isolation. However we also find that increasing concerns for parents and carers as children approach puberty are:

- ♦ Loss of support and community networks as children become older
- ♦ Less support from Children's Centres, Extended Schools Services and other local voluntary organisations, who focus support on families with younger children
- ♦ Troubled transition to secondary school, especially for children with special needs
- ♦ Poor behaviour and boundary setting
- ♦ Risk of engagement with gang culture or sexual exploitation

- ♦ Young people with disabilities facing increased social isolation from their peers
- ♦ Increasing challenges for single mothers parenting boys
- ♦ Family breakdown - by the age of 16, 450 out of every 1,000 children will have experienced family breakdown* (*OECD Organisation of Economic Co-operation & Development December 2012*)

Welcare continues to be a charity that tailors our services to meet the real needs within communities, offering practical and emotional support to families to prevent problems from escalating. We have begun work to develop an accredited training programme to enable our staff and volunteers to support parents with older children as part of our Child and Family Support Service.



Engaging Hard-to-Reach Families

Throughout Welcare's history we have been an organisation that has supported and engaged with 'hard-to-reach' families. In the 19th and early 20th century this most often meant unmarried mothers, service workers and families living on the streets. In the 21st century the term 'hard-to-reach' most often refers to families who are experiencing challenging circumstances that are affecting their everyday lives but remain below the thresholds for any serious local authority intervention. At Welcare we put great effort and creativity into engaging with these families.

Welcare is able to engage with 'hard-to-reach' families due to:

- ♦ Strong, established relationships with the communities in which we are based
- ♦ Our role as an independent voluntary organisation, outside the structure of the local authority
- ♦ Staff and volunteers with extensive, professional experience and skills
- ♦ The open and non-judgmental welcome every one of our service users receives

- ♦ Our emphasis on the first encounter with families and children - the importance of listening, caring and building trust
- ♦ Our ongoing priority to work **in partnership** with our service users, to enable them to engage with the services and select the solutions that will enable them to make better choices for their children
- ♦ The strength of our relationships with other agencies and childcare professionals as a trusted and effective resource

MySpace Project for Domestic Abuse

In early 2013 our Family Support Workers in Bromley recognised a lack of suitable services for children in families where domestic abuse had occurred. This was an issue noted by workers at our other centres too, with families being referred to our services for various other reasons, but impact of domestic abuse observed up by our staff through their interactions with children and families.

Domestic abuse shows no regard for financial status, living circumstances, family background, or culture. Our workers were noticing that in some of the more affluent areas where we work the incidences of domestic abuse were significant and these families were even harder to reach due to the stigma they felt.

Our current direct contact with families has shown the need for increased emotional and practical support to families who



Engaging Hard-to-Reach Families

have experienced domestic abuse. Over the years Welcare has consistently supported families due to issues of domestic abuse, usually as a secondary referral reason. Shockingly around 70% of the families we worked with last year had some experience of domestic abuse.

Domestic abuse affects 1 in 4 families nationally. Two thirds of the children who are placed on child protection registers have experiences of directly witnessing domestic abuse. This will have serious consequences for their emotional development, as well as putting their overall health and progress at risk.

In April 2013, our two Family Support Workers in Bromley completed training with AVA (Against Violence & Abuse), learning the skills, activities and workshops required to implement a project for local children who had witnessed domestic abuse.

Following their training our Family Support Workers ran a 10 week pilot project called MySpace for children aged 9 to 11. This was a unique project in Bromley as although there was support available to families who were enduring domestic abuse, there was no direct support available to help children process the particular emotional issues stemming from witnessing domestic abuse, and help them move forward and flourish.

Local statistics show the level of domestic abuse within Bromley and demonstrate the clear need for addressing the issue. In the 12

months prior to April 2013 there were 1,493 domestic crimes recorded by the Metropolitan Police in Bromley. The *Safer Bromley Partnership Strategic Group's* analysis in the Domestic Violence Statistical Update 2010-2012 demonstrates that 79% of the abuse happened in a household where there was at least one child.

"Welcare's intervention was crucial to the parent's progress, helping to promote good, healthy lifestyles and supporting both parents"

**Jenny,
Local Health Visitor**

The MySpace pilot in Bromley received highly positive feedback from both the parents and children, and from the school where it was held. The project was independently evaluated by Coram Families. The evaluation report confirmed that the project met all objectives: to help the children process their experiences of domestic abuse; increase their safety skills; identify and learn positive ways of dealing with negative feelings and to increase their self-esteem.

Following the pilot we were successful in applying for funding from the Church Welfare Association to enable us to continue the project with another term-time 12 week course. This was again very successful in achieving the project's outcomes, combining work in the home, group work for the children at school and some one-to-one sessions for the parents.

In 2014 we plan to expand the MySpace project to some of our other centres, starting with our Richmond centre where our worker frequently encounters families experiencing domestic abuse issues.

Empowering Parents

At the core of all our work is always the objective of empowering parents and carers to be the best parent they can. We believe that parents who feel confident in their ability to access support and resources independently is the key to enabling their child to reach their full potential.

Parents who are referred to us are often struggling in their roles as caregivers due to a lack of understanding of their child's needs. Our work focuses on providing parents with the skills, confidence, emotional understanding and practical tools to assist them in becoming an independent and positive parent. Research by Barnado's found that parenting groups can be a powerful catalyst for change and that programmes which build on concurrent home-based intervention are particularly effective.

At Welcare we run several groups across our centres, in addition to our one-to-one family support work. One of the best ways of empowering parents is a combination of the two. Our workers will identify common issues within their local areas based on their one-to-one work and, if viable, a group is developed.

This allows parents to share their experiences with others in similar situations while also gaining one-to-one support and to transfer that learning to their own individual circumstances.

"my confidence as a parent has grown and I feel better in my role as a father"

Daniel, father of one



Parent Power: Enhancing Children's Lives

This group has been running for three years, funded by the City Bridge Trust. The project provides parents who have a learning disability with both practical and emotional skills to enable them to support their children to reach their full potential.

Children of parents with a learning disability are at greater risk of being taken into care due to their parents' potential struggles to cope with everyday tasks. Our support, including one-to-one and group work, counselling and introduction to other services is tailored to the needs and abilities of each family. This project works preventatively, supporting parents to help their children reach their maximum potential in life and ensures they are prepared to access any opportunities available to them as necessary. The project allows our workers to tailor a plan of support that is individual to each family's needs, and encourages interdependence between families and their communities. We look forward to achieving funding to continue this project in 2015.

Enriching Communities

At Welcare, we seek to place our services at the heart of communities. In addition to helping families get back on their feet and improve the lives of their children, we aim to enhance the communities in which we work.

Volunteering

We are hugely proud of, and thankful for, the role volunteers play at Welcare and the inspiring impact volunteering has upon individuals and communities. We have a long-term, committed volunteer and supporter base, as well as several new enthusiastic volunteers recruited over the past 12 months. 147 people volunteered their time at Welcare over the past year. While the work of volunteers greatly benefits our service users, our volunteers also find themselves enriched by their roles and can gain valuable experience to further their careers or access professional training courses.

As we continue to implement our plans for a Child and Family Support service, volunteers play a vital role in direct work with our service users. Families frequently tell us about the importance of input from local volunteers, viewing the relationship as one of equal participation and shared experiences. The relationship that develops with a volunteer helps to give parents and children the confidence to



engage with other services in the local community. Thanks to our volunteers we particularly find more parents with disabilities accessing other services offered by Welcare and taking advantage of activities available within their local community.

Toy Library

Our Toy Library resource in East Surrey is a community-integrated facility that enables families within a disadvantaged area of the borough to borrow from a variety of toys for a very small fee. The Toy Library project is a valuable asset to the community as it:

- ♦ Provides a wide selection of toys for families living on low income or in cramped housing conditions without the worry of cost and home storage
- ♦ Gives opportunity for families to explore a range of toys that are age and stage appropriate at affordable cost
- ♦ Helps parents and carers gain better understanding of the developmental stages of their children
- ♦ Gives parents a chance to trial toys before making purchases so personal budgets can be used more wisely
- ♦ Helps families understand learning through play including early numeracy and literacy
- ♦ Increases access to information about services offered by the local community

Local volunteers, including parents who benefitted from the Toy Library when their children were young, help to run the service and help to create the toy catalogue, advising and reviewing the toys, demonstrating the belief in the project by the community. It is all about local people supporting local families.

Enhancing Welcare

A key area of development for 2013-14 was to strengthen Welcare's brand distinction and raise the profile to enhance Welcare's position as a community organisation providing vital services to vulnerable families. Over the year, our Fundraising and Supporter Relations Manager, along with colleagues, focused on three areas to help secure Welcare's brand and raise the charity's profile.

Database

The organisation acquired the fundraising database, eTapestry, designed for small charities by Blackbaud. Welcare has been one of the first wave of adopters for this product in the UK, seeing a number of other organisations follow suit. During the past year we have consolidated our various supporter and donor lists from all the regional centres. Volunteers have assisted in populating the new database with details of all Welcare's supporters, past and present, organisations and individuals. In October 2013 we used the database to mail out our Christmas appeal to churches for the first time. The results were significantly easier to process and reporting vastly improved. In early 2014 the database was used to send out our first batch of invitations for the 120th Anniversary Service of Thanksgiving we are holding on 15th November 2014 at Southwark Cathedral.

Having a shared and effectively managed supporter database for the organisation will enable improved communications with our current supporters, better analysis of our fundraising, and improved campaigns and appeals to help support our work. We can ensure we are providing our supporters with the opportunities to support that they want, are keeping our contacts up to date with our services and have a database which is

compatible with our website. This will improve online giving processes and enable us to make greater use of e-newsletters as a communication and fundraising tool.

Website

In August 2013 we began putting together a proposal for a new website and seeking out agencies to work with. We shortlisted three agencies and appointed our preferred provider with whom we have been working since February 2014.

Plans for a new website have been in development for some time with a clear need for a more user-friendly and responsive website that better represents the organisation. We are excited to be working towards a launch of the new website in the autumn of 2014.

Promotional Materials

Over the past year we have developed a portfolio of printed and produced materials to assist and encourage local supporters to fundraise independently. This has been overseen by the Fundraising and Supporter Relations Manager to ensure brand and messaging consistency and has included: gift aid envelopes, flyers, leaflets, posters, outdoor banners, pop-up stands, balloons, stickers, sponsorship forms and collection buckets. As the new website is developed we will collate some of these promotional materials into easily ordered 'supporter packs' to make fundraising for Welcare as easy as possible. We believe this will be particularly popular with our supporters within church congregations and with schools, will enable us to launch small-scale fundraising campaigns in the coming year.

Future Plans for Welcare

During the past two years Welcare has experienced a period of change: reassessing the focus of the organisation, reinforcing our vision and mission as a service delivery charity, and looking honestly at our durability amongst the modern charity landscape.

As reported in our Trustees' Report and Accounts 2012-13, last year we were forced to scale back some of our projects and centres due to cuts in local authority and other funding. This resulted in us working with a reduced number of families and children between April 2013 and March 2014, but the number of beneficiaries Welcare worked with last year is still significant considering our reduced staff capacity.

The appointment of our new Chief Executive, Anna Khan, in September 2013 and the reassessment of our services throughout the organisation resulted in a new Business Plan and a new Fundraising Strategy for 2014-2016. The key targets within these two strategies will drive the charity forward for the next two years.

Child and Family Support Service

The identity of Welcare's services in the coming two years will be consolidated in line with our core service of child and family support, led by a Social Worker and a supervised team of frontline Family Support Workers and volunteers at each centre. This model reflects Welcare's historical work but also enables us to be responsive to the ever-changing local needs of vulnerable children and families.

Reinforce Engagement with Churches

We will continue to expand our relationships with individual churches, as well as with the Dioceses of Southwark, Rochester and

London. Using our supporter database for recording and evaluating, we will strengthen our links and build new connections through mailings, e-newsletters, case studies and visits to congregations and clergy. We will improve the way we communicate about our services and demonstrate how funds are helping children and families everyday.

Develop Our MySpace Project

Following a successful pilot and first full course for children who have experienced domestic abuse, we will begin to roll out this valuable project in other areas where our workers identify it is needed. We are immensely proud of this project, providing a new service specifically for vulnerable children. In the coming year we will continue to fundraise to ensure we can train further staff to deliver the project and will identify schools to run the project in partnership with.

Diversify Our Income Base

We will continue to focus on diversifying our fundraising and income base in cost-effective ways to enable us to become a more self-reliant charity. We will establish a Fundraising Sub-Committee to help drive forward the fundraising strategy and work towards a flagship Welcare event. We will also begin implementing plans for an individual giving scheme to run throughout the charity, building upon any regular giving that is currently in place.

Volunteering

In the coming year we will continue to develop training and support for volunteers and will work towards achieving the Investing in Volunteers quality standard and kitemark, demonstrating our commitment to volunteering at Welcare.

Thank You! We could not do all this without the help of these people

Our work with vulnerable children and families could not continue without our amazing supporters who contribute to our work in a multitude of ways – as Parish Reps, donors, Friends, fundraisers, ambassadors or through local churches. We are so thankful for your support. We also send thanks to our specialist volunteers who have significantly extended the reach of our work by supporting families, giving talks, helping in our offices, assisting with groups, organising events and much, much more. **Thank you!**



Welcare is grateful for the support we received from the following organisations in 2013/14

All Saints Battersea Fields
 All Saints Benhilton Sutton
 All Saints Church
 All Saints Hampton
 All Saints Merstham
 All Saints Orpington
 All Saints Warlingham
 All Saints West Dulwich
 All Souls Pratts Bottom
 Ashgrove School
 Balham Baptist Church
 Blackheath Golf Club
 Blackrock
 BP Foundation
 Bromley Relief in Need
 Broomwood Methodist Church
 Buttle UK
 CAFCASS
 Cairngorm Dancers
 Cakes for Kids UK
 Cardwell Primary School
 Caterham Valley Parish Hall
 Chelsfield PCC
 Christ Church Bromley
 Christ Church and St Paul Annerley
 Christ Church Chislehurst
 Christ Church Shooters Hill
 Christ Church South Nutfield
 Church of Ascension Blackheath
 Church of Holy Saviour West Croydon
 Church Welfare Association
 Churches Together
 Cicely Northcote Trust
 City Bridge Trust
 Croydon Minster
 Cudham Church
 Cudham Village Club
 Curves Gym
 Curves Redhill

Diocese of Southwark
 Donyngs Leisure Centre Redhill
 Dulwich College
 Dunottar School Foundation Reigate
 Earlswood Baptist Church
 East Grinstead Trefoil Guild
 East Surrey Hospital Creche
 Emmanuel Church West Wickham
 Emmanuel Sidlow Bridge
 Family Holiday Association
 Ferrier Operatic Society
 First Community Health Winter Ball
 Francis Chappell & Sons
 Furze Hill Lodge
 Gift to Give
 Godstone United Benefice
 Good Shepherd Tadworth
 Hampton Fuel Allotment Charity
 Harlequin Theatre Redhill
 Hawthorns School
 Help a Capital Child
 Holiday Inn Greenwich
 Holy Trinity Annerley
 Holy Trinity Beckenham
 Holy Trinity Deptford
 Holy Trinity Redhill
 Holy Trinity Twickenham
 Holy Trinity Upper Tooting
 Horley Methodist Church
 Hospital Sunday Fund
 Hurst Green Clothing Store
 Hurst Green Methodist Church
 Ibstock Place School Roehampton
 Keston Church
 Kew Gardens
 Leagal and General
 London Borough of Bromley
 London Borough of Greenwich
 London Borough of Richmond

London Borough of Southwark
 London Borough of Sutton
 London Borough of Wandsworth
 London Catalyst
 London Community Fund
 London Senior Wives Fellowship
 Merstham Millennium Trust
 Merstham Primary School
 Moneywise
 Mothers Union St Francis
 Mothers Union Bromley & Bexley
 Netherby Trust
 Newcommen Collett
 North Downs Primary School
 North Lambeth Methodist Church
 Nutfield CofE School
 ODA
 Parish of Mortlake with East Sheen
 Portage Service South East Surrey
 Queen's Road Methodist Church
 Twickenham
 Ragamuffins
 Redhill & Reigate Community Church
 Redhill Baptist Church
 Redhill Library
 Redhill Methodist Church
 Reigate & Banstead Borough Council
 Reigate & Banstead Mayors Fund
 Reigate & Horley Gospel Hall Trust
 Reigate Baptist Church
 Reigate Heath Church
 Reigate Park Church
 Richmond Parish Land Charity
 Richmond Team Ministry
 Riverside Vineyard
 Rotary Club of Cheam
 Rotary Club of Greenwich
 Rotary Club of Langley Park
 Rotary Club of Twickenham

Thank You!

Sharon's Cards & Crafts
 Six Tea Trust
 Soroptimist International
 St Andrew Bromley
 St Andrew Earlsfield
 St Andrew Gatton
 St Andrew Kingswood
 St Andrew Orpington
 St Anne & St Augustine Bermondsey
 St Anne Kew
 St Anne Wandsworth
 St Augustine Bromley Common
 St Augustine of Canterbury Whitton
 St Barnabas Cray
 St Barnabas Lingfield
 St Bartholomew Burstow
 St Bartholomew Horley
 St Christopher Warlingham
 St Faith North Dulwich
 St Faiths Trust
 St Francis Horley
 St Francis Petts Wood
 St Francis West Wickham
 St George Beckenham
 St George Bickley
 St George Westcombe Park
 St Giles and St Nicholas Orpington
 St Giles Farnborough
 St James Arc Group
 St James Hampton Hill
 St James Riddlesdown
 St James Twickenham
 St John the Baptist, Eden Park
 St John Blindley Heath
 St John Bromley
 St John Dormansland
 St John Felbridge
 St John Hurst Green
 St John Penge
 St John Redhill
 St John The Baptist Wimbledon
 St John The Evangelist Angell Town
 St John The Evangelist Caterham Valley
 St John with Holy Trinity Deptford
 St John Belmont
 St John Community Hall
 St Katherine & The Epiphany Merstham
 St Luke & St Peter Reigate
 St Luke Bromley Common
 St Luke Whyteleafe
 St Luke with Holy Trinity
 St Luke Battersea
 St Luke Woodside
 St Margaret Chipstead
 St Margaret's Putney
 St Mark Biggin Hill
 St Mark Bromley
 St Mark Reigate

St Mark South Norwood
 St Mark Kennington
 St Mark Purley
 St Martin Chelsfield
 St Mary Bletchingly
 St Mary Bromley
 St Mary Buckland
 St Mary Caterham
 St Mary Downe
 St Mary Hampton
 St Mary Hayes
 St Mary Horne
 St Mary Magdalene Croydon
 St Mary Magdalene Wandsworth
 St Mary Merton Park
 St Mary of Nazareth West Wickham
 St Mary Oxted
 St Mary Reigate
 St Mary Shortlands
 St Mary Tatsfield
 St Mary the Virgin Church
 St Mary with St Alban Teddington
 St Mary with St Paulinus Cray
 St Mary Barnes
 St Mary Plaistow
 St Mary Sutton
 St Mary Twickenham
 St Mary with All Souls Parish of Green
 Street Green with Pratts Bottom
 St Mary's Jigsaw Group
 St Mary's Fellowship
 St Matthew Redhill
 St Matthews School Redhill
 St Matthew's Foodbank
 St Michael & All Angels Barnes
 St Michael & All Angels Beddington
 St Michael & All Angels with St Augustine Beckenham
 St Michael Betchworth
 St Michael Lower Sydenham
 St Michael with St Augustine Beckenham
 St Michael Southfields
 St Nicholas Charlwood
 St Nicholas Chislehurst
 St Nicholas Godstone
 St Nicholas Kidbrooke
 St Nicholas Orpington
 St Paul & St Agatha Woldingham
 St Paul Beckenham
 St Paul Beddington
 St Paul Cray
 St Paul Crofton
 St Paul Wimbledon Park
 St Peter & St Paul Bromley
 St Peter & St Paul Chaldon
 St Peter & St Paul Lingfield
 St Peter & St Paul's Nutfield
 St Peter & St Paul Bromley

St Peter Croydon
 St Peter Newdigate
 St Peter Tandridge
 St Peter Brockley
 St Peter Petersham
 St Peters Woodmansterne
 St Peter Streatham
 St Philip the Apostle Sydenham
 St Saviour Peckham
 St Saviour Brockley Rise
 St Saviour Church
 St Stephen Godstone
 St Stephen's School South Godstone
 St Stephen East Twickenham
 St Swithuns Purley
 St Thomas More School
 St Wilfred Horley
 St Mary's Women's Fellowship
 Stripey Stork Redhill
 Surrey Children's Services
 Surrey County Council
 Surrey Early Years
 Thamesmead Christian Fellowship
 The Annunciation Church Chislehurst
 The Ark Playgroup Twickenham
 The Factory Shop
 Three Oaks Trust
 Timbercroft School
 Toby Carvery Redhill
 Towers Watson
 TravelSmart Merstham
 TravelSmart Redhill
 Trinity United Reformed Church
 Twickenham upon Thames Rotary Club
 United Reformed Church Purley
 United Reformed Church Wandsworth
 United Reformed Church Oxted
 Waitrose (Green Street Green)
 Waitrose (Caterham)
 Wallington Methodist Church
 Warlingham Village Primary School
 Wesley Hall Methodist Church
 Wisdom of God Kingswood
 Woodlea Primary School Woldingham
 YMCA Community Sports

Thank you as always to our
 wonderful staff for all you do
 making a real difference to the lives
 of our service users

Financial Review

Incoming resources for the year of £1,090k shows a decrease of £601k compared with the previous year's total of £1,691k. The reduction in income was the result of cut backs in local authority funding.

The main sources of income continue to be a mix of contract and grant funding which totalled £852k in the period (2013: £1,467k). Donations amounting to £123k were received from individual supporters and churches (2013: £101k) and £17k from fundraising events (2013: £14k). Investment income amounted to £16k (2013: £21.8k) and rental income of £60.8k was derived from properties (2013: £61.9k).

The principal funding sources of the charity are south London local authorities, Surrey County Council and other government funding streams. The charity receives significant funding from charitable trusts, churches and individuals. The charity receives a grant from the Diocese of Southwark vital to its continuing survival, as this provides unrestricted funding to underpin core costs.

Resources expended in the year were £1,150k (2013: £1,972k) including £476k of expenditure from restricted funds (2013: £666k)

The reduction in income for the year has resulted in net outgoing resources in the year before investment gains and losses of £60k (2013: deficit £281k).

It is the aim of the Charity to maintain a stable operating surplus over the coming years with the aid of strengthened financial processes, reallocation of resources, service reviews and

new income streams.

Reserves as at 31 March 2014 totalled £1,680k including £397k of restricted reserves.

The Board considers that free reserves (defined as total reserves less tangible fixed assets and investment properties) should be maintained at a minimum amount equivalent to three months of the current year's expenditure and build up to a maximum of six months' expenditure. The Board considers that the minimum level is adequate to support current and anticipated levels of activity, to enable it to respond to opportunities and to provide for emergencies. Free reserves as at 31 March 2014 were £318k representing the equivalent of approximately three months expenditure.

As at 31 March 2014 fixed asset investments were valued at £747k including £400k of investment properties. There were unrealised gains of £19k in the year compared with a £47k gain in 2012-13.

The Board has adopted socially responsible and ethical investment policies. In practice this is achieved by keeping under review the policies of the charity common investment funds, which are understood to be invested in such a way as to satisfy these policies. A sub-committee of the Board keeps investment matters under review.

Governance & Management

Governing Document

Southwark Diocesan Welcare is a charitable company limited by guarantee. It was established under a Memorandum of Association and is governed under its Articles of Association. In the event of the company being wound up members are required to contribute an amount not exceeding £1.

Trustees

The directors of the company are also the charity trustees. One third of the trustees retire by rotation at each Annual General Meeting. During the course of the financial year, Welcare successfully recruited 4 new trustees with a further three joining the Board since the end of March 2014. Two trustees are nominated by the Bishop of Southwark, one from the Bishop's Council and one from the Diocesan Board of Finance, from whom the charity receives an annual grant. New trustees have been appointed to both positions. The Board wishes to express its gratitude to the Venerable Daniel Kajumba and Mr Andrew Simon, who both served Welcare for many years as appointees of the Bishop. A Trustee Away Day is planned for later in the year to consolidate the aims and objectives of the new Board.

Relationships

Welcare has previously worked closely with statutory bodies involved in the delivery of services to children. Welcare is now reducing its reliance on the delivery of statutory services on behalf of local authorities and building future services around local needs and local support. Welcare works within the legislative framework of the Children Acts of 1989 and 2004 and the Children and Families Act 2014. Welcare is in regular contact with other charities serving children and families

through active membership of Children England.

Risk Management

Welcare has a comprehensive risk register which is considered and reviewed annually by the Board of Trustees. Responsibility for management and mitigation of risks is delegated to operational staff with oversight from the relevant sub-committee of the Board.

Organisational Structure

The Board currently has 10 members who meet at least four times a year and are responsible for the strategic direction and policy of Welcare. The four sub-committees which reported to the Board during 2013/14 were:

- Finance and Risk
- Services
- Properties and Resources
- Fundraising & Marketing

The Finance and Risk and Properties and Resources committees merged into a Finance and Properties committee during the course of the financial year.

Overall responsibility for the delivery of Welcare's services lies with the CEO. The Director of Services is responsible for the day to day operational management of Welcare's centres, projects and services. The Fundraising and Supporter Relations Manager has developed, and is responsible for, the delivery of a robust fundraising strategy to build relationships with local supporters. A part-time Volunteer Coordinator has been recruited whose salary has been part-funded by a grant from the Cecily Northcote Trust. Financial services and the provision of professional HR advice have been outsourced to external providers.

Statement of Trustees' Responsibilities

The trustees, who are also directors of Southwark Diocesan Welcare for the purposes of company law, are responsible for preparing the Trustees' Report and the accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare accounts for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period.

In preparing these accounts the trustees are required to:

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles in the Charities SORP;
- 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 accounts on the going concern basis unless it is inappropriate to presume that the charity will continue in business

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the accounts comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and for taking reasonable steps for the

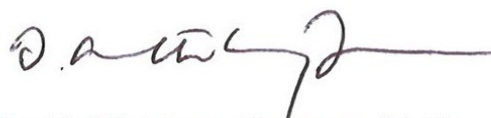
prevention and detection of fraud and other irregularities.

As far as we are aware, there is no relevant audit information of which the auditor is unaware. We have taken appropriate steps to identify any relevant audit information and to establish that the auditor is aware of that information.

Auditors

haysmacintyre have signified their willingness to continue as our auditors and the Board of Trustees will consider the matter at the forthcoming Annual General Meeting.

On behalf of the Board of Trustees



David Atterbury Thomas, Chair
Dated 24th July 2014

Independent Auditors' Report *to the members of Southwark Diocesan Welcare*

We have audited the financial statements of Southwark Diocesan Welcare for the year ended 31 March 2014 which comprise the Statement of Financial Activities, the Balance Sheet, Cash Flow statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an Auditors' 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 charitable company and its members, as a body, for our audit work, for this report, or for the opinion we have formed.

Respective responsibilities of Trustees and auditors

As explained more fully in the Statement of Trustees' Responsibilities set out in the Trustees' Report, the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and

International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charitable company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Trustees' Report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- ♦ give a true and fair view of the state of the charitable company's affairs as at 31 March 2014 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- ♦ have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities; and

Independent Auditors' Report

- ♦ have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- ♦ adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- ♦ the financial statements are not in agreement with the accounting records and returns; or
- ♦ certain disclosures of trustees' remuneration specified by law are not made; or
- ♦ we have not received all the information and explanations we require for our audit; or
- ♦ the trustees were not entitled to prepare the financial statements in accordance with the small companies regime.

In our opinion the accounts give a true and fair view of the state of the charitable company's affairs as at 31 March 2014



Adam Halsey (Senior Statutory Auditor)
for and on behalf of haysmacintyre

Chartered Accountants and Statutory Auditors
26 Red Lion Square
London, WC1R 4AG

Dated 24th July 2014

Statement of Financial Activities (SOFA) for the year ended 31 March 2014

INCOME AND EXPENDITURE	Note	Unrestricted funds (£)	Restricted funds (£)	Total 2014 (£)	Total 2013 (£)
INCOMING RESOURCES					
<i>Donations, legacies and similar incoming resources</i>					
Donations and gifts		74,710	47,914	122,624	101,234
<i>Fundraising</i>					
Proceeds from fundraising events		10,802	5,956	16,758	13,875
<i>Incoming resources from charitable activities</i>					
Grants	2	171,579	417,412	588,991	686,500
Contracts	2	262,718	-	262,718	780,352
Fees and other income		5,720	2,129	7,849	5,616
<i>Investment income</i>					
Investment income	7	16,034	-	16,034	21,809
Rents received		60,798	-	60,798	61,922
<i>Other incoming resources</i>					
Other income		10,672	4,031	14,703	19,772
Total incoming resources		613,033	477,442	1,090,475	1,691,080
RESOURCES EXPENDED					
<i>Cost of generating funds</i>					
Fundraising, publicity, communication & events		38,491	1,349	39,840	8,828
<i>Charitable activities</i>					
Strengthening families through support to parents & children		606,208	474,603	1,080,811	1,933,468
<i>Governance</i>		29,549	-	29,549	29,418
Total resources expended	3	674,248	475,952	1,150,200	1,971,714
Net (outgoing) resources for the year		(61,215)	1,490	(59,725)	(280,634)
Other recognised gains/(losses)					
Net gains/(losses) on investments					
Realised	7	1,578	-	1,578	885
Unrealised	7	19,029	-	19,029	46,908
Net movement in funds		(40,608)	1,490	(39,118)	(232,841)
Brought forward at 1 April 2013		1,324,188	395,162	1,719,350	1,952,191
Fund balances at 31 March 2014		1,283,580	396,652	1,680,232	1,719,350

There were no recognised gains or losses other than those shown in the Statement of Financial Activities. All incoming resources and resources expended derive from continuing activities. The accompanying notes form part of those financial statements.

Balance Sheet *as at 31 March 2014*

	Notes	2014 (£)	2013 (£)
OPERATIONAL FIXED ASSETS	6	961,562	984,703
FIXED ASSET INVESTMENTS	7	746,987	776,380
CURRENT ASSETS			
Debtors & prepayments	8	88,652	57,409
Bank balances		26,342	77,553
Cash in hand		655	1,333
Current assets		115,649	136,295
CREDITORS: amounts falling due within one year	9	(143,966)	(167,675)
NET CURRENT (LIABILITIES)/ASSETS		(28,317)	(31,380)
CREDITORS: amounts falling due after one year	9	-	(10,353)
NET ASSETS		1,680,232	1,719,350
FUNDS			
Restricted	10	396,652	395,162
Unrestricted		1,283,580	1,324,188
		1,680,232	1,719,350

The financial statements are prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008). The financial statements were approved by the board and authorised for issue on 24 July 2014 and signed on its behalf by:



Julie Mayhew, Treasurer



David Atterbury Thomas, Chair

The accompanying notes form part of those financial statements.

Cash Flow Statement *for the year ended 31 March 2014*

	Note	2014 (£)	2013 (£)
Net cash (outflow) from operating activities	14	(178,721)	(161,543)
Returns on investments and servicing of finance			
Rental and investment income		76,832	83,731
Capital expenditure and financial investment			
Payments to acquire tangible fixed assets		-	(4,866)
Proceeds from disposal of investments		50,000	50,000
Proceeds from disposal of tangible fixed assets		-	-
(Decrease)/Increase in cash	14	(51,889)	(32,676)

Note to the Accounts

1. ACCOUNTING POLICIES

(a) Basis of accounting

(i) The financial statements are prepared under the historical cost convention (as modified by the revaluation of investments) and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008), the Statement of Recommended Practice 'Accounting and Reporting by Charities' issued in March 2005 (SORP 2005) and the Companies Act 2006.

(ii) The financial statements have been prepared on the basis of a going concern.

(iii) Assets and liabilities taken over from predecessor charities were included at their estimated current use or market values on the dates they were acquired by the charity.

(b) Operational fixed assets

Depreciation has been provided at the following annual rates in order to write off each asset over its estimated useful life:

Freehold buildings	- 2% of cost p.a. straight line
Office furniture and equipment	- 20% of cost p.a. straight line
Computer equipment	- 33 $\frac{1}{3}$ % of cost p.a. straight line

Tangible fixed assets are capitalised if their initial costs are in excess of £1,000.

(c) Investments

Investment properties are included at Directors' valuation.

Other investments are included at market value.

Realised gains and losses are accounted for by reference to the sale proceeds and either the last balance sheet valuation, or the cost of purchase, if later. Unrealised gains and losses are calculated by comparing the previous balance sheet valuation, or cost of purchase, if later, to the year end valuation. All gains and losses are dealt with as part of the funds to which they relate.

(d) Gifts in kind

Gifts in kind are included at the value to the charity where this can be quantified and a third party is bearing the cost. The charity has a policy of accounting for gifts in kind if the value can be quantified as being over £10,000. No amounts are included in the financial statements for services of volunteers.

(e) General funds - unrestricted

These comprise the funds which are available to be used for the general purposes of the charity.

(f) Designated funds – unrestricted

Designated funds are those earmarked by the trustees for specific purposes or projects as noted in the financial statements.

1. Accounting Policies (continued)

(g) Restricted funds

These funds are held subject to specific trusts declared by the donor or through legal processes as explained in the financial statements.

(h) Income

All income including donations, any associated income tax recoveries from donations received under Gift Aid, and legacies are credited to the Statement of Financial Activities in the year in which they arise.

Incoming resources are recognised when the charity is considered to be entitled to apply the resource, the amount may be estimated with reasonable accuracy and the likelihood of receipt established with reasonable certainty.

Unless the provisions of a given grant or contract specify otherwise, grants are accounted for as restricted incoming resources and contracts as unrestricted.

(i) Expenditure

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to that category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

(j) Charitable activities

Charitable activities are expenditure incurred in delivering the charity's activities and services to its beneficiaries.

(k) Fundraising, publicity, communication and events expenditure

Fundraising, publicity, communication and events expenditure consists of expenditure incurred in raising funds together with the cost of communication and of holding events.

(l) Support costs

Support costs include the central office functions such as general management, payroll administration, budgeting and accounting, information technology, human resources and financing, and are allocated across the categories of charitable expenditure, governance costs and the costs of generating funds.

(m) Governance

Governance costs are the costs associated with the governance arrangements of the charity which relate to the general running of the charity, as defined by SORP 2005, as opposed to those costs associated with fundraising or charitable activity. Included within this category are costs related to external audit together with an apportionment of overhead and support costs.

(n) Pension costs

Southwark Diocesan Welcare participates in the defined contribution scheme offered by The Pensions Trust. The Pensions Trust is an occupational pension scheme provider for organisations involved in social, educational, charitable, voluntary or similar work. The financial position and the income and expenditure of The Pensions Trust are disclosed in its annual financial statements. Pension costs

1. Accounting Policies (continued)

under the defined contribution scheme are charged to the statement of financial activities in the period in which they fall due.

Southwark Diocesan Welcare participates in the Church Workers Pension Fund, which is a defined benefit pension scheme administered by the Church of England Pension Board. The assets of the scheme are held separately from those of the Board. Pension costs in relation to the scheme are likewise charged to the financial statements in the period in which they fall due.

Southwark Diocesan Welcare participates in the Church of England Funded Pension Scheme, which is a defined benefit pension scheme administered by the Church of England Pension Board. The assets of the scheme are held separately from those of the Board. Pension costs in relation to the scheme are likewise charged to the financial statements in the period in which they fall due.

(o) Leases

Assets held under finance leases and hire purchase contracts are capitalised in accordance with the above fixed asset policy and depreciated over their useful lives as appropriate. The interest element of the rental obligations is charged to the income and expenditure account over the period of the lease and represents a constant proportion of the balance of capital repayments outstanding.

2. Analysis of Grants and Contracts

	General Funds (£)	Restricted Funds (£)	Total 2014 (£)	Total 2013 (£)
Grants				
Southwark Diocesan Board of Finance	160,492	-	160,492	165,717
Surrey County Council grant for Children's Centre	-	241,362	241,362	190,329
Surrey County Council	-	86,221	86,221	67,168
City Bridge Trust	-	33,250	33,250	30,000
Netherby Trust	-	35,944	35,944	35,944
CAFCASS	-	930	930	69,218
Total grants of £25,000 or more	160,492	397,707	558,199	558,376
Other grants with a value of less than £25,000	11,087	19,705	30,792	128,124
Total grants	171,579	417,412	588,991	686,500

	General Funds (£)	Restricted Funds (£)	Total 2014 (£)	Total 2013 (£)
Contracts				
London Borough of Croydon	-	-	-	6,500
London Borough of Richmond	-	-	-	79,333
Wandsworth Borough Council 5-13 years	78,947	-	78,947	100,676
Wandsworth Borough Council (FGC)	-	-	-	55,389
London Borough of Bromley	74,048	-	74,048	85,310
London Borough of Greenwich	82,000	-	82,000	82,000
London Borough of Southwark (FGC)	24,700	-	24,700	73,230
Total contracts of £50,000 or more	259,695	-	259,695	482,439
Other contracts with a value of less than £50,000	3,023	-	3,023	297,913
Total Contracts	262,718	-	262,718	780,352

3. Analysis of Total Resources Expended

	Direct costs (£)	Support costs (£)	2014 Total (£)	2013 Total (£)
Costs of generating funds				
Fundraising, publicity, communication & events	3,417	36,423	39,840	8,828
Charitable activities				
Strengthening families through support to parents & children	830,590	250,221	1,080,811	1,933,468
Governance	-	29,549	29,549	29,418
Total resources expended	834,007	316,193	1,150,200	1,971,714

Support Costs

Support costs can be analysed as follows:

	Staff costs (£)	Other (£)	2014 Total (£)	2013 Total (£)
Costs of generating funds				
Fundraising, publicity, communication & events	26,706	9,717	36,423	5,492
Charitable Activities				
Strengthening families through support to parents & children	137,867	112,354	250,221	307,451
Governance	20,764	8,785	29,549	29,418
Total support costs	185,337	130,856	316,193	342,361

4. Net Outgoing Resources

	2014 (£)	2013 (£)
Auditor's remuneration including VAT	8,280	9,720
Depreciation	20,895	25,730

5. Staff Costs

	2014 (£)	2013 (£)
Wages and salaries	606,218	1,191,664
Social Security costs	53,657	103,714
Pension costs - The Pensions Trust	34,418	15,475
Pension costs – Church Workers' Pension Fund	10,509	29,769
Pension costs – The Church of England Pensions Board	655	934
Total staff costs	705,457	1,341,556

No employee earned £60,000 or more per annum. (2013: nil).

The average number of full time equivalent employees, analysed by function, was:

	2014	2013
Fundraising and publicity	0.75	-
Charitable activities	19.40	35.0
Governance	0.75	0.5
Total	20.9	35.5

The total number of staff employed at year end was 27 (2013:51)

No member of the Board of Trustees received remuneration for their services during the year.

Expenses reimbursed for out of pocket expenses totalled £nil (2013: £360).

6. Operational Fixed Assets

	Operational freehold land & buildings in use (£)	Office furniture & equipment (£)	Computer Equipment (£)	Total 2014 (£)
COST OR VALUATION				
Balance at 1 April 2013	1,090,974	81,220	110,913	1,283,107
Additions	-	-	-	-
Disposals	-	(75,716)	(51,467)	(127,183)
Balance at 31 March 2014	1,090,974	5,504	59,446	1,155,924
ACCUMULATED DEPRECIATION				
Balance at 1 April 2013	113,463	77,177	107,764	298,404
Disposals	-	(73,470)	(51,467)	(124,937)
Charge for year	18,688	549	1,658	20,895
Balance at 31 March 2014	132,151	4,256	57,955	194,362
NET BOOK VALUE				
At 31 March 2014	958,823	1,248	1,491	961,562
At 31 March 2013	977,511	4,043	3,149	984,703

All assets are used in the charitable activities of the charity.

7. Fixed Asset Investments

	Property (£)	Other investments (£)	Total 2014 (£)	Total 2013 (£)
Balance at 1 April 2013	400,000	376,380	776,380	810,948
Transfers to cash	-	-	-	-
Disposals		(48,422)	(48,422)	(49,115)
Revaluation	-	19,029	19,029	46,908
Net movement in cash and investments	-	-	-	(32,361)
Net Book Value at 31 March 2014	400,000	346,987	746,987	776,380

Individual holdings greater than or equal to 5% or more of the market value of other investments are:

	2014 (£)	2013 (£)
M & G Charifund	146,168	179,496
CBF Unit Trusts	121,756	116,635
CBF Deposit	79,062	77,513
Investment income	£	£
Bank deposit income	87	364
Dividend income	15,947	21,445
Total investment income	16,034	21,809

8. Debtors

	2014 (£)	2013 (£)
Prepayments	1,012	12,484
Accrued income	87,640	44,925
Total Debtors	88,652	57,409

9. Creditors

	2014 (£)	2013 (£)
Amounts falling due within one year:		
Trade creditors	31,241	54,931
Accruals and Deferred income	99,185	87,465
Other taxes and social security	13,540	25,279
Total Creditors	143,966	167,675

Amounts falling due after more than one year:		
Emily Peter's Bequest	-	10,353
Total	-	10,353

10. Restricted Funds

Restricted for spending in the following geographical areas or programmes of work:	Balance at 1 April 2013 (£)	Incoming resources (£)	Outgoing resources (£)	Transfers/ Unrealised (loss) (£)	Balance at 31 March 2014 (£)
East Surrey	-	377,339	370,766	-	6,573
Greenwich	-	37,100	37,100	-	-
Richmond	395,162	-	10,982	-	384,180
Wandsworth	-	400	400	-	-
Contact Centres	-	7,935	7,935	-	-
Bromley	-	50,668	46,020	-	4,648
Central	-	4,000	2,749	-	1,251
Total restricted funds	395,162	477,442	475,952	-	396,652

Funds were given to Welcare in Richmond to help with the purchase of property. This has been treated as restricted .

East Surrey currently receive grants from Surrey County Council to provide family support and a children's centre.

The Bromley restricted income consists of donations all of which were spent in Bromley, and grants for mentoring and Myspace.

Greenwich restricted income consists of donations and a grant from the City Bridge Trust.

11. Analysis of Net Assets Between Funds

	Operational fixed assets (£)	Investments (£)	Bank and Cash (£)	Other Net Assets/ (Liabilities) (£)	Total 2014 (£)
Restricted Funds	384,180	-	-	-	384,180
Unrestricted Funds	577,382	746,987	26,997	(55,313)	1,296,053
Total	961,562	746,987	26,997	(55,313)	1,680,233

12. Related Parties

During the year Southwark Diocesan Welcare received a grant of £160,492 (2013: £165,717) from Southwark Diocesan Board of Finance.

13. Pension Arrangements

(a) Pensions Trust Growth Plan

Welcare participates in The Pensions Trust's Growth Plan (the Plan). The Plan is funded and is not contracted-out of the State scheme. The Plan is a multi-employer pension plan.

Welcare paid contributions at the rate of 6% during the accounting period. Members paid contributions at the rate of 6% during the accounting period. As at the balance sheet date there were 9 active members of the Plan employed by Welcare and Welcare owed the Plan £2,157 (2013 £4,809). Welcare continues to offer membership of the Plan to its employees.

It is not possible in the normal course of events to identify on a reasonable and consistent basis the share of underlying assets and liabilities belonging to individual participating employers. The Plan is a multi-employer scheme, where the assets are co-mingled for investment purposes, and benefits are paid out of the Plan's total assets. Accordingly, due to the nature of the Plan, the accounting charge for the period under FRS17 represents the employer contribution payable.

Welcare has been notified by The Pensions Trust of the estimated employer debt on withdrawal from the Plan based on the financial position of the Plan as at 31 March 2014. As of this date the estimated employer debt for Welcare was £448,009. No provision has been included in the accounts for either of these amounts as the charity currently has no intention to withdraw from the Scheme.

13. Pension Arrangements (continued)

(b) Church Workers' Pension Fund

Southwark Diocesan Welcare participates in the Church Workers' Pension Fund which is a Defined Benefit Scheme (DBS) administered by the Church of England Pension Board. Southwark Diocesan Welcare is unable to identify its share of the underlying assets and liabilities as each employer is exposed to actuarial risks associated with the current and former employees of other entities participating in the DBS and accordingly the pension cost for the year is accounted for on the basis of a Defined Contribution Scheme as per note 4. There were no outstanding contributions as at 31 March 2014 or 2013. At 31 March 2014 Southwark Diocesan Welcare had no active members in the Fund.

A valuation of the fund was carried out as at December 2010, and Southwark Diocesan Board of Finance's contribution was revised to 36.5% from 1 April 2012 from 30.2%.

(c) Church of England Funded Pensions Scheme

The Church of England Funded Pensions Scheme is a Defined Benefit Scheme but Southwark Diocesan Welcare is unable to identify its share of the underlying assets and liabilities – each employer in that scheme pays a common contribution rate. Accordingly, the pension cost for the year is accounted for on the basis of a Defined Contribution scheme and the cost for the year is shown in note 4. There were no outstanding contributions as at 31 March 2014 or 2013.

For schemes such as the Church of England Funded Pensions Scheme, paragraph 9(b) of FRS 17 requires the Board to account for pension costs on the basis of contributions actually payable to the Scheme in the year.

From 1 April 2008, contribution rates were 39.7%. Following the results of the 2009 valuation, changes were made to benefits being built up in the Scheme from 1 January 2011 and Southwark Diocesan Welcare's contribution rate was set at 38.2% of pensionable stipends. As at 31 March 2014, Southwark Diocesan Welcare had no active members in the Fund.

Contributions rates were expected to be reviewed at 31 December 2012. At the time of signing this report the scheme is yet to release this valuation statement.

14. Cash Flow

Reconciliation of net surplus to net cash flow from operating activities	Total 2014 (£)	Total 2013 (£)
Net (deficit)/surplus	(59,725)	(280,634)
Rental and investment income	(76,832)	(83,731)
Depreciation	20,895	25,730
Loss on disposal of fixed assets	2,246	-
(Increase)/Decrease in debtors	(31,244)	21,739
Increase/(Decrease) in creditors	(34,062)	122,992
Transfer of investments to cash	-	32,361
Net cash (outflow) from operating activities	(178,722)	(161,543)

Analysis of cash in hand and at bank	Total 2014 (£)	Total 2013 (£)
Movement in cash during the year	51,889	(32,678)
Cash in hand and at bank at 1 April 2013	78,886	111,564
Cash in hand and at bank at 31 March 2014	26,997	78,886

15. Capital Commitments

There were no capital commitments at year end (2013: £nil – Contracted for but not provided in the financial statements).

welcare

strengthening families

If you would like to help us continue our services for children and families in South London and East Surrey, please consider making a regular or single donation, or volunteering at one of our centres. Please visit our website for further details.

For an electronic PDF version of this publication please visit our website at www.welcare.org or for a hardcopy please contact us on 0207 820 7910.

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Southwark Diocesan Welcare is a registered charity (1107859) and a company limited by guarantee (5275749)

