

# welcare

*strengthening families since 1894*



## TRUSTEES' REPORT & ACCOUNTS

FOR THE YEAR ENDED 31 MARCH 2015

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

Southwark Diocesan Welcare is a Charity registered in England & Wales  
Registered Charity Number: 1107859  
Company Number: 5275749

President: The Bishop of Southwark  
Chair of Trustees: David Atterbury Thomas  
Chief Executive: Anna Khan

## Legal & Administrative Information

|  |   |
|--|---|
| <b>Trustees</b>                                      | David Atterbury Thomas (Chair)<br>Marion Parsons (Vice Chair - to 23 September 2014)<br>Julie Mayhew (Honorary Treasurer)<br>The Ven. Dr Paul Wright<br>Sara Drake<br>Nicholas Bull<br>The Revd Andrew Wakefield<br>Megan Pacey<br>Mary Evans<br>Chris Hansen |
| <b>Chief Executive Officer</b>                       | Anna Khan   |
| <b>Charity Number</b>                                | 1107859   |
| <b>Company Number</b>                                | 5275749   |
| <b>Principal Address<br/>&amp; Registered Office</b> | 19 Frederick Crescent<br>London SW9 6XN   |
| <b>Auditor</b>                                       | haysmacintyre<br>26 Red Lion Square<br>London WC1R 4AG  |
| <b>Banker</b>  | National Westminster Bank plc<br>London Bridge Branch<br>PO Box 35<br>10 Southwark Street<br>London SE1 1TT   |
| <b>Solicitors</b>                                    | Bates Wells & Braithwaite Solicitors<br>10 Queen Street Place<br>London EC4R 1BE<br><br>Russell-Cooke<br>2 Putney Hill<br>London SW15 6AB   |

## Our Centres

### Registered & Central Office

19 Frederick Crescent  
London  
SW9 6XN

Tel: 020 7820 7910

Email: [info@welcare.org](mailto:info@welcare.org)

### Bromley Centre

St Barnabas Church  
Rushet Road  
Orpington  
Kent  
BR5 2PU

Tel: 020 8466 0399

Email: [Bromley@welcare.org](mailto:Bromley@welcare.org)

### East Surrey Centre

Welcare House  
24 Warwick Road  
Redhill  
RH1 1BU

Tel: 01737 780 884

Email: [Redhill@welcare.org](mailto:Redhill@welcare.org)

### Greenwich Centre

248-266 Nightingale Vale  
Woolwich Common  
London  
SE18 4HN

Tel: 020 8854 3865

Email: [Greenwich@welcare.org](mailto:Greenwich@welcare.org)

### Richmond Centre

Parkway House  
Sheen Lane  
East Sheen  
London  
SW14 8LS

Tel: 020 8893 9123

Email: [Richmond@welcare.org](mailto:Richmond@welcare.org)

### Wandsworth Centre

Tooting United Reformed Church  
Rookstone Road  
Tooting  
London  
SW17 9NQ

Tel: 020 8672 9372

Email: [Wandsworth@welcare.org](mailto:Wandsworth@welcare.org)

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## Words from our President

The poverty of yesterday is the austerity of today. The problems of poverty in the late 19<sup>th</sup> century, when Welcare was founded, were obvious and many individuals lived in squalor with the threat of the workhouse looming over them. Today, the joys and challenges of parenting children can be more complex. Many parents are caught in the trap of deprivation, with confidence in their own ability to be a good parent damaged through their own childhood experience. In our developed country it is easy to lose sight of children who are at risk and vulnerable.

As a society, we need to be reminded of the important role parenting in a loving and caring environment plays in children's futures. We need to be stirred to recognise the additional supportive part the wider communities can play in families' lives. Welcare services are dedicated to bringing support to those children and families where the joys of childhood and raising children can be constrained by social isolation, domestic abuse, financial hardship and disadvantage. Welcare understands the pressures associated with family life and is committed to strengthening families by focusing on small, supportive interventions which can transform the lives of vulnerable children and their families living in our community. It is vital that Welcare is able to continue to respond to the needs of our children today and make a better future for them tomorrow.

I give thanks to God for Welcare, celebrating 120 years, for the inspirational leadership of Anna Khan and dedicated service of those who give willingly of their time and expertise which touches the lives of many needy families and vulnerable young people in our communities throughout South London, East Surrey and Bromley.

**The Rt Revd Christopher Chessun**  
**Bishop of Southwark & Welcare President**



## 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 2015. 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.

*Between April 2014 and March 2015 we worked with 1,376 families and over 1,400 children across all our services*

## 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 2<sup>nd</sup> November 2004 and amended 29<sup>th</sup> 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

*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.*

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

1. To take actions to ensure that Welcare has a sustainable future delivering vital preventative family support services
2. To further develop Welcare's strategic objective of rolling out a comprehensive Child and Family Support Service across our areas of service delivery, provided by staff and complemented by volunteers
3. To rationalise the properties we own and lease to ensure we are maximizing our assets for the benefit of our service users currently and in the future
4. To provide a robust and flexible cloud-based IT system across all our centres helping to unite the charity and to ensure our staff and volunteers have the necessary software and hardware to do their jobs effectively
5. To develop a more user-friendly website that better enables parents and professionals to access our services and members of the public to learn more about Welcare and how they may support us

6. To develop a shared system for recording and monitoring outputs and outcomes data to enable us to assess and demonstrate the impact of our work
7. To continue to value our strong relationships with other professionals, agencies and charities to ensure we are focused on identifying local needs and enhancing the experience of the families we work with
8. 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 thereby increasing community and regional awareness of Welcare and to aid fundraising

During the past year we decided to invest in the future of our charity. This investment included much needed expenditure on our IT resources, our website, a comprehensive Services Database and the marketing of our properties in order to enable our staff and volunteers to continue to provide frontline services to children and families in the greatest need.

Welcare is emerging as a stronger charity with a primary focus on effective service provision and a reputation for always putting our beneficiaries first. This investment in our infrastructure will ensure our continued ability to do so.

## The Need

Welcare staff and volunteers aim to intervene early to provide practical and emotional help and support to strengthen families who are experiencing difficulties. Our aim is to enable parents to become the very best parent they can be to their children and to engage with their available networks, and to improve outcomes for vulnerable children and their families.

The main reasons families may be referred to Welcare mirror the research carried out by Professor Munro in 2011 whose Review of Child Protection references the association between child abuse and neglect and the 'toxic trio' of parental domestic violence and abuse, substance misuse and mental health problems. Indeed, some 90% of the families that we work with have had some history or experience of domestic abuse.

Our centre in Greenwich offers the *Strengthening Families, Strengthening Communities* programme - a group work model developed by the Race Equality Foundation specifically for parents whose child or children are on the child protection register. The number of children placed on a Child Protection Plan – meaning they are closely monitored by social workers to ensure their safety - rose by 33% to 52,000 in

England in the five years to 2015, while the number of 'section 47' inquiries – to determine whether individual children are being abused

**In the past year over 62 volunteers have directly supported our work with families across Welcare**

or neglected – increased by 42% to 159,000.

This national data<sup>1</sup> is reflected in the experience of Welcare working in South London, East Surrey and Bromley.

**In the first three months of 2015 volunteers have dedicated over 1,000 hours to Welcare**

There has been a growth in demand for children's social care and the number of vulnerable children and families is rising. An increasing population, austerity measures and the after-effects of the recession have had an impact on some families' ability to care properly for, and provide for, their children. The number of vulnerable children being taken into care or placed on child protection plans has increased for the fifth year running.

We are in a period of both increased need and increased cutbacks to statutory funding to meet that need. This increased demand from vulnerable children and families, who are not meeting the criteria for the limited statutory intervention available, is met by voluntary organisations such as Welcare. Without our preventative help and support, these families suffer further until they reach the point of eligibility for statutory intervention, therefore putting more strain on the limited statutory resources.

Welcare believes that we can intervene to improve outcomes for vulnerable children and families and that our contribution can prevent the need for comprehensive state involvement in the future.

<sup>1</sup> Data compiled by Children & Young People Now using official statistics for 2010-2014 from English local authorities.



## Highlights of the Year



### 120th Anniversary Service of Thanksgiving

To celebrate and give thanks for 120 years of Welcare providing support to children and families in need, on 15th November 2014 we held a Service of Thanksgiving at Southwark Cathedral. The service was very well attended by supporters, volunteers, staff and beneficiaries. We were delighted to be joined by Bishops and Archdeacons from the dioceses in which we work, including the Rt Reverend Christopher Chessun, Bishop of Southwark who presided and preached at the service.

The joyful event included performances by the Southwark Children's Brass Band and the Children's Choir of St John the Divine in Kennington. We are so proud to have been able to celebrate 120 years of making a difference in the lives of disadvantaged children in South London, East Surrey and Bromley.

### Securing Funding from the Royal Borough of Greenwich

We were very pleased to secure the commissioning by the Royal Borough of Greenwich to deliver Early Help Parenting Programmes for four years. These programmes work with the most vulnerable parents to improve the life prospects of their

children and help keep families together. Our new partnership with the Royal Borough of Greenwich runs from April 2015-19 and the courses will take place at our local centre.

### Welcare Children's Centre in Redhill

We are delighted to report that the Welcare Children's Centre in Redhill received a GOOD rating in all areas following the Ofsted inspection in May 2015. The Good grading was achieved by demonstrating good access to services for targeted children and families; the good quality of practice and services; and effective leadership, governance and management. Inspectors commented that the detailed knowledge of the local area derived from the long-standing work locally to identify the families that needed the services most; Welcare's ability to leverage additional funding; the support of volunteers and well-developed local partnerships all added enormous value to the quality of the services and practice. Congratulations to Centre Manager Julie Mitchell and her team.

### Website

In November 2014 we launched a brand new website for Welcare. We wanted the site to be more engaging, user friendly and to meet the needs of beneficiaries, professionals and those looking to support the charity. We are very pleased to have a new website which we can use as an information resource and fundraising tool. We look forward to developing the website and maximising its potential in the coming year.

### Supporter Highlights

Our Friends, Reps and community supporters continued this year to dedicate their time, efforts and finances to aid Welcare's work. Thank you for continuing to support the charity and the families and children we work with.

## Future Plans for Welcare

### Child and Family Support Service

We have agreed the strategic model for development of our Child and Family Support Service (CFSS). In 2015-16 we will be implementing and driving forward the first stage of the plans. We look forward to appointing new CFSS managers to supervise our regional services in south west, south east and inner London. The work of our current Family Support Workers and frontline volunteers is reflected in this regional structure. Looking ahead, we will recruit the additional staff and volunteers required for our service delivery.

### Re-launching Services within Inner London

As part of the strategic development of our Child and Family Support Service we will be sourcing funding for a Child and Family Support Manager to initiate and oversee service delivery in Southwark and Lambeth. Inner London is where Welcare began its work many years ago and we are committed to bringing back our preventative and responsive services to the area. We will be applying to trust and grant providers to fund the post and develop the service.

### Measuring Outcomes

This year we have launched our Services Database, which enables us to measure outputs across the charity. During the coming year we also plan to develop and improve the way in which we measure the impact and effectiveness of our services. This is important for both assessing our services internally and for feeding back to, and engaging with, our donors, supporters, volunteers and staff. We will be integrating the various ways we currently measure our outcomes, including the Family Star tool, case notes and reports to funders, with our Services Database to ensure consistency and to prevent duplication of work.

As part of our commitment to improving our outcome measurement we will be providing more opportunities for service user feedback and involvement. This will include service user groups, user surveys and following up after the closure of cases.

### MySpace - domestic abuse recovery programme

We are very pleased to have been supported in this project by the Church Welfare Association and St Anne's Church, Kew, to run the programme in Bromley and Richmond respectively. We know from experience that domestic abuse is widespread in the communities in which we work. We are therefore committed to rolling out the programme for 8 to 11 year olds in the areas where Welcare operates.

### Volunteering

Over the past year we have put in place a comprehensive training programme and have been working towards achieving the Investing in Volunteers accreditation. Achieving this recognition would enable us to demonstrate how much we value our volunteers and the significant value they add to our services.

### Regular Giving Scheme

In the coming year we will launch a new regular individual giving scheme, asking supporters to become *Friends of Welcare* by donating on a regular basis. We will focus on creating engaging communications for our donors. This scheme will help us take steps towards stabilising our income.

*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 2014/15*

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  
 Brighter Beginnings  
 Bromley Relief in Need  
 Broomwood Methodist Church  
 Buttle UK  
 CAF/CASS  
 Cairngorm Dancers  
 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  
 Copleston Church  
 Croydon Minster  
 Cudham Church  
 Cudham Village Club  
 Curves Gym  
 Curves Redhill  
 Danson Primary School  
 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 First Nights  
 Family Holiday Association  
 Ferrier Operatic Society  
 Fidelity International, Tadworth  
 First Community Health Winter Ball  
 Francis Chappell & Sons  
 Free Cakes For Kids UK  
 Furnstore, Redhill  
 Furze Hill Lodge  
 Furze Hill Lodge  
 Gift to Give  
 Godstone United Benefice  
 Good Shepherd Tadworth  
 Harlequin Theatre Redhill  
 Hawthorns School  
 Help a Capital Child  
 High Hopes For Children  
 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  
 ISHS Charitable Trust  
 John Beane's, Guildford  
 Jones IHS, Coulsdon  
 Keston Church  
 Kew Gardens

Legal 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  
 Natwest, Oxted  
 Netherby Trust  
 Newcommen Collett  
 North Downs Primary School  
 North Lambeth Methodist Church  
 Nutfield CofE School  
 ODA  
 Oxted United Reformed Church  
 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 Team Ministry  
 Riverside Vineyard  
 Riverway Seventh Day Adventist Church

# Thank You!

|  |   |                                     |
|--|---|-------------------------------------|
| Rotary Club of Cheam                   | St Luke Woodside                                    | St Peter & St Paul Bromley          |
| Rotary Club of Greenwich               | St Margaret Chipstead                               | St Peter & St Paul Chaldon          |
| Rotary Club of Langley Park            | St Margaret's Putney                                | St Peter & St Paul Lingfield        |
| Rotary Club of Twickenham              | St Mark Biggin Hill                                 | St Peter & St Paul's Nutfield       |
| Sharon's Cards & Crafts                | St Mark Bromley                                     | St Peter & St Paul Bromley          |
| Shooters Hill Golf Club                | St Mark Reigate                                     | St Peter Croydon                    |
| Six Tea Trust                          | St Mark South Norwood                               | St Peter Newdigate                  |
| Soroptimist International              | St Mark Kennington                                  | St Peter's School Oxted             |
| St Andrew Bromley                      | St Mark Purley                                      | St Peter Tandridge                  |
| St Andrew Earlsfield                   | St Martin Chelsfield                                | St Peter Brockley                   |
| St Andrew Gatton                       | St Mary Bletchingly                                 | St Peter Petersham                  |
| St Andrew Kingswood                    | St Mary Bromley                                     | St Peters Woodmansterne             |
| St Andrew Orpington                    | St Mary Buckland                                    | St Peter Streatham                  |
| St Anne & St Augustine Bermondsey      | St Mary Caterham                                    | St Philip the Apostle Sydenham      |
| St Anne Kew                            | St Mary Downe                                       | St Saviour Peckham                  |
| St Anne Wandsworth                     | St Mary Hampton                                     | St Saviour Brockley Rise            |
| St Augustine Bromley Common            | St Mary Hayes                                       | St Saviour Church                   |
| St Augustine of Canterbury Whitton     | St Mary Horne                                       | St Stephen Godstone                 |
| St Barnabas Cray                       | St Mary Magdalene Croydon                           | St Stephen's School South Godstone  |
| St Barnabas Lingfield                  | St Mary Magdalene Wandsworth                        | St Stephen East Twickenham          |
| St Bartholomew Burstow                 | St Mary Merton Park                                 | St Swithuns Purley                  |
| St Bartholomew Horley                  | St Mary of Nazareth West Wickham                    | St Thomas More School               |
| St Christopher Warlingham              | St Mary Oxted                                       | St Wilfred Horley                   |
| St Faith North Dulwich                 | St Mary Reigate                                     | St Mary's Women's Fellowship        |
| St Faiths Trust                        | St Mary Shortlands                                  | Stripey Stork Redhill               |
| St Francis Horley                      | St Mary Tatsfield                                   | Surrey Children's Services          |
| St Francis Petts Wood                  | St Mary the Virgin, Welling                         | Surrey County Council               |
| St Francis West Wickham                | St Mary with St Alban Teddington                    | Surrey Early Years                  |
| St George Beckenham                    | St Mary with St Paulinus Cray                       | Thamesmead Christian Fellowship     |
| St George Bickley                      | St Mary Barnes                                      | The Annunciation Church Chislehurst |
| St George Westcombe Park               | St Mary Plaistow                                    | The Ark Playgroup Twickenham        |
| St Giles and St Nicholas Orpington     | St Mary Sutton                                      | The Heath Church Reigate            |
| St Giles Farnborough                   | St Mary Twickenham                                  | The Factory Shop                    |
| St James Arc Group                     | St Mary with All Souls Parish of Green              | Three Oaks Trust                    |
| St James Hampton Hill                  | Street Green with Pratts Bottom                     | Timbercroft School                  |
| St James Riddlesdown                   | St Mary's Jigsaw Group                              | Toby Carvery Redhill                |
| St James Twickenhchiam                 | St Mary's Fellowship                                | Towers Watson, Reigate              |
| St John the Baptist, Eden Park         | St Matthew Redhill                                  | TravelSmart Merstham                |
| St John Blindley Heath                 | St Matthews School Redhill                          | TravelSmart Redhill                 |
| St John Bromley                        | St Matthew's Foodbank                               | Trinity United Reformed Church      |
| St John Dormansland                    | St Michael & All Angels Barnes                      | Twickenham upon Thames Rotary Club  |
| St John Felbridge                      | St Michael & All Angels Beddington                  | United Reformed Church Charlton     |
| St John Hurst Green                    | St Michael & All Angels with St Augustine Beckenham | United Reformed Church Oxted        |
| St John Outwood                        | Beckenham   | United Reformed Church Purley       |
| St John Penge                          | St Michael Betchworth                               | United Reformed Church Wandsworth   |
| St John Redhill                        | St Michael Lower Sydenham                           | Waitrose (Green Street Green)       |
| St John The Baptist Wimbledon          | St Michael with St Augustine Beckenham              | Waitrose (Caterham)                 |
| St John The Evangelist Angell Town     | St Michael Southfields                              | Wallington Methodist Church         |
| St John The Evangelist Caterham Valley | St Nicholas Charlwood                               | Warlingham Village Primary School   |
| St John with Holy Trinity Deptford     | St Nicholas Chislehurst                             | Welling Methodist Church            |
| St John Belmont                        | St Nicholas Godstone                                | Wesley Hall Methodist Church        |
| St John Community Hall                 | St Nicholas Kidbrooke                               | Wisdom of God Kingswood             |
| St Katherine & The Epiphany Merstham   | St Nicholas Orpington                               | Woodlea Primary School Woldingham   |
| St Luke & St Peter Reigate             | St Paul & St Agatha Woldingham                      | YMCA Community Sports               |
| St Luke Battersea                      | St Paul Beckenham                                   |                                     |
| St Luke Bromley Common                 | St Paul Beddington                                  |                                     |
| St Luke Charlton                       | St Paul Cray  |                                     |
| St Luke Whyteleafe                     | St Paul Crofton                                     |                                     |
| St Luke with Holy Trinity              | St Paul Wimbledon Park                              |                                     |

## Financial Review

Incoming resources for the year of £867k shows a decrease of £223k compared with the previous year's total of £1,090k. 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 £651k in the period (2014: £852k). Donations amounting to £98.7k were received from individual supporters and churches (2014: £122.6k) and £17.2k from fundraising events (2014: £16.8k). Investment income amounted to £11.7k (2014: £16.0k) and rental income of £79.0k was derived from properties (2014: £60.8k).

The principal funding sources of the charity are the Royal Borough of Greenwich, the London Borough of Wandsworth and Surrey County Council. 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 £990k (2014: £1,150k) including £411k of expenditure from restricted funds (2014: £476k).

The reduction in income for the year has resulted in net outgoing resources in the year before investment gains and losses of £123k (2014: deficit £60k).

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 2015 totalled £1,581k including £393k 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 2015 were £227k representing the equivalent of approximately three months expenditure.

As at 31 March 2015 fixed asset investments were valued at £584k including £400k of investment properties. There were unrealised gains of £22.0k in the year compared with a £19.0k gain in 2013-14. During the year a decision was made to let the centre on Twickenham Green for 15 years.

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. 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. The Board wishes to express its gratitude to Marion Parsons, who served Welcare for many years as Vice Chair and Chair of the Services Committee. The Trustees held a Planning Day in December 2014 to consolidate the aims and objectives of the Board, and a safeguarding training day for Trustees in February 2015.

### Relationships

Welcare has previously worked closely with statutory bodies involved in the delivery of services to children. Welcare has reduced its reliance on the delivery of statutory services on behalf of local authorities and is 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 9 members who meet at least four times a year and are responsible for the strategic direction and policy of Welcare. The three sub-committees which reported to the Board during 2014/15 were:

- Finance and Properties
- Services
- Fundraising & Marketing

Marion Parsons stood down as a trustee at the AGM in September 2014.

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. Financial services and the provision of professional HR advice are 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

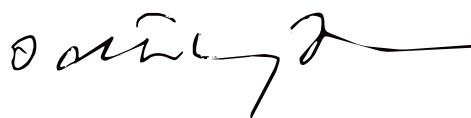
prevention and detection of fraud and other irregularities.

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.

### Auditor

haysmacintyre have signified their willingness to continue as our auditor 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**  
Signed 9 July 2015

## Independent Auditor's Report *to the members and Trustees of Southwark Diocesan Welcare*

We have audited the financial statements of Southwark Diocesan Welcare for the year ended 31 March 2015 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 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 charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

### Respective responsibilities of Trustees and auditor

As explained more fully in the Trustees' Responsibilities Statement 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.

We have been appointed auditor under the Companies Act 2006. Our responsibility is to

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

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at [www.frc.org.uk/auditscopeukprivate](http://www.frc.org.uk/auditscopeukprivate).

### 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 2015 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
- ◆ 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



## Independent Auditor's Report

2006 requires us to report to you if, in our opinion:

- ◆ the charitable company has not kept adequate and sufficient accounting records, or returns adequate for our audit have not been received from branches not visited by us; or
- ◆ the charitable company 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 and take advantage of the small companies exemption in preparing the Trustees' Report incorporating the Strategic Report.

*In our opinion the accounts give a true and fair view of the state of the charitable company's affairs as at 31 March 2015*



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

26 Red Lion Square  
London, WC1R 4AG

**Signed 9 July 2015**

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

## Statement of Financial Activities (SOFA) for the year ended 31 March 2015

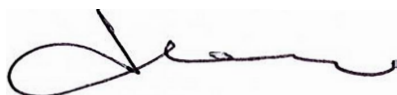
| INCOME AND EXPENDITURE                                       | Note     | Unrestricted funds (£) | Restricted funds (£) | Total 2015 (£)   | Total 2014 (£)   |
|--|----------|------------------------|----------------------|------------------|------------------|
| <b>INCOMING RESOURCES</b>                                    |          |                        |                      |                  |                  |
| <i>Donations, legacies and similar incoming resources</i>    |          |                        |                      |                  |                  |
| Donations and gifts  |          | 54,516                 | 44,202               | 98,718           | 122,624          |
| <i>Fundraising</i>   |          |                        |                      |                  |                  |
| Proceeds from fundraising events                             |          | 14,043                 | 3,178                | 17,221           | 16,758           |
| <i>Incoming resources from charitable activities</i>         |          |                        |                      |                  |                  |
| Grants   | 2        | 159,735                | 357,379              | 517,114          | 588,991          |
| Contracts  | 2        | 134,251                | -                    | 134,251          | 262,718          |
| Fees and other income  |          | -                      | -                    | -                | 7,849            |
| <i>Investment income</i>                                     |          |                        |                      |                  |                  |
| Investment income  | 7        | 11,611                 | 100                  | 11,711           | 16,034           |
| Rents received   |          | 78,984                 | -                    | 78,984           | 60,798           |
| <i>Other incoming resources</i>                              |          |                        |                      |                  |                  |
| Other income   |          | 6,597                  | 1,980                | 8,577            | 14,703           |
| <b>Total incoming resources</b>                              |          | <b>459,737</b>         | <b>406,839</b>       | <b>866,576</b>   | <b>1,090,475</b> |
| <b>RESOURCES EXPENDED</b>                                    |          |                        |                      |                  |                  |
| <i>Cost of generating funds</i>                              |          |                        |                      |                  |                  |
| Fundraising, publicity, communication & events               |          | 42,754                 | 2,236                | 44,990           | 39,840           |
| <i>Charitable activities</i>                                 |          |                        |                      |                  |                  |
| Strengthening families through support to parents & children |          | 509,892                | 408,447              | 918,339          | 1,080,811        |
| <i>Governance</i>  |          |                        |                      |                  |                  |
|  |          | 26,322                 | -                    | 26,322           | 29,549           |
| <b>Total resources expended</b>                              | <b>3</b> | <b>578,968</b>         | <b>410,683</b>       | <b>989,651</b>   | <b>1,150,200</b> |
| <b>Net outgoing resources for the year</b>                   | <b>4</b> | <b>(119,231)</b>       | <b>(3,844)</b>       | <b>(123,075)</b> | <b>(59,725)</b>  |
| <b>Other recognised gains</b>                                |          |                        |                      |                  |                  |
| Net gains on investments                                     |          |                        |                      |                  |                  |
| Realised   |          | 1,853                  | -                    | 1,853            | 1,578            |
| Unrealised   | 7        | 22,127                 | -                    | 22,127           | 19,029           |
| <b>Net movement in funds</b>                                 |          | <b>(95,251)</b>        | <b>(3,844)</b>       | <b>(99,095)</b>  | <b>(39,118)</b>  |
| <b>Brought forward at 1 April 2014</b>                       |          | <b>1,283,580</b>       | <b>396,652</b>       | <b>1,680,232</b> | <b>1,719,350</b> |
| <b>Fund balances at 31 March 2015</b>                        |          | <b>1,188,329</b>       | <b>392,808</b>       | <b>1,581,137</b> | <b>1,680,232</b> |

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 2015*

|   | Notes | 2015<br>(£)      | 2014<br>(£)      |
|---|-------|------------------|------------------|
| <b>OPERATIONAL FIXED ASSETS</b>                       | 6     | <b>945,122</b>   | <b>961,562</b>   |
|   |       |                  |                  |
| <b>FIXED ASSET INVESTMENTS</b>                        | 7     | <b>583,989</b>   | <b>746,987</b>   |
|   |       |                  |                  |
| <b>CURRENT ASSETS</b>                                 |       |                  |                  |
| Debtors & prepayments                                 | 8     | 91,412           | 88,652           |
| Short term deposits                                   |       | 86,977           | 26,342           |
| Bank and cash in hand                                 |       | 46,753           | 655              |
|   |       |                  |                  |
| <b>Current assets</b>                                 |       | <b>225,142</b>   | <b>115,649</b>   |
|   |       |                  |                  |
| <b>CREDITORS: amounts falling due within one year</b> | 9     | <b>(173,116)</b> | <b>(143,966)</b> |
|   |       |                  |                  |
| <b>NET CURRENT ASSETS/(LIABILITIES)</b>               |       | <b>52,026</b>    | <b>(28,317)</b>  |
|   |       |                  |                  |
| <b>NET ASSETS</b>                                     |       | <b>1,581,137</b> | <b>1,680,232</b> |
|   |       |                  |                  |
| <b>FUNDS</b>  |       |                  |                  |
|   |       |                  |                  |
| Restricted  | 10    | 392,808          | 396,652          |
| Unrestricted  |       | 1,188,329        | 1,283,580        |
|   |       | <b>1,581,137</b> | <b>1,680,232</b> |

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 9th July 2015 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 2015*

|  | Note      | 2015<br>(£)      | 2014<br>(£)      |
|--|-----------|------------------|------------------|
| <b>Net cash outflow from operating activities</b>      | 14        | <b>(170,940)</b> | <b>(178,721)</b> |
|  |           |                  |                  |
| <b>Returns on investments and servicing of finance</b> |           |                  |                  |
|  |           |                  |                  |
| Rental and investment income                           |           | 90,695           | 76,832           |
|  |           |                  |                  |
| <b>Capital expenditure and financial investment</b>    |           |                  |                  |
|  |           |                  |                  |
| Proceeds from disposal of investments                  |           | 100,001          | 50,000           |
|  |           |                  |                  |
| <b>Increase/(Decrease) in cash</b>                     | <b>14</b> | <b>19,756</b>    | <b>(51,889)</b>  |

# 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 2015 (£) | Total 2014 (£) |
|--|-------------------|----------------------|----------------|----------------|
| <b>Grants</b>                                  |                   |                      |                |                |
| Southwark Diocesan Board of Finance            | 159,735           | -                    | 159,735        | 160,492        |
| Surrey County Council                          | -                 | 307,833              | 307,833        | 327,583        |
| City Bridge Trust                              | -                 | -                    | -              | 33,250         |
| Netherby Trust                                 | -                 | 35,944               | 35,944         | 35,944         |
| CAFCASS  | -                 | -                    | -              | 930            |
|  |                   |                      |                |                |
| Total grants of £25,000 or more                | 159,735           | 343,777              | 503,512        | 558,199        |
|  |                   |                      |                |                |
| Other grants with a value of less than £25,000 | -                 | 13,602               | 13,602         | 30,792         |
| <b>Total grants</b>                            | <b>159,735</b>    | <b>357,379</b>       | <b>517,114</b> | <b>588,991</b> |

|   | General Funds (£) | Restricted Funds (£) | Total 2015 (£) | Total 2014 (£) |
|---|-------------------|----------------------|----------------|----------------|
| <b>Contracts</b>                                  |                   |                      |                |                |
| Wandsworth Borough Council 5-13 years             | 49,251            | -                    | 49,251         | 78,947         |
| London Borough of Bromley                         | -                 | -                    | -              | 74,048         |
| London Borough of Greenwich                       | 85,000            | -                    | 85,000         | 82,000         |
| London Borough of Southwark (FGC)                 | -                 | -                    | -              | 24,700         |
|   |                   |                      |                |                |
| Total contracts of £25,000 or more                | 134,251           | -                    | 134,251        | 259,695        |
| Other contracts with a value of less than £25,000 | -                 | -                    | -              | 3,023          |
| <b>Total Contracts</b>                            | <b>134,251</b>    | <b>-</b>             | <b>134,251</b> | <b>262,718</b> |



### 3. Analysis of Total Resources Expended

|  | Direct costs (£) | Support costs (£) | Total 2015 (£) | Total 2014 (£)   |
|--|------------------|-------------------|----------------|------------------|
| <b>Costs of generating funds</b>                             |                  |                   |                |                  |
| Fundraising, publicity, communication & events               | 3,644            | 41,346            | 44,990         | 39,840           |
| <b>Charitable activities</b>                                 |                  |                   |                |                  |
| Strengthening families through support to parents & children | 644,146          | 274,193           | 918,339        | 1,080,811        |
| <b>Governance</b>  | -                | 26,322            | 26,322         | 29,549           |
| <b>Total resources expended</b>                              | <b>647,790</b>   | <b>341,861</b>    | <b>989,651</b> | <b>1,150,200</b> |

#### Support Costs

Support costs can be analysed as follows:

|  | Staff costs (£) | Other (£)      | Total 2015 (£) | Total 2014 (£) |
|--|-----------------|----------------|----------------|----------------|
| <b>Costs of generating funds</b>                             |                 |                |                |                |
| Fundraising, publicity, communication & events               | 30,622          | 10,724         | 41,346         | 36,423         |
| <b>Charitable Activities</b>                                 |                 |                |                |                |
| Strengthening families through support to parents & children | 133,143         | 141,050        | 274,193        | 250,221        |
| <b>Governance</b>  | 20,040          | 6,282          | 26,322         | 29,549         |
| <b>Total support costs</b>                                   | <b>183,805</b>  | <b>158,056</b> | <b>341,861</b> | <b>316,193</b> |

## 4. Net Outgoing Resources

|                                      | 2015<br>(£) | 2014<br>(£) |
|--------------------------------------|-------------|-------------|
| Auditor's remuneration including VAT | 6,000       | 8,280       |
| Depreciation                         | 16,440      | 20,895      |

## 5. Staff Costs

|  | 2015<br>(£)    | 2014<br>(£)    |
|--|----------------|----------------|
| Wages and salaries                                   | 564,166        | 606,218        |
| Social Security costs                                | 48,034         | 53,657         |
| Pension costs - The Pensions Trust                   | 46,169         | 34,418         |
| Pension costs – Church Workers' Pension Fund         | -              | 10,509         |
| Pension costs – The Church of England Pensions Board | -              | 655            |
| <b>Total staff costs</b>                             | <b>658,369</b> | <b>705,457</b> |

No employee earned £60,000 or more per annum (2014: nil).

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

|                           | 2015        | 2014        |
|---------------------------|-------------|-------------|
| Fundraising and publicity | 0.8         | 0.75        |
| Charitable activities     | 17.2        | 19.40       |
| Governance                | 0.8         | 0.75        |
| <b>Total</b>              | <b>18.8</b> | <b>20.9</b> |

The total number of staff employed at year end was 23 (2014: 27).

No member of the Board of Trustees received remuneration for their services during the year (2014: £nil).

Expenses reimbursed for out of pocket expenses totalled £nil (2014: £nil).

## 6. Operational Fixed Assets

|   | Operational<br>freehold land &<br>buildings in<br>use<br>(£) | Office<br>furniture &<br>equipment<br>(£) | Computer<br>Equipment<br>(£) | Total<br>2015<br>(£) |
|---|--|---|------------------------------|----------------------|
| <b>COST OR VALUATION</b>                        |  |   |                              |                      |
| Balance at 1 April 2014<br>and at 31 March 2015 | 1,090,974  | 5,504                                     | 59,446                       | 1,155,924            |
| <b>ACCUMULATED DEPRECIATION</b>                 |  |   |                              |                      |
| Balance at 1 April 2014                         | 132,151  | 4,256                                     | 57,955                       | 194,362              |
| Charge for year                                 | 14,747   | 549                                       | 1,144                        | 16,440               |
| Balance at 31 March 2015                        | 146,898  | 4,805                                     | 59,099                       | 210,802              |
| <b>NET BOOK VALUE</b>                           |  |   |                              |                      |
| At 31 March 2015                                | 944,076  | 699                                       | 347                          | 945,122              |
| At 31 March 2014                                | 958,823  | 1,248                                     | 1,491                        | 961,562              |

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

## 7. Fixed Asset Investments

|  | Property<br>(£) | Other<br>investments<br>(£) | Total<br>2015<br>(£) | Total<br>2014<br>(£) |
|--|-----------------|-----------------------------|----------------------|----------------------|
| Balance at 1 April 2014                    | 400,000         | 346,987                     | 746,987              | 776,380              |
| Transfers to cash                          | -               | (86,977)                    | (86,977)             | -                    |
| Disposals                                  | -               | (98,148)                    | (98,148)             | (48,422)             |
| Revaluation                                | -               | 22,127                      | 22,127               | 19,029               |
| <b>Net Book Value<br/>at 31 March 2015</b> | <b>400,000</b>  | <b>183,989</b>              | <b>583,989</b>       | <b>746,987</b>       |

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

|                                | 2015<br>(£)   | 2014<br>(£)   |
|--------------------------------|---------------|---------------|
| M & G Charifund                | 50,044        | 146,168       |
| CBF Unit Trusts                | 133,945       | 121,756       |
| CBF Deposit                    | -             | 79,062        |
| <b>Investment income</b>       |               | <b>£</b>      |
| Bank deposit income            | 71            | 87            |
| Dividend income                | 11,640        | 15,947        |
| <b>Total investment income</b> | <b>11,711</b> | <b>16,034</b> |

## 8. Debtors

|                      | 2015<br>(£)   | 2014<br>(£)   |
|----------------------|---------------|---------------|
| Prepayments          | 1,098         | 1,012         |
| Accrued income       | 90,314        | 87,640        |
| <b>Total Debtors</b> | <b>91,412</b> | <b>88,652</b> |

## 9. Creditors

|   | 2015<br>(£)    | 2014<br>(£)    |
|---|----------------|----------------|
| <b>Amounts falling due within one year:</b> |                |                |
| Trade creditors                             | 13,205         | 31,241         |
| Accruals and Deferred income                | 147,616        | 99,185         |
| Other taxes and social security             | 12,295         | 13,540         |
| <b>Total Creditors</b>                      | <b>173,116</b> | <b>143,966</b> |

## 10. Restricted Funds

| Restricted for spending in the following geographical areas or programmes of work: | Balance at 1 April 2014 (£) | Incoming resources (£) | Outgoing resources (£) | Balance at 31 March 2015 (£) |
|--|-----------------------------|------------------------|------------------------|------------------------------|
| East Surrey  | 6,573                       | 357,137                | (357,820)              | 5,890                        |
| Greenwich  | -                           | 1,605                  | (1,605)                | -                            |
| Richmond   | 384,180                     | 1,622                  | (1,385)                | 384,417                      |
| Bromley  | 4,648                       | 43,975                 | (47,223)               | 1,400                        |
| Central  | 1,251                       | 2,500                  | (2,650)                | 1,101                        |
| <b>Total restricted funds</b>  | <b>396,652</b>              | <b>406,839</b>         | <b>(410,683)</b>       | <b>392,808</b>               |

Funds were given to Welcare in Richmond in 1997. The terms of the original bequest were to acquire a property in Richmond for use by Welcare.

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.

## 11. Analysis of Net Assets Between Funds

|                    | Operational<br>fixed assets<br>(£) | Investments<br>(£) | Bank and<br>Cash<br>(£) | Other Net<br>Assets/<br>(Liabilities)<br>(£) | Total 2015<br>(£) |
|--------------------|------------------------------------|--------------------|-------------------------|--|-------------------|
| Restricted Funds   | 384,180                            | -                  | 8,628                   | -  | 392,808           |
| Unrestricted Funds | 560,942                            | 583,989            | 38,125                  | 5,273  | 1,188,329         |
| <b>Total</b>       | <b>945,122</b>                     | <b>583,989</b>     | <b>46,753</b>           | <b>5,273</b>                                 | <b>1,581,137</b>  |

## 12. Related Parties

During the year Southwark Diocesan Welcare received a grant of £159,735 (2014: £160,492) from Southwark Diocesan Board of Finance. Under the Articles of Association of the charity, the Anglican Bishop of Southwark has the right to nominate up to two Trustees and to approve the appointment of the Chair from among the elected Trustees. During the year the Bishop nominated two Trustees, one nominated from the Bishop's Council and the second from the 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.

Prior to 1 April 2014, members of staff who had opted to join the Plan and Welcare both paid contributions at 6%.

As at the balance sheet date there were 6 active members of the Plan paying contributions at 6%. Since 1 April 2014 a further 13 members of staff have been enrolled in the Plan under auto-enrolment arrangements. Both Welcare and the employee pay the minimum level of contribution currently set at 1%.

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

## 13. Pension Arrangements (continued)

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 30 September 2014. As of this date the estimated employer debt for Welcare was £540,736. No provision has been included in the accounts for this amount as the charity currently has no intention to withdraw from the Scheme.

### (b) Church Workers' Pension Fund

Southwark Diocesan Welcare participated 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 5. There were no outstanding contributions as at 31 March 2015. Southwark Diocesan Welcare has 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 5. There were no outstanding contributions as at 31 March 2015.

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. Southwark Diocesan Welcare has no active members in the Fund.

The triennial valuation was expected to be completed at 31 August 2014. At the time of signing this report the scheme is yet to release this valuation statement. Welcare has not yet been informed of any section 75 liability following the withdrawal of the last remaining active member on 31 December 2013.



## 14. Cash Flow

| Reconciliation of net deficit to net cash flow from operating activities | Total 2015 (£)   | Total 2014 (£)   |
|--|------------------|------------------|
| Net deficit  | (123,075)        | (59,725)         |
| Rental and investment income   | (90,695)         | (76,832)         |
| Depreciation   | 16,440           | 20,895           |
| Loss on disposal of fixed assets   | -                | 2,246            |
| Increase in debtors  | (2,760)          | (31,244)         |
| Increase/(Decrease) in creditors   | 29,150           | (34,061)         |
| <b>Net cash outflow from operating activities</b>                        | <b>(170,940)</b> | <b>(178,721)</b> |

| Analysis of cash in hand and at bank             | Total 2015 (£) | Total 2014 (£) |
|--|----------------|----------------|
| Movement in cash during the year                 | 19,756         | (51,889)       |
| Cash in hand and at bank at 1 April 2014         | 26,997         | 78,886         |
| <b>Cash in hand and at bank at 31 March 2015</b> | <b>46,753</b>  | <b>26,997</b>  |

## 15. Capital Commitments

There were no capital commitments at year end (2014: £nil).

# welcare

*strengthening families since 1894*



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

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

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