welcare

strengthening families since 1894

TRUSTEES' REPORT & ACCOUNTS

FOR THE YEAR ENDED 31 MARCH 2026

Welcare is a charity based on Christian values, working with families and children in South London and East Surrey.

Our vision is of a world where every child and family is respected, included and resilient and able to overcome the challenges in life.

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

Legal & Administrative Information

Trustees	Shaun Macdonald (Chair) Christopher Taylor (Hon Treasurer) The Ven Allie Kerr (until 23 June 2025) The Ven Greg Prior (until 14 October 2025) Louise Villeneau Natalie Walters Rachel Curley (from 20 October 2025) Patrick Williams (from 2 February 2026)
Chief Executive Officer	Anna Khan
Management Team	Katie Toal Catharine Adjei Diane Taylor Rose Luckett
Charity Number	1107859
Company Number	5275749
Registered Name	Southwark Diocesan Welcare
Registered Office	24 Warwick Road Redhill Surrey, RH1 1BU
Correspondence Address	48 Union Street London, SE1 1TD
Auditor	TC Group The Courtyard Shoreham Road Upper Beeding Steyning West Sussex, BN44 3TN
Banker	National Westminster Bank plc London Bridge Branch PO Box 35 10 Southwark Street London, SE1 1TJ
Solicitors	Russell-Cooke 2 Putney Hill London, SW15 6AB

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Our Centres

Registered Office
24 Warwick Road
Redhill
Surrey
RH1 1BU

Central Office, South London Services and Correspondence Address
48 Union Street
London
SE1 1TD

Tel: 020 7820 7910
Email: info@welcare.org

Bromley Centre
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South Street
Bromley
BR1 1RH

Email: info@welcare.org

East Surrey
Welcare House
24 Warwick Road
Redhill
Surrey
RH1 1BU

Tel: 01737 780884
Email: Redhill@welcare.org

Southwest London Services
Castelnau Community Centre
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SW13 9AQ

Email: info@welcare.org

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FUNDRAISING REGULATOR

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Welcome from the Chair

I am very pleased to present this report of Welcare's achievements during the past year. It has been a pleasure and privilege to work with my fellow trustees and all the team at Welcare, in our joint ambition to make things better for children and families struggling across the Diocese. During the year we have had a number of changes on the Board: the Venerable Greg Prior stood down whilst we welcomed Reverend Rachel Curley and headteacher Patrick Williams to the Board. I would also like to formally record my personal thanks to Chris Taylor, our honorary treasurer, who acted as interim Chair until my formal appointment on 21 July 2025.

I thank all those who have supported us financially including individuals, churches and corporate bodies. We were grateful to be chosen as one of three charities supported by the Mayor of Bromley during his mayoral year and as one of the beneficiaries of the Bishop of Southwark's Lent appeal. Others who have provided us with grants are listed in our Financial Review.

At the heart of our work is a steadfast commitment to supporting families, and over the past year, Welcare has provided help, guidance, and practical support to 828 families. This has been delivered through a combination of one-to-one support, structured group programmes and tailored practical interventions to provide immediate support.

The needs of our community for this work continues to grow due to the personal relationship, medical, housing and economic pressures on families impacting their ability to cope unsupported.

Our work as a subcontractor to YMCA East Surrey enables us to deliver a range of family resilience services. This partnership has allowed us to continue our established services in the region.

Successfully delivering services in a challenging financial climate has required scrutiny of our organisational structure and ongoing investment in safeguarding and risk management. We remain committed to ensuring our work is underpinned by qualified social work expertise. We continued to examine and reduce our core overhead costs wherever possible.

Conscious of the challenges around us, trustees focused on the longer term during our annual day of reflection together, setting challenging goals to grow our impact with families through more family workers, whilst protecting the stability of the charity. In order to grow income the trustees have committed to recruit a part time fundraiser, with especial focus on trusts and foundations.

None of our work, and the positive impact it has, would have been possible without the dedication of Anna Khan, our Chief Executive and her wonderful team who have all worked with flexibility and resilience throughout the year. All our staff, volunteers, and supporters have gone above and beyond to sustain our vital services and valuable local networks and partnerships.

Thank you for your continued support, in whatever way, spiritual, financial or practical, Welcare is dependent on it.

Shaun Macdonald
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 2026. The trustees have adopted the provisions of the Statement of Recommended Practice "Accounting and Reporting by Charities" issued in 2015 – Second Edition effective 1 January 2019, 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 17 of the Charities Act 2011 to have due regard to the Charity Commission's general guidance on public benefit.

Objectives and Activities

Objects of the Charity

Welcare is governed by the articles of association and memorandum dated 2 November 2004 and amended 29 September 2010 and 23 September 2015. 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 vision is of a world where every child and family is respected, included and resilient, and able to overcome challenges in life.

Our mission is to work alongside parents and carers to give children secure and confident childhoods and to enable them to thrive in the future. To achieve this, we aim to:

1. Support families and children to develop resilience, confidence and self-esteem.
2. Enable children and families to thrive within their communities.
3. Provide practical support to meet immediate needs.
4. Work with families to prevent the need for statutory social work interventions.
5. Develop our services to support children's emotional health and well-being.
6. Work collaboratively with the community, schools and churches.

Welcare intervenes early to prevent escalation, reduce harm and strengthen family resilience. By working together, we help families draw on their skills and strengths to nurture secure, confident children. Our aim is to enable a parent to become the very best parent they can be to their children, to engage with their available networks and to improve the outcomes for vulnerable children and their families. 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.

Activities of the Charity

Identifying the need

We deliver services across South London and East Surrey, supporting children and families experiencing multiple and often interrelated challenges, including:

Children

- Exposure to adverse childhood experiences, including domestic abuse and trauma
- Elevated anxiety and emotional distress
- Limited resilience and underdeveloped coping strategies

Parents and carers

- Strained or disrupted parent–child relationships
- Inadequate or unstable housing conditions affecting children's health and development
- Experience of domestic abuse and/or violence
- Families stepping down from statutory or specialist Children's Services who require ongoing early help support
- Use of inappropriate or ineffective behaviour management strategies
- Ongoing parental conflict impacting family stability
- Financial hardship, including pressures associated with the rising cost of living
- Social isolation and limited access to support networks
- Parental mental health needs
- Caring responsibilities for children with special educational needs and disabilities (SEND) and/or presenting with behaviours that challenge

Activities addressing the need

To address the need, our dedicated professional staff work with individual children and their parents; we work to build and strengthen the positive elements of family lives and to prevent future problems by intervening early and breaking cycles before they become entrenched. We do this through one to one support and our group work programmes.

Individual One-to-One Family Support

- 1:1 whole family domestic abuse recovery work. Supporting interventions which improve parental capacity and family relationships.
- Helping families access emergency and grant funding to provide immediate financial relief or using our own emergency fund, Families in Crisis.
- Identifying barriers to accessing services within the local community and contribute to overcoming these barriers.
- Helping families with a child with SEND to access the appropriate support through co-ordinating with schools and professionals.
- Information, advice, guidance and signposting.
- Advocating for and helping families navigate the benefits system and making referrals to local food or baby banks.
- Providing supermarket vouchers donated by our church and community supporters.
- Being referral partners with other charities and organisation that can provide free support for families.

Groupwork programmes

- **Domestic Abuse Recovery Toolkit**: for children and their non-abusive parent that helps them to understand, better manage, and change their experience of living with the trauma responses caused by domestic abuse.
- **Capability in Schools**: early intervention programme delivered in schools for children with emerging social and emotional support needs.
- **Caring Dads**: which aims to improve the parent-child relationship between fathers and their children. It is an evidence-based programme specifically for men who have abused and neglected their children or exposed them to abuse of their mother.
- **Strengthening Families Strengthening Communities**, an inclusive, evidence-based parenting programme, designed to promote positive parenting skills that are associated with better outcomes for children.
- **Talking Teens**: offering tools to better understand teens, strengthen family relationships, and improve home life through shared learning and supportive peer discussion.
- **Who's in Charge?**: for parents of children aged 8-18 who are abusive or violent towards them or appear out of parental control.
- **Parenting Puzzle**: course aimed to help parents/carers understand their child's behaviours and develop positive, practical strategies for discipline and boundary-setting.
- **Keeping Your Child in Mind**: for parents and carers experiencing relationship tension or conflict, designed to strengthen parenting by improving connections between adults and their children.
- A range of early intervention **Playworker led groups** to promote child development, strengthen the parent-child bond and improve school readiness. The groups support:
    - Families who are socially isolated
    - Mothers and babies seeking asylum
    - Families and children where English is an additional language
    - Children with speech or language delays
    - Parents struggling to bond with their baby
    - Parents of children with SEND

Achievements and Performance

Performance against objectives

We have continued to build our Child and Family Support Service to enable delivery of a consistent community-based service throughout South London boroughs and extending into East Surrey.

Our most significant achievements of the last year include:

- Providing individual support for 299 families and providing a range of practical assistance and financial grants for struggling families.
- Delivering effective Family Centre and Family Resilience services in Reigate & Banstead in partnership with the YMCA East Surrey.
- Facilitating parenting programmes including **Strengthening Families Strengthening Communities, Parenting Puzzle** and **Who's In Charge**. In addition, 498 parents attended a range of play therapy and other support groups with their children.
- Refining our **Capability in Schools** material in response to feedback from practitioners in schools.

- Delivering one **Caring Dads**, an intense structured 17 week group work programmes for men who have abused and neglected their children.
- Delivering a range of playworker led courses including Baby & Me, One Step at a Time, Happy Tots and Encouraging English from our centre in Redhill to support isolated new mothers and those with English as a second language, including asylum seekers.
- Maintaining strong connections with Southwark Diocese and our supporters in local churches by speaking at churches and sharing our supporter videos which highlight the work of the charity.
- Ongoing commitment to our core work supporting children and parents to recover from the trauma of domestic abuse.
- Our loyal supporters organised a range of traditional fundraising events during the year and raised £21.7k (2025: £15.4k).

We have been heartened that despite their own challenges 52 individual churches supported our work in the last financial year. It is always a pleasure to visit churches and share our work. A regular highlight of the year is the Annual Service of Thanksgiving for the work of Welcare held in Bromley Parish Church followed by a wonderful networking lunch provided by Friends and Parish Reps.

Total income from Trusts and Foundations amounted to £92,575 (2025: £122,612).

Outcomes

Welcare staff and volunteers work alongside parents to give children secure and confident childhoods and to enable them to thrive in the future. We strive to empower families with children up to the age of 13 by offering practical and emotional support to overcome challenges and change lives for the better. We achieve this through our one-to-one support and groupwork programmes.

During the year we received referrals from a variety of sources including schools, children's services and health service providers. Reasons for referral included child and parent emotional wellbeing, domestic abuse, and low self-esteem.

Our families received additional support, sourced by Welcare staff, in the form of supermarket vouchers, household items, support with utility costs, school and warm clothes and access to counselling worth £56,395 in value (2025: £41,116). We have continued our partnership with Feed London, enabling us to distribute fresh food boxes and supermarket vouchers to families facing food insecurity during school holidays.

Welcare uses Family Star+, Empowerment Star and My Star, tailored to different aspects of family life and to parents and children. These tools guide reflective conversations between our staff and children and families helping assess needs, agree realistic next steps and understand progress. We use these stars to measure our impact and report to those who fund us. We aim to make a significant difference using at least three scales on the star.

In the year 2025-26, 83% of parents reported a significant personal Journey of Change using the following scales on Family Star+:

- My Children's Emotions
- How I Feel
- My Child's Behaviour
- Our Family Routine

We use these insights to ensure we're making a lasting difference to the children and families we support.

Plans for the Future

The review of Welcare's charitably funded services continues as we seek to provide a more consistent service throughout our area of benefit and deliver key interventions and programmes that make most efficient use of our limited staff resources to make a lasting impact for children and families. The key elements include:

- Strengthening our child and family support services by focussing on delivering individual support for families in south London boroughs.
- Continuing our partnership with the YMCA delivering Family Centre and Family Resilience services in East Surrey.
- Maximising community use of our Redhill Family Centre and enabling other local delivery partners to use our facilities. Preparation of our Welcare Centre in Redhill to be the Best Start Family Hub for East Surrey.
- Continuing delivery of the Caring Dads programme. Caring Dads is an intense 17-week group intervention programme for fathers who have shown harmful or neglectful behaviour towards their children or exposed them to domestic abuse. It is an accredited and evaluated programme to support men who admit they need help to become a better father.
- Delivering our Capability in Schools programme with existing partner schools This programme supports vulnerable children and offers a range of group-work programmes focussed on building emotional well-being, resilience, and self-esteem.
- Domestic Abuse Recovery – our staff are trained to deliver a domestic abuse recovery programme which is used in one-to-one and group work settings. The approach is to reinforce strengths, coping skills and resilience, contributing to improvements in health and wellness on a long-term and sustainable basis to enable a path to be navigated from trauma to recovery.

Contributions from Volunteers

Our volunteers have always been a key, valued part of the charity. We are grateful for all the prayerful and financial support we receive throughout South London and East Surrey but especially from our Bromley Parish Reps and Friends, Greenwich Friends and supporters in Hampton Deanery who have organised Lent lunches, theatre shows, concerts, carol singing, walks, afternoon teas, quizzes, talks and other fundraising events.

Our Trustees, Friends, and Parish Representatives donated a combined total of 596 hours of their time to support Welcare during the year. A special thank you to the ten runners in 'Team Welcare' who raised £4,028 in the London 10K.

At our Redhill Centre, we remain fortunate to benefit from the ongoing commitment of a husband-and-wife team who undertake regular maintenance and gardening duties. In addition, we have also gained 2 more volunteers who undertake reception services. These volunteers now assist staff by welcoming visitors, facilitating the signing-in process, and responding to telephone enquiries.

Up to the end of 2025, our play group volunteer continued to play a vital role in supporting the delivery of our regular drop-in sessions. Their assistance extends beyond preparation and clearing away activities; they also provide positive role modelling and actively engage parents and children in play.

A group of 20+ volunteers from St. Margaret's Church, Chipstead gathered at Welcare House over a number of weekends to restore and revitalise the outdoor play area – a key space for the children and families who visit Welcare. Volunteers planted flowers, repainted equipment, donated a new bench and made the outdoor play area colourful and welcoming again.

In August, we delivered another successful year of *Picnics in the Park* at Redhill. A total of 70+ families attended the two events. The picnics were supported by volunteers and were further enriched with free activities provided by Raven Housing, SES Water and Surrey Police.

Financial Review

Income for the year of £981k shows an increase of £28k, largely due to the increase in donations in the year, compared with the previous year's total of £953k.

Donations amounting to £32k were received from individual supporters (2025: £23k) and £90k from fundraising (2025: £69k). Investment income amounted to £17k (2025: £18k) and rental income of £178k was derived from properties (2025: £151k).

The principal funding sources of the charity were the Diocese of Southwark (South London Church Fund) and our sub-contract with the YMCA East Surrey to deliver family resilience support in Reigate & Banstead. Grants received during the year over £25,000 include the Charity of Sir Richard Whittington, City Bridge Foundation and the Netherby Trust. We are also grateful to the following trusts and foundations who generously supported our work, Richmond Foundation, Sisters of the Holy Cross, Benefact Trust, St Faith's Trust, Barnes Fund, United St Saviour's, Awards for All, Drapers' Charitable Fund, Sherborne in the Community, Surrey Community Foundation, and Merchant Taylors.

We were grateful to The London Catalyst Fund, Richmond Charities, Three Oaks, Bauer Media, Reigate Community Counselling Centre and other grant making trusts who support individual children and families in need. The charity also receives funding from churches and individuals.

During the year we were delighted to partner with Future Fundraisers in Lambeth – an initiative to encourage young people to build careers in the charitable sector.

Expenditure in the year was £939k (2025: £936k) including £491k of expenditure from restricted funds (2025: £424k).

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 to ensure that Welcare is able to continue serving the most vulnerable children and their families in South London and East Surrey for generations to come.

Reserves Policy

Reserves as at 31 March 2026 totalled £3,662k (2025: £2,962k) including £45k (2025: £67k) of restricted reserves and £3,206k (2025: £2,564k) of designated funds.

The designated operational fixed asset fund represents fixed assets used in the day to day running of Welcare and are therefore not funds freely available to the charity. The designated fixed asset investment fund represents the value of the investment property and listed securities held as these are held for long-term income generation and are not freely available as liquefiable assets. The designated pension liability fund represents the amounts owed to The Pension's

Trust in respect of the pension deficit and is not part of the operational expenditure of the charity. The Board considers that free reserves (defined as total reserves less designated and restricted funds) should be maintained at an amount equivalent to three to six months of the current year's expenditure. This gives a range of £218k - £447k. 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. The target level of three to six months' reserves reflects realistic commitments on salaries, rent and other expenditure.

Free reserves are currently £411k (2025: £332k).

Investment Policy

As at 31 March 2026 fixed asset investments were valued at £2,833k (2025: £2,165k) including £2,575k (2025: £1,900k) of investment properties. There were net losses on investments of £7k in the year (2025: net losses of £14k). A full revaluation of all investment properties took place on 18 June 2026. It is the policy of the Board of Trustees to undertake a formal revaluation of investment properties every five years. The next revaluation will be undertaken in 2031.

The Board of Trustees has adopted socially responsible and ethical investment policies. In practice this is achieved by keeping under review the policies of the charity's common investment funds which are invested in such a way as to satisfy these policies.

Welcare relies on income from property investments to finance service delivery and to provide a level of protection when grant funding comes to an end. Rental income from the properties is used for the furtherance of the aims and objectives of the charity. These assets provide essential income streams for our service delivery. The rental of one property was increased in November 2024 in line with the RPI.

Fundraising Policy

Welcare undertakes a variety of fundraising activities to support our strategy of delivering better outcomes for children and families. We are registered with the Fundraising Regulator. We abide by the Fundraising Promise and the Institute of Fundraising Codes of Practice.

We commit to fundraising ethically, responsibly and with our donors in mind. We care about our supporters, what they think about our fundraising and always promise to be transparent, fair and legally compliant. We will always respect the privacy and contact preferences of our donors. We will respond promptly to requests to cease contact or to complaints and act as best we can to address their concerns. Any enquiries regarding fundraising can be directed to fundraising@welcare.org, while complaints should be made in writing to: Welcare Fundraising, 48 Union Street, London, SE1 1TD. We have never received any complaints about our fundraising practices.

We recognise the need to monitor our activities consistently to ensure our fundraising is being conducted to the highest possible standards. We have taken steps to ensure compliance with the General Data Protection Regulation (GDPR) and all staff are required to complete a GDPR e-learning module at least every three years.

Our fundraising strategy is approved by the Board of Trustees. The trustees are responsible for overseeing all aspects of quality assurance and compliance relating to fundraising.

Principle Risks and Uncertainties

The risk register identifies risks under the following headings, following Charity Commission recommendations:

- Governance
- Operational
- Financial
- Environmental/External
- Compliance

Each identified risk is assessed in terms of likelihood and impact and then weighted giving a gross risk rating. Actions to minimise each risk are identified and responsibility for monitoring these is given to named individuals. The strength of each risk management strategy is given a numeric rating enabling the net risk to be calculated.

The Board reviews the risk register on at least an annual basis. The trustees' appetite for risk informs the strategic plan of the organisation. The trustees generally adopt a low risk tolerance.

The Chief Executive is responsible to the Board for the management and implementation of the risk management strategy and reports on the progress towards mitigating each risk.

The CEO is responsible for embedding risk management into the culture of Welcare through:

- Communication and feedback
- Business planning
- Staff appraisals

The management of risk is not an isolated process but is embedded in the management of the organisation and the delivery of Welcare's services. Several other policies, therefore, deal with risk management and risk assessment e.g. Health and Safety Policy, Safeguarding, Data Protection, Investment Policy etc. All Welcare's policies are reviewed regularly and updated in line with changes in legislation, regulation and best practice.

Welcare has a business continuity plan which is reviewed annually. All staff are able to work remotely.

The trustees have developed a strategy to help mitigate any reduction in regular income with a decision to appoint a specialist fundraiser, further rationalisation of the property portfolio and ongoing efficiency savings. We remained in receipt of ongoing funding from grant making trusts and foundations although some of our long-term donors have been unable to continue their support. We are looking to continue to diversify our income streams and attract a new generation of supporters.

Other specific risks which, if materialised, would have had a significant impact on the charity were identified as:

Category	**Risk**	**Mitigation**
Financial	Inability to deliver services and fund projects due to lack of funding for any reason including termination of contracts and over-reliance on particular supporters and funders.	• Diversify funding streams and develop new supporters

		• Develop sustainable services independent of local authority contracts • Promote regular giving scheme • Improve communications between charity and supporters by producing regular newsletters • Maintain a good local profile • Review finances of all services before making decisions • Monitor budgets offered by YMCA for Family Centre/Family Resilience work • Appointment of a specialist fundraiser
Operational	Unanticipated long-term absence of key member of staff resulting in additional costs to cover the post or overload on existing staff required to cover the post; or reduced output (contact with families). Failure to recruit and retain professional, skilled and experienced staff to work in south London and East Surrey, endangering service delivery.	• Employee Assistance programme to mitigate stress and mitigate the risk of long-term sickness absence • Senior staff required to provide 3 months' notice • Succession business continuity planning • Professional HR advice and support from WorkNest • Emphasise the advantages of working for Welcare • Review salary levels and role descriptions • Review staffing structure and operational model to increase resilience to impact of short- and medium-term staff changes • Ensure all critical systems have a minimum of 2 staff/trustees trained to use them • Use recruitment agencies for hard to recruit roles
Operational	Incident involving child protection or safeguarding issue involving staff member or volunteer resulting in harm to the child and reputational damage. Holding complex cases which should be managed by statutory services. Operational and safeguarding risk from increased workload for staff delivering	• Rigorous application and annual review of Safeguarding policy • Safer recruitment processes • Mandatory safeguarding training for all staff, volunteers and trustees • DBS checks carried out for all eligible staff, volunteers and trustees

	services for SCC under Lead Provider arrangements.	• Robust supervision, complaints and referral processes • Foster awareness throughout Welcare of the duty to report • Safeguarding policies updated to take account of increased use of smartphones/IT and staff working from home • Good gate-keeping procedures • Escalation Policy and escalation of appropriate cases • Safeguarding/Escalation report submitted at every Board meeting • Regular monitoring discussions with East Surrey YMCA and fellow providers
External/Environmental	Welcare is required to absorb increased costs (utilities, HR, supplier contracts etc) while income remains static resulting in budget deficits.	• Reduce external costs wherever possible. • Robust partnership agreements in place • Off-set utility costs by sub-letting Warwick Road Centre

Structure, Governance and 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. Revised Articles of Association were adopted by a special resolution passed at the charity's AGM on 23 September 2015. The members of the organisation are limited to the trustees for the time being who may serve two terms of three years which, in exceptional circumstances and with the agreement of the Board, can be extended for one additional three-year term. 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. Trustees serve fixed terms of office. The Anglican Bishop of Southwark has the right to nominate up to two trustees. The current nominee is Natalie Walters.

The trustees do not receive any benefit but may be reimbursed for reasonable expenses properly incurred when acting on behalf of the charity. In 2025-2026 a total of £0 (2024-2025: £117.03) was paid to trustees in reasonable expenses.

An induction process provides new trustees with the detailed information about the charity required for their role. The Board has held a number of facilitated planning sessions most recently in November 2025 at which the Board confirmed its strategy to focus on delivering:

- Individual family support work
- Caring Dads and other group work programmes
- Domestic Abuse Recovery work
- Family Centre and Family Resilience Services in East Surrey
- Capability in Schools with existing partners

Strategic planning is a standard item on each Board agenda. Trustees are encouraged to attend appropriate external training courses, including online safeguarding training for trustees, conferences and forums. All trustees have received Charity Commission guidance on The Essential Trustee and the Charity Governance Code and receive briefings from Welcare's professional advisers.

Organisational Structure

The Board currently has six members who meet at least six times a year. The Board is responsible for the strategic direction and policy oversight of the charity's finances and management of its strategic delivery objectives.

Overall responsibility for the delivery of Welcare's services lies with the CEO. Welcare is structured into separate regional service delivery areas headed by our Head of Practice or experienced centre manager who are also members of the senior management team.

eTapestry, our supporter database has enabled improved communication with donors and supporters and better data collection, management and protection.

Lamplight, our client management system has enhanced our ability to record output and outcomes and to report to funders.

Financial services and the provision of professional HR advice are outsourced to external providers.

Safeguarding Policy

Our safeguarding policy is available on our website and includes recommendations for maintaining safeguarding standards while using digital platforms to deliver individual and group work. The safeguarding policy is reviewed and updated annually by senior managers and then approved by the Board of Trustees. The Head of Practice has responsibility for and oversight of all safeguarding matters within Welcare. A designated Board member holds Board level responsibility for safeguarding.

Relationships

Welcare has worked closely with statutory bodies involved in the delivery of services to children. Since 1 April 2024, Welcare has provided a Family Centre and Family Resilience service for Surrey County Council as a subcontractor of East Surrey YMCA. Welcare 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 partnership working.

Welcare has a strong relationship with the Church of England and has received an annual grant towards its work from the Anglican Diocese of Southwark. Welcare also enjoys close relationships with a number of churches in South London boroughs including the Bromley, Beckenham and Orpington deaneries in the Diocese of Rochester and with the Hampton deanery in the Diocese of London where individual church members support Welcare financially, through volunteering and in prayer.

Key Management Personnel Remuneration Policy

The salary of the Chief Executive is set by the Chair in consultation with the Honorary Treasurer using the recommendations for the Diocese of Southwark lay employees. The organisation uses the NJC pay scales for benchmarking salaries of other staff.

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

The Board of Trustees appointed TC Group to undertake the audit for the financial year ending in 2026 and will consider the appointment of the auditor for 2026-2027 at the next scheduled Board meeting.

On behalf of the Board of Trustees

Shaun Macdonald, Chair

20 July 2026

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS AND TRUSTEES OF SOUTHWARK DIOCESAN WELCARE

Opinion

We have audited the financial statements of Southwark Diocesan Welcare (the 'charitable company') for the year ended 31 March 2026. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2026 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; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

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

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the trustees' report (incorporating the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

We have nothing to report in respect of the following matters in relation to which 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 directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, 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, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: https://www.frc.org.uk/Our-Work/Audit/Audit-and-assurance/Standards-and-guidance/Standards-and-guidance-for-auditors/Auditors-responsibilities-for-audit/Description-of-auditors-responsibilities-for-audit.aspx. This description forms part of our auditor's report.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Extent to which the audit was considered capable of detecting irregularities, including fraud

The objectives of our audit, in respect to fraud, are to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses; and to respond appropriately to fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and its management.

Our approach was as follows:

- We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general sector experience, and through discussion with the trustees and other management (as required by auditing standards), and discussed with the trustees and other management the policies and procedures regarding compliance with laws and regulations (see below);
- We identified the following areas as those most likely to have such an effect: health and safety; General Data Protection Regulation (GDPR); fraud; bribery and corruption, and employment law. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the trustees and other management and inspection of regulatory and legal correspondence, if any. The identified actual or suspected non-compliance was not sufficiently significant to our audit to result in our response being identified as a key audit matter.
- We considered the legal and regulatory frameworks directly applicable to the financial statements reporting framework (FRS 102, the Companies Act 2006 and the Charities Act 2011), the relevant tax compliance regulations in the UK and the application of relevant business regulations including consideration of the UK sanctions regime;
- We considered the nature of the charity's operations, the control environment and financial performance.

- We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit;
- We considered the procedures and controls that the charity has established to address risks identified, or that otherwise prevent, deter and detect fraud; and how senior management monitors those procedures and controls.

Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations. Where the risk was considered to be higher, we performed audit procedures to address each identified fraud risk. These procedures included: testing manual journals; reviewing the financial statement disclosures and testing to supporting documentation; performing analytical procedures; and enquiring of management and were designed to provide reasonable assurance that the financial statements were free from fraud or error.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

Use of our report

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.

TC Group

Mark Cummins
FCCA Senior Statutory Auditor
for and on behalf of TC Group
Statutory Auditors
Office: Sussex

Dated 22 July 2026

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Statement of Financial Activities

(including income and expenditure account)
For the year ended 31 March 2026

	Note	Unrestricted funds £	Restricted funds £	2026 Total £	2025 Total £
INCOME					
Donations and legacies					
Individual Giving		22,398	9,131	**31,529**	22,972
Other Trading Activities					
Fundraising Activities		90,475	-	**90,475**	68,850
Income From Investments					
Investment income		17,368	-	**17,368**	17,638
Rents received		177,632	-	**177,632**	151,466
Income From Charitable Activities					
Child & Family Support Services		198,062	164,763	**362,825**	394,824
Groups & Workshops		4,101	-	**4,101**	15,400
Family Centre		-	296,038	**296,038**	278,238
Other income		679	-	**679**	3,258
Total income	2	510,715	469,932	**980,647**	952,646
EXPENDITURE					
Expenditure on Raising Funds					
Fundraising & Marketing		64,738	-	**64,738**	47,124
Expenditure on Charitable Activities					
Child & Family Support Services		235,360	211,142	**446,502**	519,370
Groups & Workshops		3,434	-	**3,434**	7,043
Family Centre		143,600	280,231	**423,831**	362,649
Total Expenditure	3	447,132	491,373	**938,505**	936,186
Net income before investments gains		63,583	(21,441)	**42,142**	16,460
Net gains on investments	7	657,453	-	**657,453**	136,120
Net income after investments gains		721,036	(21,441)	**699,595**	152,580
Net movement in funds		721,036	(21,441)	**699,595**	152,580
Fund balances brought forward at 1 April 2025		2,895,465	66,733	**2,962,198**	2,809,618
Funds balances carried forward at 31 March 2026		3,616,501	45,292	**3,661,793**	2,962,198

There were no recognised gains or losses other than those shown in the Statement of Financial Activities.
All income and expenditure derive from continuing activities.
The accompanying notes form part of those financial statements.
Details of comparative figures by fund are given in note 12.

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Balance Sheet
As at 31 March 2026

Registered company number 05275749

	Note	**2026**	**2026**	2025	2025
		£	**£**	£	£
Operational Fixed Assets	6		**390,388**		399,637
Fixed Asset Investments	7		**2,832,850**		2,164,894
Current assets					
Debtors	8	**21,152**		50,185	
Short term investments		**128,914**		139,417	
Cash at bank & in hand		**452,154**		411,427	
Current assets		**602,220**		601,029	
Creditors: amounts falling due within one year	9	**(155,256)**		(186,720)	
Net current assets			**446,964**		414,309
Creditors: amounts falling due after one year	9		**(8,409)**		(16,642)
Net assets	10		**3,661,793**		2,962,198
Funds of the Charity					
Restricted funds	10		**45,292**		66,733
Designated funds	10				
Operational fixed assets			**390,388**		399,637
Fixed assets investments			**2,832,850**		2,164,894
Covid Recovery			**-**		25,000
Pension liability			**(17,642)**		(25,875)
General funds			**410,905**		331,809
Total funds			**3,661,793**		2,962,198

The financial statements were approved by the Board and authorised for issue on 20 July 2026 and signed on its behalf by:

C. Taylor

Christopher Taylor, Honorary Treasurer

The accompanying notes form part of these financial statements.

Statement of Cash Flows

For the year ended 31 March 2026

	Notes	2026 £	2026 £	2025 £	2025 £
Cash flows from operating activities:					
Net income for the year		**699,595**		152,580	
Adjustments for:					
Depreciation charges	6	**11,182**		10,796	
Losses/(Gains) on revaluation of investments		**(657,453)**		(136,120)	
Dividends, interest & rents from investments		**(195,000)**		(169,104)	
(Increase)/decrease in debtors		**29,033**		(29,389)	
Increase/(decrease) in creditors		**(39,697)**		59,958	
Net cash provided by operating activities			**(152,340)**		(111,279)
Cash flows from investing activities:					
Purchase of tangible fixed assets	6	**(1,933)**		-	
Dividends, interest & rents from investments		**195,000**		169,104	
Net cash used in investing activities			**193,067**		169,104
Change in cash and cash equivalents in the year			**40,727**		57,825
Cash and cash equivalents at the beginning of the year			**411,427**		353,602
Cash and cash equivalents at the end of the year			**452,154**		411,427

	01 April 2025 £	Cash flow £	31 March 2026 £
Cash at bank and in hand	411,427	40,727	**452,154**

Notes to the Accounts

For the year ended 31 March 2026

1. ACCOUNTING POLICIES

(a) Statutory information

Southwark Diocesan Welcare is a charitable company, limited by guarantee, registered in England and Wales. The charitable company's registered number and registered office address can be found on the Legal and Administrative Information page.

(b) Basis of Accounting

(i) The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) – (Charities SORP 2015 (Second Edition, effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Charities Act 2011 and the Companies Act 2006.

Southwark Diocesan Welcare meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

The financial statements are produced in sterling, which is the functional currency of the charity. Items are rounded to the nearest £.

(ii) The trustees have assessed whether the use of the going concern assumption is appropriate in preparing these financial statements. The trustees have made this assessment to a period of one year from the date of approval of these financial statements. In particular, the trustees have considered the charity's forecasts and projections and have taken account of pressures on collections and other voluntary income. After making enquiries the trustees have concluded that there are no material uncertainties and there is a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. The charity therefore continues to adopt the going concern basis in preparing its financial statements.

(c) 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
Freehold Property Replacements	10% of cost p.a. straight line
Office furniture and equipment	20% of cost p.a. straight line
Computer equipment	33⅓% of cost p.a. straight line

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

(d) Investments

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. Investment properties are included at market value. The Statement of Financial Activities includes the gains and losses arising on revaluation and disposals throughout the year.

Notes to the Accounts (continued)

For the year ended 31 March 2026

1. ACCOUNTING POLICIES (continued)

(e) Critical accounting judgements and key sources of estimation uncertainty

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

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

Judgements made by the trustees, in the application of these accounting policies that have a significant effect on the financial statements and estimates with a significant risk of material adjustment in the next year are deemed to be in relation to the depreciation rates of tangible fixed assets and the assumptions used in determining the value of the pension scheme deficit.

In the view of the trustees, no assumptions concerning the future or estimation uncertainty affecting assets or liabilities at the balance sheet date are likely to result in a material adjustment to their carrying amounts in the next financial year.

(f) Debtors

Trade and other debtors are recognised at the settlement amount due. Prepayments are valued at the amount prepaid net of any trade discounts due.

(g) Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

(h) 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.

(i) General funds – unrestricted

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

(j) Designated funds – unrestricted

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

(k) Restricted funds

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

Notes to the Accounts (continued)

For the year ended 31 March 2026

1. ACCOUNTING POLICIES (continued)

(l) 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.

Income is 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 is considered probable.

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

(m) 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.

(n) Charitable activities

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

(o) 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.

(p) Support costs

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

(q) Governance

Governance costs are the costs associated with the governance arrangements of the charity which relate to meeting constitutional requirements. Included within this category are costs related to external audit together with an apportionment of overhead and support costs.

(r) 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. Although The Pensions Trust is a defined contribution scheme a shortfall has occurred and each contributor is required to make good their share of the shortfall. The liability is reduced when payments are made to The Pension Trust.

As a result of the transfer of 2 members of staff to the Family Centre under TUPE arrangements, Welcare has obtained admitted body status to the Local Government Pension Scheme (LGPS). Welcare has entered into a side agreement to restrict the charity's exposure to the LGPS liabilities.

(s) Operating leases

Payments made under operating leases are charged to the Statement of Financial Activities on a straight line basis over the lease term.

Notes to the Accounts (continued)

For the year ended 31 March 2026

2. ANALYSIS OF INCOME

Current year	Unrestricted funds £	Restricted funds £	**Total 2026 £**
Donations			
Donations and fundraising	112,873	9,131	**122,004**
Grants			
South London Church Fund	157,772	-	**157,772**
City Bridge Foundation	-	39,467	**39,467**
The Charity of Sir Richard Whittington	-	38,000	**38,000**
Netherby Trust	26,250	-	**26,250**
The Richmond Foundation	-	24,177	**24,177**
Sisters of the Holy Cross	-	20,000	**20,000**
Grants of under £20,000	14,040	43,119	**57,159**
Total Grants	198,062	164,763	**362,825**
Contracts			
YMCA	-	296,038	**296,038**
Investment income & rent receivable	195,000	-	**195,000**
Groups & Workshops	4,101	-	**4,101**
Other income	679	-	**679**
Total income	510,715	469,932	**980,647**

Prior year	Unrestricted funds £	Restricted funds £	Total 2025 £
Donations			
Donations and fundraising	90,712	1,110	91,822
Grants			
South London Church Fund	157,772	-	157,772
The Charity of Sir Richard Whittington	-	41,500	41,500
City Bridge Foundation	-	40,398	40,398
Netherby Trust	35,000	-	35,000
Drapers' Charitable Fund	-	25,000	25,000
The Richmond Foundation	-	23,248	23,248
Grants of under £20,000	8,170	63,736	71,906
Total Grants	200,942	193,882	394,824
Contracts			
YMCA	-	278,238	278,238
Investment income & rent receivable	169,104	-	169,104
Groups & Workshops	15,400	-	15,400
Other income	180	3,078	3,258
Total income	476,338	476,308	952,646

Notes to the Accounts (continued)

For the year ended 31 March 2026

3. ANALYSIS OF TOTAL EXPENDITURE

Current year	**Direct Staff Costs £**	**Direct Other Costs £**	**Support Costs Allocated £**	**2026 Total £**
Expenditure on Raising Funds				
Fundraising & Marketing	44,264	5,674	14,800	**64,738**
Expenditure on Charitable Activities				
Child & Family Support Services	266,482	112,956	67,064	**446,502**
Groups & Workshops	-	3,434	-	**3,434**
Family Centre	313,062	31,981	78,788	**423,831**
Total Expenditure	**623,808**	**154,045**	**160,652**	**938,505**

Prior year	Direct Staff Costs £	Direct Other Costs £	Support Costs Allocated £	2025 Total £
Expenditure on Raising Funds				
Fundraising & Marketing	27,698	9,770	9,656	47,124
Expenditure on Charitable Activities				
Child & Family Support Services	318,870	119,779	80,721	519,370
Groups & Workshops	-	7,043	-	7,043
Family Centre	251,476	47,513	63,660	362,649
Total Expenditure	598,044	184,105	154,037	936,186

ANALYSIS OF SUPPORT COSTS

Support costs can be analysed as follows:

	2026 £	2025 £
Governance		
Audit fee	**12,300**	11,640
Trustee and other meeting costs	**-**	117
Staff costs allocated to Governance	**7,418**	7,371
	19,718	19,128
Other Support costs	**35,979**	3,989
Movement in accrued pension liability	**19,686**	40,841
Staff costs allocated to Support	**85,269**	90,079
Total support costs	**160,652**	154,037

Support costs are allocated on the basis of time spent on each activity.

Notes to the Accounts (continued)

For the year ended 31 March 2026

4. RESULTS FOR THE YEAR

Expenditure includes:	**2026 £**	2025 £
Auditors' remuneration:	**12,300**	11,640
Depreciation	**11,182**	10,796

5. STAFF COSTS AND NUMBERS

The key management personnel of the charity comprise the trustees and the Chief Executive Officer.

The total amounts paid in respect of the key management personnel of the Charity were £95,222 (2025: £90,713). This includes employers' national insurance and pension contributions.

Staff costs were as follows:	**2026 £**	2025 £
Salaries and wages	**599,725**	607,486
Social Security costs	**67,990**	57,258
Pension contributions	**29,978**	30,750
Redundancy	**18,803**	-
	716,495	695,494

One employee earned between £70,000 and £80,000 in the current and prior year.

Pension contributions in the year for this employee amounted to £4,759 (2025: £4,606).

One redundancy payment of £18,803 (including £8,303 paid in lieu of notice) was made in the year (2025: £0).

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

	2026 No.	2025 No.
Fundraising and publicity	**0.4**	0.6
Charitable activities	**14.6**	14.2
	15.0	14.8

The total number of staff employed at year end was 18 (2025: 17).

No member of the Board of Trustees received remuneration for their services during the year (2025: £nil). No trustees were reimbursed for out of pocket expenses (2025: £117.03).

Notes to the Accounts (continued)

For the year ended 31 March 2026

6. OPERATIONAL FIXED ASSETS

	Operational freehold land and buildings in use £	**Freehold Property Replacements £**	**Office furniture & equipment £**	**Computer equipment £**	**Total 2025 £**
Cost or Valuation					
As at 1 April 2025	582,221	2,832	-	18,112	603,165
Additions	-	-	1,933	-	1,933
At 31 March 2026	582,221	2,832	1,933	18,112	605,098
Accumulated depreciation					
As at 1 April 2025	185,062	354	-	18,112	203,528
Charge for the year	10,513	283	386	-	11,182
At 31 March 2026	195,575	637	386	18,112	214,710
Net book value					
At 31 March 2026	**386,646**	**2,195**	**1,547**	**-**	**390,388**
At 31 March 2025	397,159	2,478	-	-	399,637

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

7. FIXED ASSET INVESTMENTS

	Investment properties £	**Other investments £**	**Total 2026 £**	Total 2025 £
Balance at 1 April 2025	1,900,000	264,894	2,164,894	2,022,500
Gains/(Losses) on revaluation	675,000	(7,044)	667,956	142,394
Balance as at 31 March 2026	**2,575,000**	**257,850**	**2,832,850**	**2,164,894**

The £657,453 gain on investments in the SOFA is made up of £675,000 gains on properties and £7,044 loss in the fixed asset investments, with the remaining gain coming from current assets.

The investment properties were revalued at 31 March 2026 in accordance with the RICS Valuation – Professional Standards 2014 (The Red Book) by William Bradley BSc (Hons) MRICS of Bradley Harris Ltd, Chartered Surveyors, 368 Croydon Road, Beckenham, Kent BR3 4EX. In line with their policy to undertake a formal revaluation of investment properties every five years, the next formal revaluation will take place in March 2031.

Notes to the Accounts (continued)

For the year ended 31 March 2026

8. DEBTORS

	Total 2026 £	Total 2025 £
Prepayments	**8,004**	10,742
Accrued income	**13,148**	39,443
	21,152	50,185

9. CREDITORS

	Total 2026 £	Total 2025 £
Accounts falling due within one year:		
Trade creditors	**26,856**	17,923
Deferred income and accruals	**99,255**	140,994
Other taxes & social security	**19,158**	16,264
Other creditors	**754**	2,306
Pension provision	**9,233**	9,233
Total Creditors	**155,256**	186,720
Deferred grant income		
Balance brought forward	**122,871**	6,857
Amount released to grant income	**(122,871)**	(6,857)
Amount deferred in the year	**78,778**	122,871
	78,778	122,871

	Total 2026 £	Total 2025 £
Accounts falling due after more than one year:		
Pension provision	**8,409**	16,642
	8,409	16,642

Notes to the Accounts (continued)

For the year ended 31 March 2026

10. MOVEMENT IN FUNDS

Current year	Balance at 1 April 2025 £	Income £	Expenditure £	Transfers and gains/ (losses) on investments £	As at 31 March 2026 £
Restricted funds:					
East Surrey	20,316	312,091	(320,079)	-	**12,328**
South London	46,417	157,841	(171,294)	-	**32,964**
Total restricted funds	**66,733**	**469,932**	**(491,373)**	-	**45,292**
Designated funds:					
Operational fixed assets fund	399,637	-	-	(9,249)	**390,388**
Fixed asset investment fund	2,164,894	-	-	667,956	**2,832,850**
Covid Recovery	25,000	-	-	(25,000)	**-**
Pension liability fund	(25,875)	-	-	8,233	**(17,642)**
Total unrestricted designated funds:	**2,563,656**	**-**	**-**	**641,940**	**3,205,596**
Total unrestricted general funds:	331,809	510,715	(447,132)	15,513	410,905
Total funds	**2,962,198**	**980,647**	**(938,505)**	**657,453**	**3,661,793**

Prior year	Balance at 1 April 2024 £	Income £	Expenditure £	Transfer and gains/ (losses) on investments £	As at 31 March 2025 £
Restricted funds:					
East Surrey	14,076	314,643	(308,403)	-	20,316
South London	-	161,665	(115,248)	-	46,417
Central	188	-	(188)	-	-
Total restricted funds	14,264	476,308	(423,839)	-	66,733
Designated funds:					
Operational fixed assets fund	410,433	-	-	(10,796)	399,637
Fixed asset investment fund	2,022,500	-	-	142,394	2,164,894
Covid Recovery	75,000	-	-	(50,000)	25,000
Pension liability fund	(10,179)	-	-	(15,696)	(25,875)
Total unrestricted designated funds:	2,497,754	-	-	65,902	2,563,656
Total unrestricted general funds:	297,600	476,338	(512,347)	70,218	331,809
Total funds	2,809,618	952,646	(936,186)	136,120	2,962,198

Notes to the Accounts (continued)

For the year ended 31 March 2026

10. MOVEMENT IN FUNDS (continued)

Restricted Funds

East Surrey – funds carried forward at 31 March 2026 relate to the Family Resilience service funded by YMCA East Surrey.

South London – this fund represents grants towards work with children and families in south London boroughs.

Designated Funds

The operational fixed asset fund represents the net book value of tangible fixed assets used in the day to day running of Welcare and are therefore not funds freely available to the charity.

The fixed asset investment fund represents the value of the investment property and listed securities held as these are held for long term income generation and are not freely available as liquefiable assets.

Welcare has met the needs of its beneficiaries by continuing to offer practical and emotional family support throughout the year. Trustees have focused on securing the future well-being of the charity and the surplus from 2021 was designated to a recovery fund to deliver pilot projects aimed at forging a stronger charity able to withstand a more challenging funding environment in the future. The fund has been fully released.

The pension liability fund represents the amounts owed to The Pension's Trust in respect of the pension deficit and is not part of the operational expenditure of the charity.

Transfers in funds represent programmes funded from unrestricted income.

Notes to the Accounts (continued)

For the year ended 31 March 2026

11. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Operational Fixed Assets £	Investments £	Short term investment and cash at bank £	Other Net Assets / (Liabilities) £	Total 2026 £
Restricted funds	-	-	45,292	-	**45,292**
Unrestricted general funds	-	-	535,776	(124,871)	**410,905**
Unrestricted designated funds	390,388	2,832,850	-	(17,642)	**3,205,596**
Net assets at 31 March 2026	**390,388**	**2,832,850**	**581,068**	**(142,513)**	**3,661,793**

PRIOR YEAR ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Operational Fixed Assets £	Investments £	Short term investment and cash at bank £	Other Net Assets / (Liabilities) £	Total 2025 £
Restricted funds	-	-	66,733	-	**66,733**
Unrestricted general funds	-	-	484,111	(152,302)	**331,809**
Unrestricted designated funds	399,637	2,014,894	-	(875)	**2,563,656**
Net assets at 31 March 2025	**399,637**	**2,164,894**	**550,844**	**(153,177)**	**2,962,198**

Notes to the Accounts (continued)

For the year ended 31 March 2026

12. PRIOR YEAR STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds	Restricted funds	2025 Total
INCOME	£	£	£
Donations and legacies			
Individual Giving	22,884	88	**22,972**
Other Trading Activities			
Fundraising Activities	67,828	1,022	**68,850**
Income From Investments			
Investment income	17,638	-	**17,638**
Rents received	151,466	-	**151,466**
Income From Charitable Activities			
Child & Family Support Services	200,942	193,882	**394,824**
Groups & Workshops	15,400	-	**15,400**
Family Centre	-	278,238	**278,238**
Other income	180	3,078	**3,258**
Total income	476,338	476,308	**952,646**
EXPENDITURE			
Expenditure on Raising Funds			
Fundraising & Marketing	47,124	-	**47,124**
Expenditure on Charitable Activities			
Child & Family Support Services	411,392	107,978	**519,370**
Groups & Workshops	7,043	-	**7,043**
Family Centre	46,788	315,861	**362,649**
Total Expenditure	512,347	423,839	**936,186**
Net income/(expenditure) before investments gains/(losses)	(36,009)	52,469	**16,460**
Net (losses)/gains on investments	136,120	-	**136,120**
Net income/(expenditure) after investments gains	100,111	52,469	**152,580**
Net movement in funds	100,111	52,469	**152,580**
Fund balances brought forward at 1 April 2024	2,795,354	14,264	**2,809,618**
Funds balances carried forward at 31 March 2025	2,895,465	66,733	**2,962,198**

Notes to the Accounts (continued)

For the year ended 31 March 2026

13. RELATED PARTIES

During the year Southwark Diocesan Welcare received a grant of £157,772 (2025: £157,772) 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 Trustees. The Bishop's nominee is Natalie Walters.

Aggregated donations to the charity from trustees during the year amounted to £nil (2025: £nil). There have been no other related party transactions and all trustees and key management personnel have signed related party declarations

14. PENSION ARRANGEMENTS

Pensions Trust Growth Plan

The company participates in the scheme, a multi-employer scheme which provides benefits to some 521 non-associated participating employers. The scheme is a defined benefit scheme in the UK. It is not possible for the company to obtain sufficient information to enable it to account for the scheme as a defined benefit scheme. Therefore, it accounts for the scheme as a defined contribution scheme.

The scheme is subject to the funding legislation outlined in the Pensions Act 2004 which came into force on 30 December 2005. This, together with documents issued by the Pensions Regulator and Technical Actuarial Standards issued by the Financial Reporting Council, set out the framework for funding defined benefit occupational pension schemes in the UK.

The scheme is classified as a 'last-man standing arrangement'. Therefore, the company is potentially liable for other participating employers' obligations if those employers are unable to meet their share of the scheme deficit following withdrawal from the scheme. Participating employers are legally required to meet their share of the scheme deficit on an annuity purchase basis on withdrawal from the scheme.

A full actuarial valuation for the scheme was carried out at 30 September 2023. This valuation showed assets of £514.9m, liabilities of £531.0m and a deficit of £16.1m. To eliminate this funding shortfall, the Trustee has asked the participating employers to pay additional contributions to the scheme as follows:

DEFICIT CONTRIBUTIONS

From 1 April 2025 to 31 March 2028:	£2,100,000 per annum (payable monthly)

Unless a concession has been agreed with the Trustee the term to 31 March 2028 applies.

The recovery plan contributions are allocated to each participating employer in line with their estimated share of the Series 1 and Series 2 scheme liabilities.

Where the scheme is in deficit and where the company has agreed to a deficit funding arrangement the company recognises a liability for this obligation. The amount recognised is the net present value of the deficit reduction contributions payable under the agreement that relates to the deficit. The present value is calculated using the discount rate detailed in these disclosures. The unwinding of the discount rate is recognised as a finance cost.

A pension provision has been included in the accounts of £17,642 in respect of the above liability to the scheme as at 31 March 2025 (2025: £25,875).

15. CAPITAL COMMITMENTS

There were no capital commitments at year end (2025: £nil).

16. OPERATING LEASE COMMITMENT

The charity had total commitments at the period end under operating leases expiring as follows:

	2026	2025
	£	£
Less than 1 year	**588**	1,846
1 – 2 years	**-**	588
3 – 5 years	**-**	-
Total	**588**	2,434

17. POST BALANCE SHEET EVENTS

There are no post balance sheet events to report.

The trustees recognise that the future impact of the ongoing wars in Ukraine and Iran are unknown. They have already contributed to an increase in the costs of living and energy and may impact further on the return on investments.

18. TAXATION

The charitable company is registered as a charity and all of its income falls within the exemption under Part 11 of the Corporation Tax Act 2010.

19. CONTROL

Throughout the year the charity was controlled by its trustees.

20. SHARE CAPITAL

The charity is a company limited by guarantee and has no share capital.