

WELCOME

England & Wales - Charity number 1087511

Details

Other names	THE WELCOME CENTRE
Status	Registered
Legal form	Charitable company
Company number	04241324
Registered	2001-07-13
Register	View on the Charity Commission register

Contact

Address	C/O BK Plus 2 Highlands Court Cranmore Avenue Shirley Solihull West Midlands B90 4LE
Phone	0121 785 2218
Email	info@welcome-charity.org.uk
Website	www.welcome-solihull.co.uk

Activities

Objects: 1) TO PROVIDE A RANGE OF REHABILITATION SERVICES INCLUDING CARE, SUPPORT, COUNSELLING, EDUCATION AND TRAINING FOR THOSE PERSONS IN SOLIHULL WHO ARE SUFFERING FROM, OR IN DANGER OF SUFFERING FROM, THE EFFECTS OF DRUG DEPENDENCY.2) TO RELIEVE POVERTY, SICKNESS AND DISTRESS OF PERSONS IN SOLIHULL PARTICULARLY BY THE PROVISION OF SUPPORT, ADVICE AND COUNSELLING SERVICES.

Activities: Welcome delivers addiction support services, including drug and alcohol treatment and recovery services in Solihull. It is a partner in Solihull Integrated Addiction Services (SIAS). The charity specialises in client engagement, youth services and harm reduction services.

Classification

- **How:** Provides Services, Provides Advocacy/advice/information
- **What:** Education/training, The Advancement Of Health Or Saving Of Lives
- **Who:** Children/young People, Elderly/old People, Other Defined Groups, The General Public/mankind

Geography

- **Area of benefit:** SOLIHULL
- Solihull

Finances

Period end	Income	Expenditure	Assets	Employees
2025-03-31	£931,324	£917,697	£437,005	28
2024-03-31	£615,819	£608,048	£423,378	18
2023-03-31	£674,963	£679,303	£415,607	21
2022-03-31	£633,805	£740,360	£419,947	26
2021-03-31	£634,522	£688,896	£526,502	23

Trustees

Name	Role	Appointed
ADAM DARKES		2012-01-13
Cairo Nickolls		2015-12-01
LYN WILLIAMS		2012-12-19
MARK ANDREW LEWIS		
john Elsegood		2014-09-19

WELCOME

England & Wales - Charity number 1087511

Accounts

Charity registration number 1087511 (England and Wales)

Company registration number 04241324

WELCOME
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

WELCOME

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Mr Adam Darkes Mr John Elsegood Mr Mark Lewis Dr L Williams Mr Cairo Nickolls
Charity number	1087511
Company number	04241324
Registered office	2 Highlands Court Cranmore Avenue Solihull England B90 4LE
Auditor	BK Plus Audit Limited 2 Highlands Court Cranmore Avenue Solihull West Midlands B90 4LE
CEO	Sally Edwards

WELCOME

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WELCOME

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2025

The Trustees, who are also Directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 March 2025. The Trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

Welcome is a charitable company limited by guarantee, incorporated on 26 June 2001 and registered as a charity on 13 July 2001. The company was established under a constitution, the governing document, which underlines the company objectives, membership, activities, meetings, and how the constitution may be changed. In the event of the company being wound up members are required to contribute an amount not exceeding £10 each.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's governing document, the Companies Act 2006, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Charities SORP "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)".

Objectives and activities

The charity's objectives are:

- a) to provide open access and a single point of contact to a range of drug and alcohol services in Solihull for those individuals whose lives are adversely affected by substance misuse. These services include not only those who use substances, but also their friends and family (who are often also indirectly affected);
- b) to work in partnership to ensure a seamless service is provided for those accessing treatment pathways in the borough of Solihull;
- c) to enable individuals to change their lives in a positive way through the provision of support, advice, counselling and care co-ordination services.

Significant activities

The charity's stakeholders have continued to benefit from Welcome's provision of services as a member of the SIAS (Solihull Integrated Addiction Services) Partnership.

Welcome employs the Single Point of Engagement (SPOE) team, which plays a critical role in welcoming and engaging clients into the service, carrying out triage assessments before allocating clients to their Practitioner. The charity also employs a small team of Adult Treatment Practitioners, one of whom has Additional Responsibility across the SIAS Partnership for leading on Harm Reduction and Needle Exchange Services.

Welcome charity is the SIAS Partnership lead in the provision of young persons' services, including early intervention and prevention, treatment, and support for children affected by a family member's substance misuse (known as Hidden Harm). We employ two YP treatment Practitioners and two Hidden Harm Practitioners as well as a Hidden Harm Counsellor.

Welcome also continues to act as Marketing Lead on behalf of the SIAS Partnership, adding content to its website and social media platforms, planning campaigns, networking and delivering awareness sessions in the community. This work is crucial in ensuring everyone in Solihull who might benefit from the service is aware of it and that the service is able to fully meet drug & alcohol treatment and recovery support needs in the Borough.

During this financial year, Welcome has continued to have responsibility for managing the recovery services commissioned within the SIAS Partnership, after another partner, Changes UK, which had delivered them previously declared itself insolvent.

WELCOME

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

FOR THE YEAR ENDED 31 MARCH 2025

Welcome Change CIC

Welcome Change CIC, a subsidiary undertaking of Welcome charity, has continued to provide opportunities for people who have received treatment and support through SIAS, as well as others with mental health issues or disadvantaged in society, to volunteer, build skills and confidence and make positive contributions in the community. The CIC's current enterprises include a Community Centre, a Community Garden and two Community Hubs. Aiming to 'Encourage Enterprise and Support Communities', our work through Welcome Change CIC continues to support communities across East Birmingham including Shard End, Kitts Green/Lea Village, Tile Cross and Glebe Farm.

Public benefit

The Trustees are aware of the obligations of the charity, which are set out in the Guidance issued by The Charities Commission under the Companies Act 2006. They are confident that the work of the charity in pursuit of its objects is delivering Public Benefit. The Trustees will comply with the future reporting requirements in this regard.

Achievements and performance

Financial position

The charity generated a net surplus of £13,627 (2024: £7,771) for the year ended 31 March 2025. The results for the year are shown on page 9. The charity has total funds of £437,005 (2024: £423,378) at the year end. The Financial position at the year end is shown on page 10.

Principal funding sources

The principal funding source during the year ended 31 March 2025 continued to be from our programme delivery as a SIAS Partner which ensures our charitable activities are met.

Reserves policy

Welcome is committed to maintaining a level of reserves that is prudent to meet ongoing liabilities, sufficient to ensure that all service delivery commitments can be met and to protect the long term future of its operations. The policy seeks to balance these priorities by holding a level of reserves sufficient to:

- ensure the availability of sufficient working funds in hand to ensure that spending commitments can be met and to provide a breathing space in case of unexpected loss of income;
- provide sufficient funds for an orderly wind down in the event of a need to cease our activities.

The charity has total funds of £437,005 (2024: £423,378) at the year end, of which £13,702 is restricted (2024: £14,319).

Plans for future periods

The Board is confident that Welcome remains a strong organisation, with good reserves and resilience derived from its skilled and loyal staff team.

WELCOME

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

Structure, governance and management

Governing document

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

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

Mr Adam Darkes

Mr John Elsegood

Mr Mark Lewis

Dr L Williams

Mr Cairo Nickolls

Recruitment and appointment of new trustees

Under the governing document members of the Board are elected to serve for three years after which they must be re-elected at the next Annual General Meeting.

We regularly review the skills of our current Board to ensure the charity has the appropriate level of skill and expertise required to ensure it is effectively directed. If any skill gaps are identified we seek to recruit new Trustees from the communities we serve, with the necessary skills to join the board.

None of the trustees has any beneficial interest in the company. All of the trustees are members of the company and guarantee to contribute £1 in the event of a winding up.

Organisational structure

Welcome has a Board of Trustees which meets six weekly. Day-to-day responsibility rests with the CEO who is responsible for ensuring that the charity delivers the services specified and that service level agreements are achieved. The CEO along with the Service Manager and Senior Practitioner have responsibility for the operational management of the charity, staff supervision and ensuring the staff continue to develop their skills and working practices in line with good practice.

Induction and training of new trustees

Any potential new Trustees are invited to visit the charity and its trading arm and experience its full range of activities in operation. Additionally, Trustees are kept abreast of ongoing work through a short presentation at each Board meeting by a member of the Welcome team.

Members of our existing Board and any new Trustees undertake governance training and are involved in an annual Away Day to facilitate discussions surrounding strategic direction for the charity and CIC.

Key management remuneration

The remuneration paid to the Charity's employees is reviewed annually. The pay is benchmarked against pay levels for other roles with similar responsibilities elsewhere within the sector.

National Drug Strategy

Welcome is guided by both local and national drugs and alcohol policies. The Government has a published Drugs Strategy and an Alcohol Strategy, but the lead responsibility for commissioning drug and alcohol services rests with local authorities.

Risk management

The trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

Throughout the year, effective control over expenditure has been maintained so that our cash balance at the year end remains healthy. As part of our charity's overall risk management, possible dangers to assets and future cash flows have been assessed and deemed to be under satisfactory control.

WELCOME

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) *FOR THE YEAR ENDED 31 MARCH 2025*

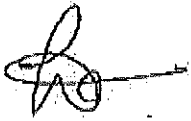
Auditor

The auditors, BK Plus Audit Limited, will be proposed for re-appointment at the forthcoming Annual General Meeting.

Disclosure of information to auditor

Each of the trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

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



Dr L Williams
Trustee

17 December 2025

WELCOME

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 MARCH 2025

The trustees, who are also the directors of Welcome for the purpose of company law, are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law requires the trustees to prepare financial statements 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 year.

In preparing these financial statements, the trustees are required to:

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

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the Trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

Company law requires the trustees to prepare financial statements 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 year.

In preparing these financial statements, the trustees are required to:

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

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

WELCOME

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF WELCOME

Opinion

We have audited the financial statements of Welcome (the 'charity') for the year ended 31 March 2025 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2025 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 charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report for the financial year for which the financial statements are prepared, which includes the directors' report prepared for the purposes of company law, is consistent with the financial statements; and
 - the directors' report included within the trustees' report has been prepared in accordance with applicable legal requirements.
-

WELCOME

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF WELCOME

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the trustees' 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 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' exemptions in preparing the trustees' report and from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees, who are also the directors of the charity for the purpose 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 charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the 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.

The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

- Enquiry of management, those charged with governance around actual and potential litigation and claims;
- Enquiry of entity staff to identify any instances of non-compliance with laws and regulations;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.
- Performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias.
- Performing audit work over the risk of understatement of income including substantive testing and obtaining corroborated explanations from Management.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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

WELCOME

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF WELCOME

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.

BK Plus Audit Limited

Paul Mannion FCCA, FCA (Senior Statutory Auditor)

For and on behalf of BK Plus Audit Limited, Statutory Auditor
Chartered Certified Accountants
2 Highlands Court
Cranmore Avenue
Solihull
West Midlands
B90 4LE
17 December 2025

WELCOME

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2025

		Unrestricted funds 2025 £	Restricted funds 2025 £	Total 2025 £	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £
	Notes						
Income from:							
Donations and legacies	3	380	-	380	10	-	10
Charitable activities	4	911,283	11,654	922,937	604,933	8,890	613,823
Investments	5	8,007	-	8,007	1,986	-	1,986
Total income		<u>919,670</u>	<u>11,654</u>	<u>931,324</u>	<u>606,929</u>	<u>8,890</u>	<u>615,819</u>
Expenditure on:							
Charitable activities	6	905,426	12,271	917,697	598,752	9,296	608,048
Total expenditure		<u>905,426</u>	<u>12,271</u>	<u>917,697</u>	<u>598,752</u>	<u>9,296</u>	<u>608,048</u>
Net income/(expenditure) and movement in funds		14,244	(617)	13,627	8,177	(406)	7,771
Reconciliation of funds:							
Fund balances at 1 April 2024		<u>409,059</u>	<u>14,319</u>	<u>423,378</u>	<u>400,882</u>	<u>14,725</u>	<u>415,607</u>
Fund balances at 31 March 2025		<u>423,303</u>	<u>13,702</u>	<u>437,005</u>	<u>409,059</u>	<u>14,319</u>	<u>423,378</u>

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

WELCOME

BALANCE SHEET

AS AT 31 MARCH 2025

	Notes	2025		2024	
		£	£	£	£
Fixed assets					
Tangible assets	13		25,739		10,213
Current assets					
Debtors	14	35,286		12,368	
Cash at bank and in hand		498,257		485,598	
		<u>533,543</u>		<u>497,966</u>	
Creditors: amounts falling due within one year	15	<u>(122,277)</u>		<u>(84,801)</u>	
Net current assets			<u>411,266</u>		<u>413,165</u>
Total assets less current liabilities			<u>437,005</u>		<u>423,378</u>
The funds of the charity					
Restricted income funds	18		13,702		14,319
Unrestricted funds	19		423,303		409,059
			<u>437,005</u>		<u>423,378</u>

The financial statements were approved by the trustees on 17 December 2025



Dr L. Williams
Trustee

Company registration number 04241324 (England and Wales)

WELCOME

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2025

	Notes	2025 £	£	2024 £	£
Cash flows from operating activities					
Cash generated from operations	24		40,663		27,951
Investing activities					
Purchase of tangible fixed assets		(26,290)		-	
Investment income received		7		1,986	
		<u> </u>		<u> </u>	
Net cash (used in)/generated from investing activities			(26,283)		1,986
Financing activities					
Subsidiary Loan		(1,721)		(673)	
		<u> </u>		<u> </u>	
Net cash used in financing activities			(1,721)		(673)
Net increase in cash and cash equivalents			<u>12,659</u>		<u>29,264</u>
Cash and cash equivalents at beginning of year			485,598		456,334
			<u> </u>		<u> </u>
Cash and cash equivalents at end of year			<u>498,257</u>		<u>485,598</u>

WELCOME

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

1 Accounting policies

Charity information

Welcome is a private company limited by guarantee incorporated in England and Wales. The registered office is 2 Highlands Court, Cranmore Avenue, Solihull, B90 4LE, England.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's governing document, the Companies Act 2006, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Charities SORP "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)". The charity is a Public Benefit Entity as defined by FRS 102.

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

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

Preparation of consolidated financial statements

The financial statements contain information about Welcome as an individual company and do not contain consolidated financial information as the parent of a group. The charity is exempt under Section 399(2A) of the Companies Act 2006 from the requirements to prepare consolidated financial statements.

1.2 Going concern

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

1.3 Charitable funds

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

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

1.4 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

Retail income including income from clothing and other items donated for resale through the charity shops are included in income from other trading activities when the sale takes place.

WELCOME

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

1 Accounting policies

(Continued)

1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably.

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

1.6 Tangible fixed assets

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

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

Fixtures and fittings	15% straight line
Furniture and Computer equipment	20% straight line
Motor vehicles	25% on reducing balance

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

1.7 Impairment of fixed assets

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

1.8 Cash and cash equivalents

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

1.9 Financial instruments

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

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

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

WELCOME

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

1 Accounting policies

(Continued)

Basic financial assets

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

Basic financial liabilities

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

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

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

Derecognition of financial liabilities

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

1.10 Taxation

The charity is exempt from corporation tax on its charitable activities.

1.11 Employee benefits

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

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

1.12 Retirement benefits

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

1.13 Grants

Grants are credited to deferred income. Grants towards capital expenditure are released to the profit and loss account over the expected useful life of the asset. Grants towards revenue expenditure are released to the profit and loss account as the related expenditure is incurred.

2 Critical accounting estimates and judgements

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

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

WELCOME

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

3 Income from donations and legacies

	Unrestricted funds 2025 £	Unrestricted funds 2024 £
Donations and gifts	380	10

4 Income from charitable activities

	Unrestricted funds 2025 £	Restricted funds 2025 £	Total 2025 £	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £
SIAS						
Charitable income	911,283	-	911,283	604,933	-	604,933
Other Funds						
Charitable income	-	4,443	4,443	-	-	-
Angling trust						
Charitable income	-	254	254	-	847	847
William A Cadbury Trust						
Charitable income	-	6,957	6,957	-	8,043	8,043
	<u>911,283</u>	<u>11,654</u>	<u>922,937</u>	<u>604,933</u>	<u>8,890</u>	<u>613,823</u>

5 Income from investments

	Unrestricted funds 2025 £	Unrestricted funds 2024 £
Interest receivable	8,007	1,986

WELCOME

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

6 Expenditure on charitable activities

	SIAS	Active Citizens	Other Funds	Angling Trust	William A Cadbury Trust	Total
	2025	2025	2025	2025	2025	2025
	£	£	£	£	£	£
Direct costs						
Staff costs	602,087	-	4,443	-	6,957	613,487
Depreciation and impairment	9,308	303	-	-	-	9,611
Insurance	11,585	-	-	-	-	11,585
Advertising	23,356	-	-	-	-	23,356
SIAS direct costs	35,872	-	-	568	-	36,440
Womens / family group / activities	6,306	-	-	-	-	6,306
Needle exchange	11,790	-	-	-	-	11,790
Repairs and renewals	4,372	-	-	-	-	4,372
Travelling	4,321	-	-	-	-	4,321
Motor expenses	4,415	-	-	-	-	4,415
Legal & professional	18,077	-	-	-	-	18,077
Telephone	9,045	-	-	-	-	9,045
Computer costs	19,862	-	-	-	-	19,862
Equipment rental	1,888	-	-	-	-	1,888
Postage and stationery	1,364	-	-	-	-	1,364
Subscriptions	4,430	-	-	-	-	4,430
Other charitable expenditure	13,122	-	-	-	-	13,122
	<u>781,200</u>	<u>303</u>	<u>4,443</u>	<u>568</u>	<u>6,957</u>	<u>793,471</u>
Share of support and governance costs (see note 8)						
Support	115,646	-	-	-	-	115,646
Governance	8,580	-	-	-	-	8,580
	<u>905,426</u>	<u>303</u>	<u>4,443</u>	<u>568</u>	<u>6,957</u>	<u>917,697</u>
Analysis by fund						
Unrestricted funds	905,426	-	-	-	-	905,426
Restricted funds	-	303	4,443	568	6,957	12,271
	<u>905,426</u>	<u>303</u>	<u>4,443</u>	<u>568</u>	<u>6,957</u>	<u>917,697</u>

WELCOME

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

6 Expenditure on charitable activities (Continued)

Previous year:	SIAS	Active Citizens	Angling Trust	William A Cadbury Trust	Total
	2024	2024	2024	2024	2024
	£	£	£	£	£
Direct costs					
Staff costs	382,100	-	-	7,666	389,766
Depreciation and impairment	6,699	405	-	-	7,104
Insurance	6,681	-	-	-	6,681
Advertising	14,843	-	-	-	14,843
SIAS direct costs	8,975	-	369	-	9,344
Womens / family group / activities	3,029	-	-	-	3,029
Needle exchange	12,726	-	-	-	12,726
Repairs and renewals	2,830	-	-	-	2,830
Travelling	5,442	-	114	197	5,753
Motor expenses	4,668	-	-	-	4,668
Legal & professional	3,595	-	-	-	3,595
Telephone	5,241	-	-	-	5,241
Computer costs	12,753	-	-	-	12,753
Equipment rental	1,596	-	-	-	1,596
Postage and stationery	1,242	-	-	-	1,242
Subscriptions	3,819	-	365	180	4,364
Other charitable expenditure	11,212	-	-	-	11,212
	<u>487,451</u>	<u>405</u>	<u>848</u>	<u>8,043</u>	<u>496,747</u>
Share of support and governance costs (see note 8)					
Support	103,201	-	-	-	103,201
Governance	8,100	-	-	-	8,100
	<u>598,752</u>	<u>405</u>	<u>848</u>	<u>8,043</u>	<u>608,048</u>
Analysis by fund					
Unrestricted funds	598,752	-	-	-	598,752
Restricted funds	-	405	848	8,043	9,296
	<u>598,752</u>	<u>405</u>	<u>848</u>	<u>8,043</u>	<u>608,048</u>

WELCOME

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

7 Description of charitable activities

SIAS

Solihull Integrated Addiction Service

Welcome remains the SIAS Partnership lead in the provision of young persons' services, including early intervention and prevention, treatment, and support for children affected by a family member's substance misuse (known as Hidden Harm). We employ two Young Person treatment Practitioners and a Hidden Harm Practitioner as well as a Hidden Harm Counsellor.

BBC Children in Need Grant

Funding to provide support to young people affected by parental drug and alcohol misuse. Through taking part in various activities the young people will be more confident, resilient and able to make more informed life choices.

Active Citizens

Funding towards supporting a mobile platform from which the charity can provide support to young people affected by parental drug and alcohol misuse. Through engaging with the mobile platform in various activities, the young people will become more confident in engaging with the charity.

Angling Trust Grant

Funding to provide angling facilities to increase opportunities for mental health, addictions, women's sport and disability sport.

William A Cadbury Trust

Funding to employ the services of a counsellor

8 Support costs allocated to activities

	2025	2024
	£	£
Staff costs	104,929	90,592
Depreciation	1,153	1,053
Insurance	1,562	1,798
Repairs and renewals	525	565
Travelling and motor	1,048	2,021
Training and recruitment	829	1,795
Telephone	1,085	1,048
Computer costs	2,383	2,551
Equipment rental	227	319
Post and stationery	164	248
Subscriptions, sundy and bank charges	1,741	1,211
Governance costs	8,580	8,100
	<hr/>	<hr/>
	124,226	111,301
	<hr/>	<hr/>
Analysed between:		
SIAS	124,226	111,301
	<hr/>	<hr/>

WELCOME

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

9	Net movement in funds	2025	2024
		£	£
	The net movement in funds is stated after charging/(crediting):		
	Fees payable for the audit of the charity's financial statements	8,580	8,100
	Depreciation of owned tangible fixed assets	10,764	8,157
		<u> </u>	<u> </u>

10 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year.

11 Employees

The average monthly number of employees during the year was:

	2025	2024
	Number	Number
Counselling staff	25	15
Administration	3	3
	<u> </u>	<u> </u>
Total	28	18
	<u> </u>	<u> </u>

Employment costs

	2025	2024
	£	£
Wages and salaries	638,204	429,272
Social security costs	46,454	25,984
Other pension costs	33,758	25,102
	<u> </u>	<u> </u>
	718,416	480,358
	<u> </u>	<u> </u>

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

Remuneration of key management personnel

The remuneration of key management personnel was as follows:

	2025	2024
	£	£
Aggregate compensation	55,074	51,782
	<u> </u>	<u> </u>

12 Taxation

The charity is exempt from taxation on its activities because all its income is applied for charitable purposes.

WELCOME

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

13 Tangible fixed assets

	Fixtures and fittings	Furniture and Computer equipment	Motor vehicles	Total
	£	£	£	£
Cost				
At 1 April 2024	9,418	89,481	9,225	108,124
Additions	-	26,290	-	26,290
Disposals	-	(45,396)	-	(45,396)
At 31 March 2025	9,418	70,375	9,225	89,018
Depreciation and impairment				
At 1 April 2024	9,418	81,577	6,916	97,911
Depreciation charged in the year	-	10,186	578	10,764
Eliminated in respect of disposals	-	(45,396)	-	(45,396)
At 31 March 2025	9,418	46,367	7,494	63,279
Carrying amount				
At 31 March 2025	-	24,008	1,731	25,739
At 31 March 2024	-	7,904	2,309	10,213

14 Debtors

	2025	2024
	£	£
Amounts falling due within one year:		
Other debtors	3,554	3,555
Prepayments and accrued income	31,732	8,813
	35,286	12,368

15 Creditors: amounts falling due within one year

	Notes	2025	2024
		£	£
Other taxation and social security		10,830	15,522
Deferred income	16	54,830	26,597
Trade creditors		5,198	12,924
Amounts owed to fellow group undertakings		3,750	5,471
Other creditors		11,136	1,973
Accruals		36,533	22,314
		122,277	84,801

WELCOME

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

16 Deferred income

	2025 £	2024 £
Other deferred income	54,830	26,597

Deferred income is included in the financial statements as follows:

	2025 £	2024 £
Deferred income is included within:		
Current liabilities	54,830	26,597
Movements in the year:		
Deferred income at 1 April 2024	26,597	28,435
Released from previous periods	(13,710)	(9,663)
Resources deferred in the year	41,943	7,825
Deferred income at 31 March 2025	54,830	26,597

17 Retirement benefit schemes

	2025 £	2024 £
Defined contribution schemes		
Charge to profit or loss in respect of defined contribution schemes	33,758	25,102

The charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the charity in an independently administered fund.

18 Restricted funds

The restricted funds of the charity comprise the unexpended balances of donations and grants held on trust subject to specific conditions by donors as to how they may be used.

	At 1 April 2024 £	Incoming resources £	Resources expended £	At 31 March 2025 £
BBC Children In Need Grant	8,369	-	-	8,369
Active Citizens Award Grant	4,059	-	(303)	3,756
Angling Grant	1,891	254	(568)	1,577
William A Cadbury Trust	-	6,957	(6,957)	-
Other grants and donations	-	4,443	(4,443)	-
	<u>14,319</u>	<u>11,654</u>	<u>(12,271)</u>	<u>13,702</u>

WELCOME

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

18 Restricted funds (Continued)

Previous year:	At 1 April 2023 £	Incoming resources £	Resources expended £	At 31 March 2024 £
	-	-	-	-
BBC Children In Need Grant	8,369	-	-	8,369
Active Citizens Award Grant	4,465	-	(406)	4,059
Angling Grant	1,891	847	(847)	1,891
William A Cadbury Trust	-	8,043	(8,043)	-
	<u>14,725</u>	<u>8,890</u>	<u>(9,296)</u>	<u>14,319</u>

19 Unrestricted funds

The unrestricted funds of the charity comprise the unexpended balances of donations and grants which are not subject to specific conditions by donors and grantors as to how they may be used. These include designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes.

	At 1 April 2024 £	Incoming resources £	Resources expended £	At 31 March 2025 £
General funds	<u>409,059</u>	<u>919,670</u>	<u>(905,426)</u>	<u>423,303</u>

Previous year:	At 1 April 2023 £	Incoming resources £	Resources expended £	At 31 March 2024 £
General funds	<u>400,882</u>	<u>606,929</u>	<u>(598,752)</u>	<u>409,059</u>

20 Analysis of net assets between funds

	Unrestricted funds 2025 £	Restricted funds 2025 £	Total 2025 £
At 31 March 2025:			
Tangible assets	24,829	910	25,739
Current assets/(liabilities)	398,474	12,792	411,266
	<u>423,303</u>	<u>13,702</u>	<u>437,005</u>

WELCOME

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

20 Analysis of net assets between funds

(Continued)

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £
At 31 March 2024:			
Tangible assets	9,000	1,213	10,213
Current assets/(liabilities)	400,059	13,106	413,165
	<u>409,059</u>	<u>14,319</u>	<u>423,378</u>

21 Related party transactions

Transactions with related parties

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

During the year ended 31 March 2025 the Charity recharged salaries totalling £16,050 (2024: £25,018) to its subsidiary company, Welcome Change CIC.

As at 31 March 2025 the Charity owed £3,750 to Welcome Change CIC (2024: £5,471).

22 Subsidiaries

Details of the charity's subsidiaries at 31 March 2025 are as follows:

Welcome is a Corporate director of Welcome Change CIC, a company limited by guarantee, company number 07758208. Also the Board of Welcome has common board members with Welcome Change CIC. Therefore, the directors of Welcome consider Welcome Change CIC to be the charity's subsidiary.

Welcome Change CIC's principal activities are the provision of a variety of enterprises operated for the benefit of the community consisting of a community centre a community garden and two community hubs. These enterprises offer volunteering opportunities and work experience placements for people in recovery from substance misuse, or otherwise disadvantaged in the mainstream job market, helping to build their confidence and skills and enable them ultimately to find work.

Name of undertaking	Registered office
Welcome Change CIC	2 Highlands Court, Cranmore Avenue, Solihull, West Midlands, United Kingdom, B90 4LE

The aggregate capital and reserves and the result for the year of subsidiaries excluded from consolidation was as follows:

Name of undertaking	Profit/(Loss) £	Capital and Reserves £
Welcome Change CIC	778	18,375

WELCOME

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

23 Analysis of changes in net funds

The charity had no material debt during the year.

24 Cash generated from operations	2025	2024
	£	£
Surplus for the year	13,627	7,771
Adjustments for:		
Investment income recognised in statement of financial activities	(8,007)	(1,986)
Depreciation and impairment of tangible fixed assets	10,764	8,157
Movements in working capital:		
(Increase)/decrease in debtors	(22,918)	13,267
Increase in creditors	18,458	742
Increase in deferred income	28,739	-
	<u> </u>	<u> </u>
Cash generated from operations	<u><u>40,663</u></u>	<u><u>27,951</u></u>

WELCOME

England & Wales - Charity number 1087511

Accounts

Charity registration number 1087511

Company registration number 04241324 (England and Wales)

WELCOME
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

WELCOME

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Mr Adam Darkes Mr John Elsegood Mr Mark Lewis Dr L Williams Mr Cairo Nickolls
Charity number	1087511
Company number	04241324
Registered office	2 Highlands Court Cranmore Avenue Shirley Solihull England B90 4LE
Auditor	BK Plus Audit Limited Azzurri House Walsall Road Aldridge Walsall England WS9 0RB
CEO	Sally Edwards

WELCOME

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WELCOME

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2024

The Trustees, who are also Directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 March 2024. The Trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

Welcome is a charitable company limited by guarantee, incorporated on 26 June 2001 and registered as a charity on 13 July 2001. The company was established under a constitution, the governing document, which underlines the company objectives, membership, activities, meetings, and how the constitution may be changed. In the event of the company being wound up members are required to contribute an amount not exceeding £10 each.

Objectives and activities

The charity's objectives are:

- a) to provide open access and a single point of contact to a range of drug and alcohol services in Solihull for those individuals whose lives are adversely affected by substance misuse. These services include not only those who use substances, but also their friends and family (who are often also indirectly affected);
- b) to work in partnership to ensure a seamless service is provided for those accessing treatment pathways in the borough of Solihull;
- c) to enable individuals to change their lives in a positive way through the provision of support, advice, counselling and care co-ordination services.

Significant activities

The charity's stakeholders have continued to benefit from Welcome's provision of services as a member of the SIAS (Solihull Integrated Addiction Services) Partnership.

Welcome employs the Single Point of Engagement (SPOE) team, which plays a critical role in welcoming and engaging clients into the service, carrying out triage assessments before allocating clients to their Practitioner. The charity also employs a small team of Adult Treatment Practitioners, one of whom has Additional Responsibility across the SIAS Partnership for leading on Harm Reduction and Needle Exchange Services.

Welcome charity is the SIAS Partnership lead in the provision of young persons' services, including early intervention and prevention, treatment, and support for children affected by a family member's substance misuse (known as Hidden Harm). We employ two YP treatment Practitioners and two Hidden Harm Practitioners as well as a Hidden Harm Counsellor.

Welcome also continues to act as Marketing Lead on behalf of the SIAS Partnership, adding content to its website and social media platforms, planning campaigns, networking and delivering awareness sessions in the community. This work is crucial in ensuring everyone in Solihull who might benefit from the service is aware of it and that the service is able to fully meet drug & alcohol treatment and recovery support needs in the Borough.

In the final quarter of the financial year, Welcome took on responsibility for managing the recovery services commissioned within the SIAS Partnership after another partner, Changes UK, which had delivered them previously declared itself insolvent.

WELCOME

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

Welcome Change CIC

Welcome Change CIC, a subsidiary undertaking of Welcome charity, has continued to provide opportunities for people who have received treatment and support through SIAS, as well as others with mental health issues or disadvantaged in society, to volunteer, build skills and confidence and make positive contributions in the community. The CIC's current enterprises include a Community Centre, a Community Garden and two Community Hubs. Aiming to 'Encourage Enterprise and Support Communities', our work through Welcome Change CIC continues to support communities across East Birmingham including Shard End, Kitts Green/Lea Village, Tile Cross and Glebe Farm.

Public benefit

The Trustees are aware of the obligations of the charity, which are set out in the Guidance issued by The Charities Commission under the Companies Act 2006. They are confident that the work of the charity in pursuit of its objects is delivering Public Benefit. The Trustees will comply with the future reporting requirements in this regard.

Achievements and performance

Financial position

The charity generated a net surplus of £7,771 (2023: deficit £4,340) for the year ended 31 March 2024. The results for the year are shown on page 9. The charity has total funds of £423,378 (2023: £415,607) at the year end. The Financial position at the year end is shown on page 10.

Principal funding sources

The principal funding source during the year ended 31 March 2024 continued to be from our programme delivery as a SIAS Partner which ensures our charitable activities are met.

Reserves policy

Welcome is committed to maintaining a level of reserves that is prudent to meet ongoing liabilities, sufficient to ensure that all service delivery commitments can be met and to protect the long term future of its operations. The policy seeks to balance these priorities by holding a level of reserves sufficient to:

- ensure the availability of sufficient working funds in hand to ensure that spending commitments can be met and to provide a breathing space in case of unexpected loss of income;
- provide sufficient funds for an orderly wind down in the event of a need to cease our activities.

The charity has total funds of £423,378 (2023: £415,607) at the year end, of which £14,319 is restricted (2023: £14,725).

Plans for future periods

The Board is confident that Welcome remains a strong organisation, with good reserves and resilience derived from its skilled and loyal staff team.

WELCOME

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

Structure, governance and management

Governing document

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

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

Mr Adam Darkes

Mr John Elsegood

Mr Mark Lewis

Dr L Williams

Mr Cairo Nickolls

Recruitment and appointment of new trustees

Under the governing document members of the Board are elected to serve for three years after which they must be re-elected at the next Annual General Meeting.

We regularly review the skills of our current Board to ensure the charity has the appropriate level of skill and expertise required to ensure it is effectively directed. If any skill gaps are identified we seek to recruit new Trustees from the communities we serve, with the necessary skills to join the board.

None of the trustees has any beneficial interest in the company. All of the trustees are members of the company and guarantee to contribute £1 in the event of a winding up.

Organisational structure

Welcome has a Board of Trustees which meets six weekly. Day-to-day responsibility rests with the CEO who is responsible for ensuring that the charity delivers the services specified and that service level agreements are achieved. The CEO along with the Service Manager and Senior Practitioner have responsibility for the operational management of the charity, staff supervision and ensuring the staff continue to develop their skills and working practices in line with good practice.

Induction and training of new trustees

Any potential new Trustees are invited to visit the charity and its trading arm and experience its full range of activities in operation. Additionally, Trustees are kept abreast of ongoing work through a short presentation at each Board meeting by a member of the Welcome team.

Members of our existing Board and any new Trustees undertake governance training and are involved in an annual Away Day to facilitate discussions surrounding strategic direction for the charity and CIC.

Key management remuneration

The remuneration paid to the Charity's employees is reviewed annually. The pay is benchmarked against pay levels for other roles with similar responsibilities elsewhere within the sector.

National Drug Strategy

Welcome is guided by both local and national drugs and alcohol policies. The Government has a published Drugs Strategy and an Alcohol Strategy, but the lead responsibility for commissioning drug and alcohol services rests with local authorities.

Risk management

The trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

Throughout the year, effective control over expenditure has been maintained so that our cash balance at the year end remains healthy. As part of our charity's overall risk management, possible dangers to assets and future cash flows have been assessed and deemed to be under satisfactory control.

WELCOME

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

Statement of trustees' responsibilities

The trustees, who are also the directors of Welcome for the purpose of company law, are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law requires the trustees to prepare financial statements 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 year.

In preparing these financial statements, the trustees are required to:

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

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the Trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

Auditor

The auditors, BK Plus Audit Limited, will be proposed for re-appointment at the forthcoming Annual General Meeting.

Disclosure of information to auditor

Each of the trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

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

Mr Adam Darkes
Trustee

3 October 2024

WELCOME

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF WELCOME

Opinion

We have audited the financial statements of Welcome (the 'charity') for the year ended 31 March 2024 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2024 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 charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report for the financial year for which the financial statements are prepared, which includes the directors' report prepared for the purposes of company law, is consistent with the financial statements; and
- the directors' report included within the trustees' report has been prepared in accordance with applicable legal requirements.

WELCOME

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF WELCOME

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the trustees' 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 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' exemptions in preparing the trustees' report and from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees, who are also the directors of the charity for the purpose 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 charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the 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.

The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

- Enquiry of management, those charged with governance around actual and potential litigation and claims;
- Enquiry of entity staff to identify any instances of non-compliance with laws and regulations;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.
- Performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias.
- Performing audit work over the risk of understatement of income including substantive testing and obtaining corroborated explanations from Management.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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

WELCOME

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF WELCOME

Use of our report

This report is made solely to the company's members, as a body, in accordance with section 391 of the Companies Act 2014. Our audit work has been undertaken so that we might state to the 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 company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

**Paul Mannion FCCA, FCA (Senior Statutory Auditor)
for and on behalf of BK Plus Audit Limited**

3 October 2024

**Chartered Certified Accountants
Statutory Auditor**

Azzurri House
Walsall Road
Aldridge
Walsall
England
WS9 0RB

WELCOME

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2024

		Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £
	Notes						
Income from:							
Donations and legacies	3	10	-	10	150	-	150
Charitable activities	4	604,933	8,890	613,823	541,215	36,518	577,733
Other trading activities	5	-	-	-	97,079	-	97,079
Investments	6	1,986	-	1,986	1	-	1
Total income		<u>606,929</u>	<u>8,890</u>	<u>615,819</u>	<u>638,445</u>	<u>36,518</u>	<u>674,963</u>
Expenditure on:							
Raising funds	7	-	-	-	113,353	-	113,353
Charitable activities	8	598,752	9,296	608,048	524,450	41,500	565,950
Total expenditure		<u>598,752</u>	<u>9,296</u>	<u>608,048</u>	<u>637,803</u>	<u>41,500</u>	<u>679,303</u>
Net income/(expenditure) and movement in funds		8,177	(406)	7,771	642	(4,982)	(4,340)
Reconciliation of funds:							
Fund balances at 1 April 2023		<u>400,882</u>	<u>14,725</u>	<u>415,607</u>	<u>400,240</u>	<u>19,707</u>	<u>419,947</u>
Fund balances at 31 March 2024		<u>409,059</u>	<u>14,319</u>	<u>423,378</u>	<u>400,882</u>	<u>14,725</u>	<u>415,607</u>

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

WELCOME

BALANCE SHEET

AS AT 31 MARCH 2024

		2024		2023	
	Notes	£	£	£	£
Fixed assets					
Tangible assets	15		10,213		18,371
Current assets					
Debtors	16	12,368		25,635	
Cash at bank and in hand		485,598		456,334	
		<u>497,966</u>		<u>481,969</u>	
Creditors: amounts falling due within one year	17	<u>(84,801)</u>		<u>(84,733)</u>	
Net current assets			<u>413,165</u>		<u>397,236</u>
Total assets less current liabilities			<u>423,378</u>		<u>415,607</u>
The funds of the charity					
Restricted income funds	20		14,319		14,725
Unrestricted funds			409,059		400,882
			<u>423,378</u>		<u>415,607</u>

The financial statements were approved by the trustees on 3 October 2024

Mr Mark Lewis
Trustee

Company registration number 04241324 (England and Wales)

WELCOME

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2024

	Notes	2024 £	£	2023 £	£
Cash flows from operating activities					
Cash generated from operations	26		27,951		35,967
Investing activities					
Proceeds from disposal of tangible fixed assets		-		1,000	
Investment income received		1,986		1	
		<u>1,986</u>		<u>1</u>	
Net cash generated from investing activities			1,986		1,001
Financing activities					
Subsidiary Loan		(673)		(12,757)	
		<u>(673)</u>		<u>(12,757)</u>	
Net cash used in financing activities			(673)		(12,757)
Net increase in cash and cash equivalents			29,264		24,211
Cash and cash equivalents at beginning of year			456,334		432,123
			<u>456,334</u>		<u>432,123</u>
Cash and cash equivalents at end of year			<u>485,598</u>		<u>456,334</u>

WELCOME

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024

1 Accounting policies

Charity information

Welcome is a private company limited by guarantee incorporated in England and Wales. The registered office is 2 Highlands Court, Cranmore Avenue, Shirley, Solihull, B90 4LE, England.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's [governing document], the Companies Act 2006, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019). The charity is a Public Benefit Entity as defined by FRS 102.

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

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

Preparation of consolidated financial statements

The financial statements contain information about Welcome as an individual company and do not contain consolidated financial information as the parent of a group. The charity is exempt under Section 399(2A) of the Companies Act 2006 from the requirements to prepare consolidated financial statements.

1.2 Going concern

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

1.3 Charitable funds

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

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

1.4 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

Retail income including income from clothing and other items donated for resale through the charity shops are included in income from other trading activities when the sale takes place.

WELCOME

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

1 Accounting policies

(Continued)

1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably.

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

1.6 Tangible fixed assets

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

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

Fixtures and fittings	15% straight line
Furniture and Computer equipment	20% straight line
Motor vehicles	25% on reducing balance

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

1.7 Impairment of fixed assets

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

1.8 Cash and cash equivalents

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

1.9 Financial instruments

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

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

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

WELCOME

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

1 Accounting policies

(Continued)

Basic financial assets

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

Basic financial liabilities

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

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

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

Derecognition of financial liabilities

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

1.10 Taxation

The charity is exempt from corporation tax on its charitable activities.

1.11 Employee benefits

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

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

1.12 Retirement benefits

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

1.13 Grants

Grants are credited to deferred income. Grants towards capital expenditure are released to the profit and loss account over the expected useful life of the asset. Grants towards revenue expenditure are released to the profit and loss account as the related expenditure is incurred.

2 Critical accounting estimates and judgements

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

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

WELCOME

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

3 Income from donations and legacies

	Unrestricted funds 2024 £	Unrestricted funds 2023 £
Donations and gifts	10	150

4 Income from charitable activities

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £
SIAS						
Charitable income	604,933	-	604,933	541,215	-	541,215
BBC Children in Need						
Charitable income	-	-	-	-	9,950	9,950
Aquarius						
Charitable income	-	-	-	-	24,677	24,677
Angling trust						
Charitable income	-	847	847	-	1,891	1,891
William A Cadbury Trust						
Charitable income	-	8,043	8,043	-	-	-
	<u>604,933</u>	<u>8,890</u>	<u>613,823</u>	<u>541,215</u>	<u>36,518</u>	<u>577,733</u>

5 Income from other trading activities

	Unrestricted funds 2024 £	Unrestricted funds 2023 £
Shop income	-	97,079

WELCOME

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

6 Income from investments

	Unrestricted funds 2024 £	Unrestricted funds 2023 £
Interest receivable	1,986	1

7 Expenditure on raising funds

	Unrestricted funds 2024 £	Unrestricted funds 2023 £
Trading costs		
Other trading activities	-	26,477
Staff costs	-	86,876
	-	113,353

WELCOME

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

8 Expenditure on charitable activities

	SIAS	Active Citizens	Angling Trust	William A Cadbury Trust	Total
	2024	2024	2024	2024	2024
	£	£	£	£	£
Direct costs					
Staff costs	381,116	-	-	7,666	388,782
Depreciation and impairment	6,699	405	-	-	7,104
Insurance	7,665	-	-	-	7,665
Advertising	14,843	-	-	-	14,843
SIAS direct costs	8,975	-	369	-	9,344
Womens/ family group/ activities	3,029	-	-	-	3,029
Needle exchange	12,726	-	-	-	12,726
Repairs and renewals	2,830	-	-	-	2,830
Travelling	5,442	-	114	197	5,753
Motor expenses	4,668	-	-	-	4,668
Legal and professional	3,595	-	-	-	3,595
Telephone	5,241	-	-	-	5,241
Computer costs	12,753	-	-	-	12,753
Equipment rental	1,596	-	-	-	1,596
Post and stationary	1,242	-	-	-	1,242
Subscriptions	3,819	-	365	180	4,364
Other charitable expenditure	11,212	-	-	-	11,212
	<u>487,451</u>	<u>405</u>	<u>848</u>	<u>8,043</u>	<u>496,747</u>
Share of support and governance costs (see note 10)					
Support	103,201	-	-	-	103,201
Governance	8,100	-	-	-	8,100
	<u>598,752</u>	<u>405</u>	<u>848</u>	<u>8,043</u>	<u>608,048</u>
Analysis by fund					
Unrestricted funds	598,752	-	-	-	598,752
Restricted funds	-	405	848	8,043	9,296
	<u>598,752</u>	<u>405</u>	<u>848</u>	<u>8,043</u>	<u>608,048</u>

WELCOME

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

8 Expenditure on charitable activities

(Continued)

Previous year:	SIAS	BBC children in Need	Active Citizens	Aquarius	Total
	2023	2023	2023	2023	2023
	£	£	£	£	£
Direct costs					
Staff costs	295,499	8,608	-	6,378	310,485
Depreciation and impairment	7,694	-	540	-	8,234
Insurance	6,629	-	-	-	6,629
Advertising	44,040	-	-	15,588	59,628
SIAS direct costs	4,825	-	-	-	4,825
Womens/ family group/ activities	4,363	-	-	-	4,363
Needle exchange	7,500	-	-	10,386	17,886
Repairs and renewals	2,312	-	-	-	2,312
Travelling	7,416	-	-	-	7,416
Motor expenses	130	-	-	-	130
Legal and professional	309	-	-	-	309
Telephone	5,669	-	-	-	5,669
Computer costs	9,579	-	-	-	9,579
Equipment rental	1,454	-	-	-	1,454
Post and stationary	272	-	-	-	272
Subscriptions	4,426	-	-	-	4,426
Other charitable expenditure	14,633	-	-	-	14,633
	<u>416,750</u>	<u>8,608</u>	<u>540</u>	<u>32,352</u>	<u>458,250</u>
Share of support and governance costs (see note 10)					
Support	100,950	-	-	-	100,950
Governance	6,750	-	-	-	6,750
	<u>524,450</u>	<u>8,608</u>	<u>540</u>	<u>32,352</u>	<u>565,950</u>
Analysis by fund					
Unrestricted funds	524,450	-	-	-	524,450
Restricted funds	-	8,608	540	32,352	41,500
	<u>524,450</u>	<u>8,608</u>	<u>540</u>	<u>32,352</u>	<u>565,950</u>

WELCOME

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

9 Description of charitable activities

SIAS

Solihull Integrated Addiction Service

Welcome remains the SIAS Partnership lead in the provision of young persons' services, including early intervention and prevention, treatment, and support for children affected by a family member's substance misuse (known as Hidden Harm). We employ two Young Person treatment Practitioners and a Hidden Harm Practitioner as well as a Hidden Harm Counsellor.

BBC Children in Need Grant

Funding to provide support to young people affected by parental drug and alcohol misuse. Through taking part in various activities the young people will be more confident, resilient and able to make more informed life choices.

Active Citizens

Funding towards supporting a mobile platform from which the charity can provide support to young people affected by parental drug and alcohol misuse. Through engaging with the mobile platform in various activities, the young people will become more confident in engaging with the charity.

Aquarius Grant

Funding to provide support to young people affected by parental drug and alcohol misuse through young people workers. Through taking part in various activities the young people will be more confident, resilient and able to make more informed life choices.

Angling Trust Grant

Funding to provide angling facilities to increase opportunities for mental health, addictions, women's sport and disability sport.

William A Cadbury Trust

Funding to employ the services of a counsellor

10 Support costs allocated to activities

	2024	2023
	£	£
Staff costs	90,592	88,380
Depreciation	1,053	1,900
Insurance	1,798	1,529
Repairs and renewals	565	533
Travelling and motor	2,021	1,741
Training and recruitment	1,795	1,044
Telephone	1,048	1,308
Computer costs	2,551	2,210
Equipment rental	319	336
Post and stationery	248	63
Subscriptions, sundy and bank charges	1,211	1,906
Governance costs	8,100	6,750
	<u>111,301</u>	<u>107,700</u>
Analysed between:		
SIAS	<u>111,301</u>	<u>107,700</u>

WELCOME

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

11 Net movement in funds	2024	2023
	£	£
The net movement in funds is stated after charging/(crediting):		
Fees payable for the audit of the charity's financial statements	8,100	6,750
Depreciation of owned tangible fixed assets	8,157	10,134
	<u> </u>	<u> </u>

12 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year.

13 Employees

The average monthly number of employees during the year was:

	2024	2023
	Number	Number
Counselling staff	15	13
Administration	3	3
Charity Shops	-	5
	<u> </u>	<u> </u>
Total	18	21
	<u> </u>	<u> </u>

Employment costs

	2024	2023
	£	£
Wages and salaries	429,272	429,827
Social security costs	25,984	30,258
Other pension costs	24,118	25,656
	<u> </u>	<u> </u>
	479,374	485,741
	<u> </u>	<u> </u>

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

Remuneration of key management personnel

The remuneration of key management personnel was as follows:

	2024	2023
	£	£
Aggregate compensation	51,782	50,632
	<u> </u>	<u> </u>

14 Taxation

The charity is exempt from taxation on its activities because all its income is applied for charitable purposes.

WELCOME

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

15 Tangible fixed assets

	Fixtures and fittings	Furniture and Computer equipment	Motor vehicles	Total
	£	£	£	£
Cost				
At 1 April 2023	9,418	89,481	9,225	108,124
At 31 March 2024	9,418	89,481	9,225	108,124
Depreciation and impairment				
At 1 April 2023	9,418	74,192	6,144	89,754
Depreciation charged in the year	-	7,385	772	8,157
At 31 March 2024	9,418	81,577	6,916	97,911
Carrying amount				
At 31 March 2024	-	7,904	2,309	10,213
At 31 March 2023	-	15,290	3,081	18,371

16 Debtors

	2024	2023
	£	£
Amounts falling due within one year:		
Trade debtors	-	19,678
Other debtors	3,555	3,555
Prepayments and accrued income	8,813	2,402
	12,368	25,635

17 Creditors: amounts falling due within one year

	Notes	2024	2023
		£	£
Other taxation and social security		15,522	6,628
Deferred income	18	26,597	28,435
Trade creditors		12,924	26,297
Amounts owed to fellow group undertakings		5,471	6,144
Other creditors		1,973	2,040
Accruals and deferred income		22,314	15,189
		84,801	84,733

WELCOME

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

18 Deferred income

	2024	2023
	£	£
Other deferred income	26,597	28,435

Deferred income is included in the financial statements as follows:

	2024	2023
	£	£
Deferred income is included within:		
Current liabilities	26,597	28,435
Movements in the year:		
Deferred income at 1 April 2023	28,435	14,944
Released from previous periods	(9,663)	-
Resources deferred in the year	7,825	13,491
Deferred income at 31 March 2024	26,597	28,435

19 Retirement benefit schemes

	2024	2023
	£	£
Defined contribution schemes		
Charge to profit or loss in respect of defined contribution schemes	14,440	20,876

The charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the charity in an independently administered fund.

20 Restricted funds

The restricted funds of the charity comprise the unexpended balances of donations and grants held on trust subject to specific conditions by donors as to how they may be used.

	At 1 April 2023	Incoming resources	Resources expended	At 31 March 2024
	£	£	£	£
BBC Children In Need Grant	8,369	-	-	8,369
Active Citizens Award Grant	4,465	-	(406)	4,059
Angling Grant	1,891	847	(847)	1,891
William A Cadbury Trust	-	8,043	(8,043)	-
	14,725	8,890	(9,296)	14,319

WELCOME

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

20 Restricted funds (Continued)

Previous year:	At 1 April 2022 £	Incoming resources £	Resources expended £	At 31 March 2023 £
BBC Children In Need Grant	7,027	9,950	(8,608)	8,369
Active Citizens Award Grant	5,005	-	(540)	4,465
Aquarius Grant	7,675	24,677	(32,352)	-
Angling Grant	-	1,891	-	1,891
	<u>19,707</u>	<u>36,518</u>	<u>(41,500)</u>	<u>14,725</u>

21 Unrestricted funds

The unrestricted funds of the charity comprise the unexpended balances of donations and grants which are not subject to specific conditions by donors and grantors as to how they may be used. These include designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes.

	At 1 April 2023 £	Incoming resources £	Resources expended £	At 31 March 2024 £
General funds	<u>400,882</u>	<u>606,929</u>	<u>(598,752)</u>	<u>409,059</u>
Previous year:	At 1 April 2022 £	Incoming resources £	Resources expended £	At 31 March 2023 £
General funds	<u>400,240</u>	<u>638,445</u>	<u>(637,803)</u>	<u>400,882</u>

22 Analysis of net assets between funds

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £
At 31 March 2024:			
Tangible assets	9,000	1,213	10,213
Current assets/(liabilities)	<u>400,059</u>	<u>13,106</u>	<u>413,165</u>
	<u>409,059</u>	<u>14,319</u>	<u>423,378</u>

WELCOME

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

22 Analysis of net assets between funds

(Continued)

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £
At 31 March 2023:			
Tangible assets	16,753	1,618	18,371
Current assets/(liabilities)	384,129	13,107	397,236
	<u>400,882</u>	<u>14,725</u>	<u>415,607</u>

23 Related party transactions

Transactions with related parties

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

During the year ended 31 March 2024 the Charity recharged expenses totalling £25,018 (2023: £58,681) to its subsidiary company, Welcome Change CIC.

As at 31 March 2024 the Charity owes £5,471 to Welcome Change CIC (2023: £6,144).

24 Subsidiaries

Details of the charity's subsidiaries at 31 March 2024 are as follows:

Welcome is a Corporate director of Welcome Change CIC, a company limited by guarantee, company number 07758208. Also the Board of Welcome has common board members with Welcome Change CIC. Therefore, the directors of Welcome consider Welcome Change CIC to be the charity's subsidiary.

Welcome Change CIC's principal activities are the provision of a variety of enterprises operated for the benefit of the community consisting of a community centre a community garden and two community hubs. These enterprises offer volunteering opportunities and work experience placements for people in recovery from substance misuse, or otherwise disadvantaged in the mainstream job market, helping to build their confidence and skills and enable them ultimately to find work.

Name of undertaking	Registered office
Welcome Change CIC	316, Kitts Green Road, Lea Village, Birmingham, West Midlands, B33 9SB

WELCOME

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

24 Subsidiaries

(Continued)

The aggregate capital and reserves and the result for the year of subsidiaries excluded from consolidation was as follows:

Name of undertaking	Profit/(Loss) £	Capital and Reserves £
Welcome Change CIC	(650)	16,813

25 Analysis of changes in net funds

The charity had no material debt during the year.

26 Cash generated from operations

	2024 £	2023 £
Surplus/(deficit) for the year	7,771	(4,340)
Adjustments for:		
Investment income recognised in statement of financial activities	(1,986)	(1)
(Gain)/loss on disposal of tangible fixed assets	-	5,179
Depreciation and impairment of tangible fixed assets	8,157	10,134
Movements in working capital:		
Decrease/(increase) in debtors	13,267	(15,768)
Increase in creditors	742	40,763
Cash generated from operations	27,951	35,967

WELCOME

England & Wales - Charity number 1087511

Accounts

Charity registration number 1087511

Company registration number 04241324 (England and Wales)

WELCOME

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2023

WELCOME

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Mr Adam Darkes Mr John Elsegood Mr Mark Lewis Dr L Williams Mr Cairo Nickolls
Charity number	1087511
Company number	04241324
Registered office	2 Highlands Court Cranmore Avenue Shirley Solihull B90 4LE
Auditor	BK Plus Audit Limited
CEO	Sally Edwards

WELCOME

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WELCOME

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2023

The Trustees, who are also Directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 March 2023. The Trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

Welcome is a charitable company limited by guarantee, incorporated on 26 June 2001 and registered as a charity on 13 July 2001. The company was established under a constitution, the governing document, which underlines the company objectives, membership, activities, meetings, and how the constitution may be changed. In the event of the company being wound up members are required to contribute an amount not exceeding £10 each.

Objectives and activities

The charity's objectives are:

- a) to provide open access and a single point of contact to a range of drug and alcohol services in Solihull for those individuals whose lives are adversely affected by substance misuse. These services include not only those who use substances, but also their friends and family (who are often also indirectly affected);
- b) to work in partnership to ensure a seamless service is provided for those accessing treatment pathways in the borough of Solihull;
- c) to enable individuals to change their lives in a positive way through the provision of support, advice, counselling and care co-ordination services.

Significant activities

The charity's stakeholders have continued to benefit from Welcome's provision of services as a member of the SIAS (Solihull Integrated Addiction Services) Partnership.

Welcome employs the Single Point of Engagement (SPOE) team, which plays a critical role in welcoming and engaging clients into the service, carrying out triage assessments before allocating clients to their Practitioner. The charity also employs a small team of Adult Treatment Practitioners, one of whom has Additional Responsibility across the SIAS Partnership for leading on Harm Reduction and Needle Exchange Services.

Welcome charity is the SIAS Partnership lead in the provision of young persons' services, including early intervention and prevention, treatment, and support for children affected by a family member's substance misuse (known as Hidden Harm). We employ two YP treatment Practitioners and two Hidden Harm Practitioners as well as a Hidden Harm Counsellor.

Welcome also continues to act as Marketing Lead on behalf of the SIAS Partnership, adding content to its website and social media platforms, planning campaigns, networking and delivering awareness sessions in the community. This work is crucial in ensuring everyone in Solihull who might benefit from the service is aware of it and that the service is able to fully meet drug & alcohol treatment and recovery support needs in the Borough.

Welcome's charity shop in Lea Village closed in December 2022. The shop in Shard End closed in May 2022. Sadly, these enterprises had become unsustainable, so at the financial year end Welcome charity no longer had any shops.

Public Benefit

The Trustees are aware of the obligations of the charity, which are set out in the Guidance issued by The Charities Commission under the Companies Act 2006. They are confident that the work of the charity in pursuit of its objects is delivering Public Benefit. The Trustees will comply with the future reporting requirements in this regard.

WELCOME

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

Welcome Change CIC

Welcome Change CIC, a subsidiary undertaking of Welcome charity, has continued to provide opportunities for people who have received treatment and support through SIAS, as well as others with mental health issues or disadvantaged in society, to volunteer, build skills and confidence and make positive contributions in the community. The CIC's current enterprises include a Community Centre, a Community Garden and two Community Hubs. Aiming to 'Encourage Enterprise and Support Communities', our work through Welcome Change CIC continues to support communities across East Birmingham including Shard End, Kitts Green/Lea Village, Tile Cross and Glebe Farm.

The Board is pleased to note that the steps taken to secure the financial position of the charity were effective, meaning there was a small operating surplus on unrestricted activities of £642, after taking into account expenditure on restricted activities the charity achieved a small deficit of £4,340. Welcome Change CIC achieved a small surplus for the year.

Position at the end of 2023

Our staff have continued to deliver effective drug and alcohol treatment and recovery services, meeting their contractual obligations and go 'above and beyond' in terms of their willingness to do whatever it takes to ensure that their clients are well served.

Additional funding, made possible by the Government's 10 year Harm to Hope Strategy adopted as a result of Dame Carol Black's reports, has helped to secure the charity's position and the Board is anticipating a positive position at the end of the current financial year.

Volunteers

Welcome makes extensive use of volunteers where appropriate and is extremely grateful for the contribution they make to the work of the charity.

Achievements and performance

Financial review

Financial position

The charity generated a net deficit of £4,340 (2022: deficit £106,555) for the year ended 31 March 2023. The results for the year are shown on page 9. The charity has total funds of £415,607 (2022:£419,947) at the year end. The Financial position at the year end is shown on page 10.

Principal funding sources

The principal funding source during the year ended 31 March 2023 continued to be from our programme delivery as a SIAS Partner which ensures our charitable activities are met.

Reserves policy

Welcome is committed to maintaining a level of reserves that is prudent to meet ongoing liabilities, sufficient to ensure that all service delivery commitments can be met and to protect the long term future of its operations. The policy seeks to balance these priorities by holding a level of reserves sufficient to:

- ensure the availability of sufficient working funds in hand to ensure that spending commitments can be met and to provide a breathing space in case of unexpected loss of income;
- provide sufficient funds for an orderly wind down in the event of a need to cease our activities.

The charity has total funds of £415,607 (2022: £419,947) at the year end, of which £14,725 is restricted (2022: £19,707).

WELCOME

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

Plans for future periods

The Board is confident that Welcome remains a strong organisation, with good reserves and resilience derived from its skilled and loyal staff team.

The Board acknowledges and thanks the team on the ground for their continued hard work, flexibility and enthusiasm for supporting people in need.

Welcome is proud to be an essential part of the SIAS partnership, helping adults and children in Solihull affected by substance misuse on the road to recovery. In the year ahead we will be looking to further strengthen and grow the charity.

The Board of Trustees continues to support the charity giving up their essential free time to ensure its sustainability going forward. The Board will continue to provide commitment and guidance, helping to ensure that Welcome is a strong organisation that is able to take difficult decisions and steer its way through any challenges that arise.

Structure, governance and management

Governing document

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

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

Mr Adam Darkes
Mr John Elsegood
Mr Mark Lewis
Dr L Williams
Mr Cairo Nickolls

Recruitment and appointment of new trustees

Under the governing document members of the Board are elected to serve for three years after which they must be re-elected at the next Annual General Meeting.

We regularly review the skills of our current Board to ensure the charity has the appropriate level of skill and expertise required to ensure it is effectively directed. If any skill gaps are identified we seek to recruit new Trustees from the communities we serve, with the necessary skills to join the board.

None of the trustees has any beneficial interest in the company. All of the trustees are members of the company and guarantee to contribute £1 in the event of a winding up.

Organisation structure

Welcome has a Board of Trustees which meets six weekly. Day-to-day responsibility rests with the CEO who is responsible for ensuring that the charity delivers the services specified and that service level agreements are achieved. The CEO along with the Service Manager and Senior Practitioner have responsibility for the operational management of the charity, staff supervision and ensuring the staff continue to develop their skills and working practices in line with good practice.

Induction and training of new trustees

Any potential new Trustees are invited to visit the charity and its trading arm and experience its full range of activities in operation. Additionally, Trustees are kept abreast of ongoing work through a short presentation at each Board meeting by a member of the Welcome team.

Members of our existing Board and any new Trustees undertake governance training and are involved in an annual Away Day to facilitate discussions surrounding strategic direction for the charity and CIC.

WELCOME

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

Key management remuneration

The remuneration paid to the Charity's employees is reviewed annually. The pay is benchmarked against pay levels for other roles with similar responsibilities elsewhere within the sector.

National Drug Strategy

Welcome is guided by both local and national drugs and alcohol policies. The Government has a published Drugs Strategy and an Alcohol Strategy, but the lead responsibility for commissioning drug and alcohol services rests with local authorities.

Risk management

The trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

Throughout the year, effective control over expenditure has been maintained so that our cash balance at the year end remains healthy. As part of our charity's overall risk management, possible dangers to assets and future cash flows have been assessed and deemed to be under satisfactory control.

Statement of trustees' responsibilities

The trustees, who are also the directors of Welcome for the purpose of company law, are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law requires the trustees to prepare financial statements 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 year.

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Auditor

The auditors, BK Plus Audit Limited, will be proposed for re-appointment at the forthcoming Annual General Meeting.

WELCOME

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) ***FOR THE YEAR ENDED 31 MARCH 2023***

Disclosure of information to auditor

Each of the trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

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

Mr Adam Darkes
Trustee

16 November 2023

WELCOME

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF WELCOME

Opinion

We have audited the financial statements of Welcome (the 'charity') for the year ended 31 March 2023 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2023 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 charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report for the financial year for which the financial statements are prepared, which includes the directors' report prepared for the purposes of company law, is consistent with the financial statements; and
- the directors' report included within the trustees' report has been prepared in accordance with applicable legal requirements.

WELCOME

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF WELCOME

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the trustees' 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 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' exemptions in preparing the trustees' report and from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees, who are also the directors of the charity for the purpose 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 charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the 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.

The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

- Enquiry of management, those charged with governance around actual and potential litigation and claims;
- Enquiry of entity staff to identify any instances of non-compliance with laws and regulations;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.
- Performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias.
- Performing audit work over the risk of understatement of income including substantive testing and obtaining corroborated explanations from Management.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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

WELCOME

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF WELCOME

Use of our report

This report is made solely to the company's members, as a body, in accordance with section 391 of the Companies Act 2014. Our audit work has been undertaken so that we might state to the 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 company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

**Paul Mannion FCCA, FCA (Senior Statutory Auditor)
for and on behalf of BK Plus Audit Limited**

16 November 2023

**Chartered Certified Accountants
Statutory Auditor**

WELCOME

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2023

		Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £
	Notes						
Income from:							
Donations and legacies	3	150	-	150	43	-	43
Charitable activities	4	541,215	36,518	577,733	460,735	50,728	511,463
Other trading activities	5	97,079	-	97,079	122,299	-	122,299
Investments	6	1	-	1	-	-	-
Total income		<u>638,445</u>	<u>36,518</u>	<u>674,963</u>	<u>583,077</u>	<u>50,728</u>	<u>633,805</u>
Expenditure on:							
Raising funds	7	113,353	-	113,353	168,862	-	168,862
Charitable activities	8	524,450	41,500	565,950	534,752	36,746	571,498
Total expenditure		<u>637,803</u>	<u>41,500</u>	<u>679,303</u>	<u>703,614</u>	<u>36,746</u>	<u>740,360</u>
Net income/(expenditure) for the year/							
Net movement in funds		642	(4,982)	(4,340)	(120,537)	13,982	(106,555)
Fund balances at 1 April 2022		<u>400,240</u>	<u>19,707</u>	<u>419,947</u>	<u>520,777</u>	<u>5,725</u>	<u>526,502</u>
Fund balances at 31 March 2023		<u><u>400,882</u></u>	<u><u>14,725</u></u>	<u><u>415,607</u></u>	<u><u>400,240</u></u>	<u><u>19,707</u></u>	<u><u>419,947</u></u>

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

All income and expenditure derive from continuing activities.

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

WELCOME

BALANCE SHEET

AS AT 31 MARCH 2023

	Notes	2023 £	£	2022 £	£
Fixed assets					
Tangible assets	14		18,371		34,684
Current assets					
Debtors	15	25,635		9,868	
Cash at bank and in hand		456,334		432,123	
		<u>481,969</u>		<u>441,991</u>	
Creditors: amounts falling due within one year	16	<u>(84,733)</u>		<u>(56,728)</u>	
Net current assets			397,236		385,263
Total assets less current liabilities			<u>415,607</u>		<u>419,947</u>
Income funds					
Restricted funds	19		14,725		19,707
Unrestricted funds			400,882		400,240
			<u>415,607</u>		<u>419,947</u>

The financial statements were approved by the Trustees on 16 November 2023

Mr Mark Lewis
Trustee

Company registration number 04241324

WELCOME

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2023

	Notes	2023 £	£	2022 £	£
Cash flows from operating activities					
Cash generated from/(absorbed by) operations	24		35,967		(80,001)
Investing activities					
Purchase of tangible fixed assets		-		(9,360)	
Proceeds from disposal of tangible fixed assets		1,000			
Investment income received		1		-	
		<u> </u>		<u> </u>	
Net cash generated from/(used in) investing activities			1,001		(9,360)
Financing activities					
Subsidiary Loan		(12,757)		76,460	
		<u> </u>		<u> </u>	
Net cash (used in)/generated from financing activities			(12,757)		76,460
Net increase/(decrease) in cash and cash equivalents			24,211		(12,901)
Cash and cash equivalents at beginning of year			432,123		445,024
			<u> </u>		<u> </u>
Cash and cash equivalents at end of year			<u>456,334</u>		<u>432,123</u>

WELCOME

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies

Charity information

Welcome is a private company limited by guarantee incorporated in England and Wales. The registered office is 2 Highlands Court, Cranmore Avenue, Shirley, Solihull, B90 4LE.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's [governing document], the Companies Act 2006, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019). The charity is a Public Benefit Entity as defined by FRS 102.

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

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

Preparation of consolidated financial statements

The financial statements contain information about Welcome as an individual company and do not contain consolidated financial information as the parent of a group. The charity is exempt under Section 399(2A) of the Companies Act 2006 from the requirements to prepare consolidated financial statements.

1.2 Going concern

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

1.3 Charitable funds

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

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

1.4 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

Retail income including income from clothing and other items donated for resale through the charity shops are included in income from other trading activities when the sale takes place.

WELCOME

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies (Continued)

1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably.

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

1.6 Tangible fixed assets

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

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

Leasehold improvements	Straight line over the life of the lease
Fixtures and fittings	15% straight line
Furniture and Computer equipment	20% straight line
Motor vehicles	25% on reducing balance

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

1.7 Impairment of fixed assets

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

1.8 Cash and cash equivalents

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

1.9 Financial instruments

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

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

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

WELCOME

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies

(Continued)

Basic financial assets

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

Basic financial liabilities

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

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

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

Derecognition of financial liabilities

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

1.10 Taxation

The charity is exempt from corporation tax on its charitable activities.

1.11 Employee benefits

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

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

1.12 Retirement benefits

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

1.13 Grants

Grants are credited to deferred income. Grants towards capital expenditure are released to the profit and loss account over the expected useful life of the asset. Grants towards revenue expenditure are released to the profit and loss account as the related expenditure is incurred.

2 Critical accounting estimates and judgements

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

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

WELCOME

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

3 Donations and legacies

	Unrestricted funds	Unrestricted funds
	2023	2022
	£	£
Donations and gifts	150	43
	<u>150</u>	<u>43</u>

WELCOME

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

4 Charitable activities

	SIAS 2023 £	BBC Children in Need 2023 £	Aquarius Grant 2023 £	Angling Trust Grant 2023 £	Total 2023 £	SIAS 2022 £	BBC Children in Need 2022 £	Aquarius Grant 2022 £	Total 2022 £
Charitable income	541,215	9,950	24,677	1,891	577,733	460,735	28,228	22,500	511,463
Analysis by fund									
Unrestricted funds	541,215	-	-	-	541,215	460,735	-	-	460,735
Restricted funds	-	9,950	24,677	1,891	36,518	-	28,228	22,500	50,728
	541,215	9,950	24,677	1,891	577,733	460,735	28,228	22,500	511,463

WELCOME

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

5 Other trading activities

	Unrestricted funds	Unrestricted funds
	2023	2022
	£	£
Shop income	97,079	115,632
Trading activity income: other	-	6,667
	<hr/>	<hr/>
Other trading activities	97,079	122,299
	<hr/>	<hr/>

6 Investments

	Unrestricted funds	Total
	2023	2022
	£	£
Interest receivable	1	-
	<hr/>	<hr/>

7 Raising funds

	Unrestricted funds	Unrestricted funds
	2023	2022
	£	£
<u>Trading costs</u>		
Other trading activities	26,477	75,065
Staff costs	86,876	93,797
	<hr/>	<hr/>
Trading costs	113,353	168,862
	<hr/>	<hr/>
	113,353	168,862
	<hr/>	<hr/>

WELCOME

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

8 Charitable activities

	SIAS 2023 £	BBC Children in Need Grant 2023 £	Active Citizens 2023 £	Aquarius Grant 2023 £	Total 2023 £	Total 2022 £
Staff costs	323,824	8,608	-	6,378	338,810	392,373
Depreciation and impairment	7,694	-	540	-	8,234	8,434
Insurance	6,629	-	-	-	6,629	7,360
Advertising	44,040	-	-	15,588	59,628	24,763
SIAS direct costs	4,825	-	-	-	4,825	-
Womens/ family group/ activities	4,363	-	-	-	4,363	6,367
Needle exchange	7,500	-	-	10,386	17,886	7,973
Repairs and renewals	2,312	-	-	-	2,312	1,536
Travelling	7,416	-	-	-	7,416	4,364
Motor expenses	130	-	-	-	130	74
legal and professional	309	-	-	-	309	2,029
Telephone	5,669	-	-	-	5,669	8,393
Computer costs	9,579	-	-	-	9,579	10,000
Equipment rental	1,454	-	-	-	1,454	872
Post and stationary	272	-	-	-	272	517
Subscriptions	4,426	-	-	-	4,426	4,628
Other charitable expenditure	14,633	-	-	-	14,633	7,937
	<u>445,075</u>	<u>8,608</u>	<u>540</u>	<u>32,352</u>	<u>486,575</u>	<u>487,620</u>
Share of support costs (see note 10)	72,625	-	-	-	72,625	64,520
Share of governance costs (see note 10)	6,750	-	-	-	6,750	19,358
	<u>524,450</u>	<u>8,608</u>	<u>540</u>	<u>32,352</u>	<u>565,950</u>	<u>571,498</u>
Analysis by fund						
Unrestricted funds	524,450	-	-	-	524,450	534,752
Restricted funds	-	8,608	540	32,352	41,500	36,746
	<u>524,450</u>	<u>8,608</u>	<u>540</u>	<u>32,352</u>	<u>565,950</u>	<u>571,498</u>

WELCOME

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

8 Charitable activities

(Continued)

For the year ended 31 March 2022

	SIAS £	BBC Children in Need Grant	Active Citizens £	Aquarius Grant £	Total 2022 £
Staff costs	356,447	21,102	-	14,824	392,373
Depreciation and impairment	7,614	100	720	-	8,434
Insurance	7,360	-	-	-	7,360
Advertising	24,763	-	-	-	24,763
Womens/ family group/ activities	6,367	-	-	-	6,367
Needle exchange	7,973	-	-	-	7,973
Repairs and renewals	1,536	-	-	-	1,536
Travelling	4,364	-	-	-	4,364
Motor expenses	74	-	-	-	74
legal and professional	2,029	-	-	-	2,029
Telephone	8,393	-	-	-	8,393
Computer costs	10,000	-	-	-	10,000
Equipment rental	872	-	-	-	872
Post and stationary	517	-	-	-	517
Subscriptions	4,628	-	-	-	4,628
Other charitable expenditure	7,937	-	-	-	7,937
	<u>450,874</u>	<u>21,202</u>	<u>720</u>	<u>14,824</u>	<u>487,620</u>
Share of support costs (see note 10)	64,520	-	-	-	64,520
Share of governance costs (see note 10)	19,358	-	-	-	19,358
	<u>534,752</u>	<u>21,202</u>	<u>720</u>	<u>14,824</u>	<u>571,498</u>
Analysis by fund					
Unrestricted funds	534,752	-	-	-	534,752
Restricted funds	-	21,202	720	14,824	36,746
	<u>534,752</u>	<u>21,202</u>	<u>720</u>	<u>14,824</u>	<u>571,498</u>

WELCOME

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

9 Description of charitable activities

SIAS

Solihull Integrated Addiction Service

Welcome remains the SIAS Partnership lead in the provision of young persons' services, including early intervention and prevention, treatment, and support for children affected by a family member's substance misuse (known as Hidden Harm). We employ two Young Person treatment Practitioners and a Hidden Harm Practitioner as well as a Hidden Harm Counsellor.

BBC Children in Need Grant

Funding to provide support to young people affected by parental drug and alcohol misuse. Through taking part in various activities the young people will be more confident, resilient and able to make more informed life choices.

Active Citizens

Funding towards supporting a mobile platform from which the charity can provide support to young people affected by parental drug and alcohol misuse. Through engaging with the mobile platform in various activities, the young people will become more confident in engaging with the charity.

Aquarius Grant

Funding to provide support to young people affected by parental drug and alcohol misuse through young people workers. Through taking part in various activities the young people will be more confident, resilient and able to make more informed life choices.

Angling Trust Grant

Funding to provide angling facilities to increase opportunities for mental health, addictions, women's sport and disability sport.

WELCOME

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

10 Support costs

	Support costs	Governance costs	2023	Support costs	Governance costs	2022
	£	£	£	£	£	£
Staff costs	60,055	-	60,055	45,133	-	45,133
Depreciation	1,900	-	1,900	3,011	-	3,011
Insurance	1,529	-	1,529	2,629	-	2,629
Repairs and renewals	533	-	533	549	-	549
Travelling and motor	1,741	-	1,741	1,584	-	1,584
Training and recruitment	1,044	-	1,044	1,369	-	1,369
Legal and professional	-	-	-	711	-	711
Telephone	1,308	-	1,308	2,998	-	2,998
Computer costs	2,210	-	2,210	3,571	-	3,571
Equipment rental	336	-	336	311	-	311
Post and stationary	63	-	63	184	-	184
Subscriptions, sundry and bank charges	1,906	-	1,906	2,470	-	2,470
Audit fees	-	6,750	6,750	-	10,480	10,480
Bookkeeping fees	-	-	-	-	8,878	8,878
	<u>72,625</u>	<u>6,750</u>	<u>79,375</u>	<u>64,520</u>	<u>19,358</u>	<u>83,878</u>
Analysed between Charitable activities	<u>72,625</u>	<u>6,750</u>	<u>79,375</u>	<u>64,520</u>	<u>19,358</u>	<u>83,878</u>

11 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year.

12 Employees

The average monthly number of employees during the year was:

	2023 Number	2022 Number
Counselling staff	13	14
Administration	3	5
Charity Shops	5	7
Total	<u>21</u>	<u>26</u>

WELCOME

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

12 Employees (Continued)

Employment costs	2023 £	2022 £
Wages and salaries	429,827	469,392
Social security costs	30,258	34,724
Other pension costs	25,656	27,187
	<u>485,741</u>	<u>531,303</u>

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

13 Taxation

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

14 Tangible fixed assets

	Leasehold improvements	Fixtures and fittings	Furniture and Computer equipment	Motor vehicles	Total
	£	£	£	£	£
Cost					
At 1 April 2022	31,905	9,418	89,481	18,585	149,389
Disposals	(31,905)	-	-	(9,360)	(41,265)
	<u>-</u>	<u>9,418</u>	<u>89,481</u>	<u>9,225</u>	<u>108,124</u>
At 31 March 2023	-	9,418	89,481	9,225	108,124
	<u>-</u>	<u>9,418</u>	<u>89,481</u>	<u>9,225</u>	<u>108,124</u>
Depreciation and impairment					
At 1 April 2022	31,905	9,348	66,581	6,871	114,705
Depreciation charged in the year	-	70	7,610	2,454	10,134
Eliminated in respect of disposals	(31,905)	-	-	(3,181)	(35,086)
	<u>-</u>	<u>9,418</u>	<u>74,191</u>	<u>6,144</u>	<u>89,753</u>
At 31 March 2023	-	9,418	74,191	6,144	89,753
	<u>-</u>	<u>9,418</u>	<u>74,191</u>	<u>6,144</u>	<u>89,753</u>
Carrying amount					
At 31 March 2023	-	-	15,290	3,081	18,371
	<u>-</u>	<u>-</u>	<u>15,290</u>	<u>3,081</u>	<u>18,371</u>
At 31 March 2022	-	70	22,900	11,714	34,684
	<u>-</u>	<u>70</u>	<u>22,900</u>	<u>11,714</u>	<u>34,684</u>

WELCOME

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

15 Debtors

	2023	2022
	£	£
Amounts falling due within one year:		
Trade debtors	19,678	-
Other debtors	3,555	5,000
Prepayments and accrued income	2,402	4,868
	<u>25,635</u>	<u>9,868</u>

16 Creditors: amounts falling due within one year

	2023	2022
	£	£
	Notes	
Other taxation and social security	6,628	7,677
Deferred income	28,435	14,944
Trade creditors	26,297	1,292
Amounts owed to fellow group undertakings	6,144	18,902
Other creditors	2,040	2,468
Accruals and deferred income	15,189	11,445
	<u>84,733</u>	<u>56,728</u>

17 Deferred income

	2023	2022
	£	£
Other deferred income	<u>28,435</u>	<u>14,944</u>

Deferred income is included in the financial statements as follows:

	2023	2022
	£	£
Deferred income is included within:		
Current liabilities	<u>28,435</u>	<u>14,944</u>
Movements in the year:		
Deferred income at 1 April 2022	14,944	3,887
Resources deferred in the year	<u>13,491</u>	<u>11,057</u>
Deferred income at 31 March 2023	<u>28,435</u>	<u>14,944</u>

WELCOME

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

18 Retirement benefit schemes

Defined contribution schemes

The charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the charity in an independently administered fund.

The charge to profit or loss in respect of defined contribution schemes was £20,876 (2022 - £23,937).

19 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Movement in funds			Movement in funds			Balance at 31 March 2023 £
	Balance at 1 April 2021 £	Incoming resources £	Resources expended £	Balance at 1 April 2022 £	Incoming resources £	Resources expended £	
BBC Children In Need Grant		28,228	(21,202)	7,027	9,950	(8,608)	8,369
Active Citizens Award Grant	5,725	-	(720)	5,005	-	(540)	4,465
Aquarius Grant		22,500	(14,824)	7,675	24,677	(32,352)	-
Angling Grant	-	-	-	-	1,891	-	1,891
	<u>5,725</u>	<u>50,728</u>	<u>(36,746)</u>	<u>19,707</u>	<u>36,518</u>	<u>(41,500)</u>	<u>14,725</u>

20 Analysis of net assets between funds

	Unrestricted funds	Restricted funds	Total Unrestricted funds	Restricted funds	Total
	2023 £	2023 £	2023 £	2022 £	2022 £
Fund balances at 31 March 2023 are represented by:					
Tangible assets	16,753	1,618	18,371	32,526	34,684
Current assets/(liabilities)	384,128	13,108	397,236	367,714	385,263
	<u>400,881</u>	<u>14,726</u>	<u>415,607</u>	<u>400,240</u>	<u>419,947</u>

21 Operating lease commitments

At the reporting end date the charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2023 £	2022 £
Within one year	-	1,350
	<u>-</u>	<u>1,350</u>

WELCOME

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

21 Operating lease commitments

(Continued)

22 Related party transactions

Remuneration of key management personnel

The remuneration of key management personnel is as follows.

	2023 £	2022 £
Aggregate compensation	50,632	51,350

Transactions with related parties

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

During the year ended 31 March 2023 the Charity recharged expenses totalling £58,681 (2022: £28,247) to its subsidiary company, Welcome Change CIC.

As at 31 March 2023 the Charity owes £6,144 to Welcome Change CIC (2022:Owed £18,902).

23 Subsidiaries

Details of the charity's subsidiaries at 31 March 2023 are as follows:

Welcome is a Corporate director of Welcome Change CIC, a company limited by guarantee, company number 07758208. Also the Board of Welcome has common board members with Welcome Change CIC. Therefore, the directors of Welcome consider Welcome Change CIC to be the charity's subsidiary.

Welcome Change CIC's principal activities are the provision of a variety of enterprises operated for the benefit of the community consisting of a community centre a community garden and two community hubs. These enterprises offer volunteering opportunities and work experience placements for people in recovery from substance misuse, or otherwise disadvantaged in the mainstream job market, helping to build their confidence and skills and enable them ultimately to find work.

Name of undertaking	Registered office
Welcome Change CIC	316, Kitts Green Road, Lea Village, Birmingham, West Midlands, B33 9SB

WELCOME

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

23 Subsidiaries

(Continued)

The aggregate capital and reserves and the result for the year of subsidiaries excluded from consolidation was as follows:

Name of undertaking	Profit/(Loss) £	Capital and Reserves £
Welcome Change CIC	90	17,463

24 Cash generated from operations

2023
£

2022
£

Deficit for the year	(4,340)	(106,555)
Adjustments for:		
Investment income recognised in statement of financial activities	(1)	-
Depreciation and impairment of tangible fixed assets	10,134	11,445
Loss on disposal	5,179	191
Movements in working capital:		
(Increase)/decrease in debtors	(15,768)	14,318
Increase in creditors	40,763	600
Cash generated from/(absorbed by) operations	35,967	(80,001)

25 Analysis of changes in net funds

The charity had no debt during the year.

Document Activity Report

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Adam Darkes Approved Fri, 08 Dec 2023 11:30:24 GMT

Mark Lewis Approved Thu, 07 Dec 2023 16:54:31 GMT

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WELCOME

England & Wales - Charity number 1087511

Accounts

**Report of the Trustees and
Audited Financial Statements
for the Year Ended 31 March 2022**

for

**WELCOME
(A COMPANY LIMITED BY GUARANTEE)**

BK Plus Audit Limited
2 Highlands Court
Cranmore Avenue
Solihull
West Midlands
B90 4LE

WELCOME

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for the Year Ended 31 March 2022**

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WELCOME

**Reference and Administrative Details
for the Year Ended 31 March 2022**

TRUSTEES	Dr L M Williams M Lewis A Darkes J P Elsegood C Nickolls
REGISTERED OFFICE	2 Highlands Court Cranmore Avenue Shirley Solihull West Midlands B90 4LE
REGISTERED COMPANY NUMBER	04241324 (England and Wales)
REGISTERED CHARITY NUMBER	1087511
INDEPENDENT AUDITORS	BK Plus Audit Limited 2 Highlands Court Cranmore Avenue Solihull West Midlands B90 4LE
CEO	Sally Edwards

**Report of the Trustees
for the Year Ended 31 March 2022**

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 March 2022. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

Welcome is a charitable company limited by guarantee, incorporated on 26 June 2001 and registered as a charity on 13 July 2001. The company was established under a constitution, the governing document which underlines the company objectives, membership, activities, meetings, and how the constitution may be changed. In the event of the company being wound up members are required to contribute an amount not exceeding £10 each.

OBJECTIVES AND ACTIVITIES

Objectives and aims

The charity's objectives are:

- a) to provide open access and a single point of contact to a range of drug and alcohol services in Solihull for those individuals whose lives are adversely affected by substance misuse. These services include not only those who use substances, but also their friends and family (who are often also indirectly affected);
- b) to work in partnership to ensure a seamless service is provided for those accessing treatment pathways in the borough of Solihull;
- c) to enable individuals to change their lives in a positive way through the provision of support, advice, and counselling and care co-ordination services.

Significant activities

The charity's stakeholders have continued to benefit from our provision of services in association with other SIAS partners.

Welcome continues to employ the Single Point of Engagement (SPOE) team, which play a critical role in welcoming and engaging clients into the service, carrying out triage assessments before allocating clients to their Practitioner. We also continue to employ a small team of Adult Treatment Practitioners, one of whom has Additional Responsibility across the SIAS Partnership for leading on Harm Reduction and Needle Exchange Services.

Welcome remains the SIAS Partnership lead in the provision of young persons' services, including early intervention and prevention, treatment, and support for children affected by a family member's substance misuse (known as Hidden Harm). We employ two Young Person treatment Practitioners and a Hidden Harm Practitioner as well as a Hidden Harm Counsellor.

Welcome also continues to act as Marketing Lead on behalf of the SIAS Partnership, adding content to its website and social media platforms, planning campaigns and co-ordinating contributions from other staff. This has resulted in an increase in numbers coming into treatment.

**Report of the Trustees
for the Year Ended 31 March 2022**

OBJECTIVES AND ACTIVITIES

Welcome Change CIC

Welcome Change CIC, a subsidiary undertaking of Welcome charity, has continued to provide opportunities for people who have received treatment and support through SIAS, as well as others with mental health issues or disadvantaged in society, to volunteer, build skills and confidence and make positive contributions in the community. The CIC's current enterprises include a Community Centre, a Community Garden and two Community Hubs. Aiming to 'Encourage Enterprise and Support Communities', our work through Welcome Change CIC continues to support communities across East Birmingham including Shard End, Kitts Green/Lea Village, East Meadway and Glebe Farm.

Position at the end of 2022

Our staff have continued to deliver in terms of their contractual obligations and to shine in terms of their willingness to do whatever it takes to ensure that their clients are well served.

They have coped well with the challenges associated with returning to working in the office post-COVID and with moving to new premises.

Sadly, we were unable to re-open our smaller charity shop after the lockdown - in part due to a persistent leak, which left us without electricity and which we were unable to find anyone to take responsibility for fixing. Neither were we able to break the lease without financial penalty, so the shop made a loss in 2021-22. When the lease expired in May 2022 and we did not renew it. The staff member from that shop was redeployed to our larger shop, but it too struggled to be profitable. In spite of investment in a range of measures aimed at increasing income, that shop too made a loss. We had to rely on paid staff to avoid lone working and keep the retail and warehouse space operational, due to a shortage of volunteers. Some volunteers did not return and there was an overall drop in volunteering post-COVID noted by the charity retail sector nationwide. At the end of the financial year ending 2022, and into this financial year, the war in Ukraine also reduced donations coming into the shop. In June 2022, we consulted with staff and put a number of measures in place to reduce costs. Whilst these were successful, increased energy prices and rises in the cost of living continued to work against us, which led to the Board taking the decision to close that shop as well.

The need to employ agency staff while we recruited, funding a two month overlap between our retiring Office Manager and her replacement, payroll and audit costs for which we hadn't accrued sufficient funds, increased phone and IT costs, in part associated with the move to new premises, all contributed to an additional operating loss for the charity in 2021-22.

Since the end of the financial year, the Board has taken steps to ensure that this level of loss will not be repeated. Income has increased and expenditure has been brought into line with income on the SIAS contract. Retail trading activities have ceased.

Public benefit

The Trustees are aware of the obligations of the charity, which are set out in the Guidance issued by The Charities Commission under the Companies Act 2006. They are confident that the work of the charity in pursuit of its objects is delivering Public Benefit. The Trustees will comply with the future reporting requirements in this regard.

Volunteers

Welcome makes extensive use of volunteers where appropriate and is extremely grateful for the contribution they make to the work of the charity.

**Report of the Trustees
for the Year Ended 31 March 2022**

FINANCIAL REVIEW

Financial position

The charity generated a net deficit of £106,555 (2021: deficit £54,374) for the year ended 31 March 2022. The results for the year are shown on page 10. The charity has total funds of £419,947 (2021:£526,502) at the year end. The Financial position at the year end is shown on page 11.

Principal funding sources

The principal funding source during the year ended 31 March 2022 continued to be from our programme delivery as a SIAS Partner which ensures our charitable activities are met.

Reserves policy

Welcome is committed to maintaining a level of reserves that is prudent to meet ongoing liabilities, sufficient to ensure that all service delivery commitments can be met and to protect the long term future of its operations. The policy seeks to balance these priorities by holding a level of reserves sufficient to:

- ensure the availability of sufficient working funds in hand to ensure that spending commitments can be met and to provide a breathing space in case of unexpected loss of income;
- provide sufficient funds for an orderly wind down in the event of a need to cease our activities.

The charity has total funds of £419,947 (2021: £526,502) at the year end, of which £19,707 is restricted (2021: £5,725).

FUTURE PLANS

The Board is confident that Welcome remains a strong organisation, with good reserves and resilience derived from its skilled and loyal staff team.

The Board acknowledges and thanks the team on the ground for their continued hard work. The effects of the pandemic have continued to be felt throughout 2022, overlaid with economic challenges, but they have continued to deliver and develop the services the charity offers.

Welcome is proud to be an essential part of the SIAS partnership, helping adults and children in Solihull affected by substance misuse on the road to recovery. In the year ahead we will be looking to secure additional funding, to 'add value' to that contract, grow the charity and increase its range of activities.

The Board of Trustees continues to support the charity giving up their essential free time to ensure its sustainability going forward. The Board will continue to provide commitment and guidance, helping to ensure that Welcome is a strong organisation that is able to take difficult decisions and steer its way through any challenges that arise.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

Recruitment and appointment of new trustees

Under the governing document members of the Board are elected to serve for three years after which they must be re-elected at the next Annual General Meeting.

We regularly review the skills of our current Board to ensure the charity has the appropriate level of skill and expertise required to ensure it is effectively directed. If any skill gaps are identified we seek to recruit new Trustees from the communities we serve, with the necessary skills to join the board.

**Report of the Trustees
for the Year Ended 31 March 2022**

STRUCTURE, GOVERNANCE AND MANAGEMENT

Organisational structure

Welcome has a Board of Trustees which meets six weekly. Day-to-day responsibility rests with the CEO who is responsible for ensuring that the charity delivers the services specified and that service level agreements are achieved. The CEO along with the Service Manager and Senior Practitioner have responsibility for the operational management of the charity, staff supervision and ensuring the staff continue to develop their skills and working practices in line with good practice.

Induction and training of new trustees

Any potential new Trustees are invited to visit the charity and its trading arm and experience its full range of activities in operation. Additionally, Trustees are kept abreast of ongoing work through a short presentation at each Board meeting by a member of the Welcome team.

Members of our existing Board and any new Trustees undertake governance training and are involved in an annual Away Day to facilitate discussions surrounding strategic direction for the charity and CIC.

Key management remuneration

The remuneration paid to the Charity's employees is reviewed annually. The pay is benchmarked against pay levels for other roles with similar responsibilities elsewhere within the sector.

National Drug Strategy

Welcome is guided by both local and national drugs and alcohol policies. The Government has a published Drugs Strategy and an Alcohol Strategy, but the lead responsibility for commissioning drug and alcohol services rests with local authorities.

Risk management

The trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

Throughout the year, effective control over expenditure has been maintained so that our cash balance at the year end remains healthy. As part of our charity's overall risk management, possible dangers to assets and future cash flows have been assessed and deemed to be under satisfactory control.

EVENTS SINCE THE END OF THE YEAR

Information relating to events since the end of the year is given in the notes to the financial statements.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also the directors of Welcome for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"

Report of the Trustees
for the Year Ended 31 March 2022

STATEMENT OF TRUSTEES' RESPONSIBILITIES - continued

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

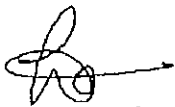
- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

AUDITORS

The auditors, BK Plus Audit Limited, will be proposed for re-appointment at the forthcoming Annual General Meeting.

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

Approved by order of the board of trustees on 20 October 2022 and signed on its behalf by:



Dr L M Williams - Trustee

Opinion

We have audited the financial statements of Welcome (the 'charitable company') for the year ended 31 March 2022 which comprise the Statement of Financial Activities, the Statement of Financial Position, the Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

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 2022 and of its incoming resources and application of resources, including its result, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'; 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 Auditors' 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 charitable 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 Annual Report, other than the financial statements and our Report of the Independent Auditors 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 this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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 Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the 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 Report of the Trustees.

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

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to take advantage of the small companies exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Trustees.

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities, 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.

Our 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 a Report of the Independent Auditors 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.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- Enquiry of management, those charged with governance around actual and potential litigation and claims;
- Enquiry of entity staff to identify any instances of non-compliance with laws and regulations;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.
- Performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias.
- Performing audit work over the risk of understatement of income including substantive testing and obtaining corroborated explanations from Management.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Independent Auditors.

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 auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Paul Mannion FCA FCCA (Senior Statutory Auditor)
for and on behalf of BK Plus Audit Limited
2 Highlands Court
Cranmore Avenue
Solihull
West Midlands
B90 4LE

20 October 2022

WELCOME

**Statement of Financial Activities
for the Year Ended 31 March 2022**

	Notes	Unrestricted funds £	Restricted funds £	2022 Total funds £	2021 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	43	-	43	-
Charitable activities					
Solihull Integrated Addiction Service	4	460,735	-	460,735	472,658
BBC Children in Need Grant		-	28,228	28,228	5,000
Active Citizens Award Grant		-	-	-	2,847
Aquarius Grant		-	22,500	22,500	30,072
Other trading activities	3	122,299	-	122,299	123,945
Total		<u>583,077</u>	<u>50,728</u>	<u>633,805</u>	<u>634,522</u>
EXPENDITURE ON					
Raising funds	5	168,862	-	168,862	108,140
Charitable activities					
Solihull Integrated Addiction Service	6	534,752	-	534,752	524,406
BBC Children in Need Grant		-	21,202	21,202	21,182
Active Citizens Award Grant		-	720	720	960
Aquarius Grant		-	14,824	14,824	34,208
Total		<u>703,614</u>	<u>36,746</u>	<u>740,360</u>	<u>688,896</u>
NET INCOME/(EXPENDITURE)		<u>(120,537)</u>	<u>13,982</u>	<u>(106,555)</u>	<u>(54,374)</u>
RECONCILIATION OF FUNDS					
Total funds brought forward		<u>520,777</u>	<u>5,725</u>	<u>526,502</u>	<u>580,876</u>
TOTAL FUNDS CARRIED FORWARD		<u><u>400,240</u></u>	<u><u>19,707</u></u>	<u><u>419,947</u></u>	<u><u>526,502</u></u>

CONTINUING OPERATIONS

All income and expenditure has arisen from continuing activities.

Statement of Financial Position
31 March 2022

	Notes	Unrestricted funds £	Restricted funds £	2022 Total funds £	2021 Total funds £
FIXED ASSETS					
Tangible assets	12	32,526	2,158	34,684	36,960
Investments	13	-	-	-	-
		<u>32,526</u>	<u>2,158</u>	<u>34,684</u>	<u>36,960</u>
CURRENT ASSETS					
Debtors	14	4,868	5,000	9,868	81,744
Cash at bank and in hand		<u>419,574</u>	<u>12,549</u>	<u>432,123</u>	<u>445,024</u>
		424,442	17,549	441,991	526,768
CREDITORS					
Amounts falling due within one year	15	(56,728)	-	(56,728)	(37,226)
		<u>367,714</u>	<u>17,549</u>	<u>385,263</u>	<u>489,542</u>
NET CURRENT ASSETS					
		<u>400,240</u>	<u>19,707</u>	<u>419,947</u>	<u>526,502</u>
TOTAL ASSETS LESS CURRENT LIABILITIES					
		<u>400,240</u>	<u>19,707</u>	<u>419,947</u>	<u>526,502</u>
NET ASSETS					
		<u>400,240</u>	<u>19,707</u>	<u>419,947</u>	<u>526,502</u>
FUNDS					
	17				
Unrestricted funds:					
General fund				400,240	520,777
Restricted funds:					
BBC Children In Need Grant				7,026	-
Active Citizens Award Grant				5,005	5,725
Aquarius Grant				7,676	-
				<u>19,707</u>	<u>5,725</u>
TOTAL FUNDS					
				<u>419,947</u>	<u>526,502</u>

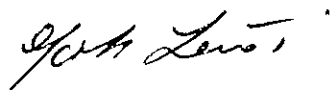
The notes form part of these financial statements

WELCOME (REGISTERED NUMBER: 04241324)

Statement of Financial Position - continued
31 March 2022

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

The financial statements were approved by the Board of Trustees and authorised for issue on 20 October 2022 and were signed on its behalf by:

A handwritten signature in black ink, appearing to read 'M Lewis', is written over a horizontal line.

M Lewis - Trustee

WELCOME

**Statement of Cash Flows
for the Year Ended 31 March 2022**

	Notes	2022 £	2021 £
Cash flows from operating activities			
Cash generated from operations	1	<u>(80,001)</u>	<u>(94,082)</u>
Net cash used in operating activities		<u>(80,001)</u>	<u>(94,082)</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(9,360)	(10,440)
Sale of tangible fixed assets		-	21,000
Net cash (used in)/provided by investing activities		<u>(9,360)</u>	<u>10,560</u>
Cash flows from financing activities			
Subsidiary loan (receipt)/payment		<u>76,460</u>	<u>(74,097)</u>
Net cash provided by/(used in) financing activities		<u>76,460</u>	<u>(74,097)</u>
Change in cash and cash equivalents in the reporting period			
		(12,901)	(157,619)
Cash and cash equivalents at the beginning of the reporting period			
		<u>445,024</u>	<u>602,643</u>
Cash and cash equivalents at the end of the reporting period			
		<u><u>432,123</u></u>	<u><u>445,024</u></u>

The notes form part of these financial statements

WELCOME

Notes to the Statement of Cash Flows
for the Year Ended 31 March 2022

1. RECONCILIATION OF NET EXPENDITURE TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2022	2021
	£	£
Net expenditure for the reporting period (as per the Statement of Financial Activities)	(106,555)	(54,374)
Adjustments for:		
Depreciation charges	11,445	11,097
Loss/(profit) on disposal of fixed assets	191	(14,257)
Decrease/(increase) in debtors	14,318	(16,052)
Increase/(decrease) in creditors	600	(20,496)
	<u> </u>	<u> </u>
Net cash used in operations	<u>(80,001)</u>	<u>(94,082)</u>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1/4/21	Cash flow	At 31/3/22
	£	£	£
Net cash			
Cash at bank and in hand	445,024	(12,901)	432,123
	<u> </u>	<u> </u>	<u> </u>
	445,024	(12,901)	432,123
	<u> </u>	<u> </u>	<u> </u>
Total	<u>445,024</u>	<u>(12,901)</u>	<u>432,123</u>

The notes form part of these financial statements

WELCOME

Notes to the Financial Statements for the Year Ended 31 March 2022

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

The presentation currency of the financial statements is the Pound Sterling (£).

Preparation of consolidated financial statements

The financial statements contain information about Welcome as an individual company and do not contain consolidated financial information as the parent of a group. The charity is exempt under Section 399(2A) of the Companies Act 2006 from the requirements to prepare consolidated financial statements.

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Retail income including income from clothing and other items donated for resale through the charity shops are included in income from other trading activities when the sale takes place.

Expenditure

Expenditure is recognised on an accrual basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is reported as part of the expenditure to which it relates.

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity and include the audit fees and costs linked to the strategic management of the charity.

Raising funds expenditure comprises of the direct costs of trading through the charity shops.

All costs are allocated between the expenditure categories of the SOFA on a basis designed to reflect the use of the resource.

Allocation and apportionment of costs

Support costs are those that assist the work of the charity but do not directly represent charitable activities and include office costs, governance costs, administrative and management payroll costs. They are incurred directly in support of expenditure on the objects of the charity. Where support costs cannot be directly attributed to particular headings they have been allocated to cost of raising funds and expenditure on charitable activities on a basis consistent with the charity's employee profile.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

WELCOME

Notes to the Financial Statements - continued for the Year Ended 31 March 2022

1. ACCOUNTING POLICIES - continued

Tangible fixed assets

Improvements to property	- straight line over the life of the lease
Fixtures and fittings	- 15% straight line
Motor vehicles	- 25% on reducing balance
Furniture and computer equipment	- 20% straight line

Taxation

The charity is exempt from corporation tax on its charitable activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Investment income and gains are allocated to the appropriate fund.

Operating lease agreements

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease.

Pension costs and other post-retirement benefits

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

Donated goods

Goods donated for on-going use by the charity in carrying out its activities are recognised as tangible fixed assets with the corresponding gain recognised as income from donations within the Statement of Financial Activities.

In common with any other tangible assets, donated goods held as tangible fixed assets are subject to depreciation and an assessment is made at the reporting date of whether there is any indication that the asset should be written down to its recoverable amount.

Grants

Income from grants, whether 'capital' grants or 'revenue' grants, are recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

Government grants

Revenue Government grants will be recognised using the accrual model and will be recognised in income on a systematic basis over the periods in which the company recognises the related costs for which the grant is intended to compensate.

WELCOME

Notes to the Financial Statements - continued
for the Year Ended 31 March 2022

2. DONATIONS AND LEGACIES

	Unrestricted funds £	Restricted funds £	2022 Total funds £	2021 Total funds £
Donations	43	-	43	-
	<u>43</u>	<u>-</u>	<u>43</u>	<u>-</u>

3. OTHER TRADING ACTIVITIES

	Unrestricted funds £	Restricted funds £	2022 Total funds £	2021 Total funds £
Charity shop income	115,632	-	115,632	45,492
Covid grants	6,667	-	6,667	61,725
Furlough grants	-	-	-	16,728
	<u>122,299</u>	<u>-</u>	<u>122,299</u>	<u>123,945</u>

4. INCOME FROM CHARITABLE ACTIVITIES

	Solihull Integrated Addiction Service £	BBC Children in Need Grant £	Aquarius Grant £	2022 Total activities £	2021 Total activities £
Solihull Integrated Addiction Service	460,735	-	-	460,735	472,658
BBC Children in Need Grant	-	28,228	-	28,228	5,000
Active Citizens Award Grant	-	-	-	-	2,847
Aquarius Grant	-	-	22,500	22,500	27,908
Furlough grants	-	-	-	-	2,164
	<u>460,735</u>	<u>28,228</u>	<u>22,500</u>	<u>511,463</u>	<u>510,577</u>

WELCOME

Notes to the Financial Statements - continued
for the Year Ended 31 March 2022

5. RAISING FUNDS

Other trading activities

	Unrestricted funds £	Restricted funds £	2022 Total funds £	2021 Total funds £
Staff costs	93,797	-	93,797	60,960
Other operating leases	44,859	-	44,859	32,425
Rates & water	955	-	955	1,150
Insurance	285	-	285	284
Light & Heat	10,206	-	10,206	4,327
Repairs & Renewals	3,071	-	3,071	3,734
Motor expenses	9,879	-	9,879	1,556
Professional fees	546	-	546	469
Telephone	1,217	-	1,217	1,756
Equipment rental	-	-	-	757
Post & stationery	223	-	223	401
Sundry expenses	2,635	-	2,635	321
Computer Costs	405	-	405	-
Bank Charges	784	-	784	-
	<u>168,862</u>	<u>-</u>	<u>168,862</u>	<u>108,140</u>

6. CHARITABLE ACTIVITIES COSTS

	Direct Costs £	Support costs (see note 7) £	Totals £
Solihull Integrated Addiction Service	450,874	83,878	534,752
BBC Children in Need Grant	21,202	-	21,202
Active Citizens Award Grant	720	-	720
Aquarius Grant	14,824	-	14,824
	<u>487,620</u>	<u>83,878</u>	<u>571,498</u>

WELCOME

Notes to the Financial Statements - continued
for the Year Ended 31 March 2022

7. **SUPPORT COSTS**

	Management	Governance	Totals
	£	costs £	£
Solihull Integrated Addiction Service	64,520	19,358	83,878
	<u>64,520</u>	<u>19,358</u>	<u>83,878</u>

Support costs, included in the above, are as follows:

Management

	2022	2021
	Solihull Integrated Addiction Service £	Total activities £
Wages	34,783	89,614
Social security	7,100	6,459
Pensions	3,250	2,064
Insurance	2,629	1,453
Repairs and renewals	549	27
Travelling	1,558	56
Motor expenses	26	321
Legal and professional fees	711	-
Telephone	2,998	2,408
Computer costs	3,571	2,711
Equipment rental	311	430
Post and stationery	184	160
Subscriptions	1,653	1,211
Sundry expenses	640	1,051
Bank charges	177	117
Training	1,369	203
Depreciation of tangible assets	3,011	2,398
	<u>64,520</u>	<u>110,683</u>

Governance costs

	2022	2021
	Solihull Integrated Addiction Service £	Total activities £
Auditors' remuneration	10,480	8,762
Bookkeeping fees	8,878	18,411
Consultancy fees	-	1,400
	<u>19,358</u>	<u>28,573</u>

WELCOME

Notes to the Financial Statements - continued
for the Year Ended 31 March 2022

8. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	2022	2021
	£	£
Auditors' remuneration	10,480	8,762
Depreciation - owned assets	11,445	11,097
Other operating leases	44,859	32,425
(Deficit)/surplus on disposal of fixed assets	191	(14,257)
	<u> </u>	<u> </u>

9. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 March 2022 nor for the year ended 31 March 2021.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 March 2022 nor for the year ended 31 March 2021.

10. STAFF COSTS

	2022	2021
	£	£
Wages and salaries	469,392	456,993
Social security costs	34,724	26,420
Other pension costs	27,187	21,450
	<u> </u>	<u> </u>
	<u>531,303</u>	<u>504,863</u>

The average monthly number of employees during the year was as follows:

	2022	2021
Counselling staff	14	14
Administrative staff	5	4
Charity Shops	7	5
	<u> </u>	<u> </u>
	<u>26</u>	<u>23</u>

No employees received emoluments in excess of £60,000.

Total key management personnel remuneration in the year amounted to £51,350 (2021: £45,000).

WELCOME

Notes to the Financial Statements - continued
for the Year Ended 31 March 2022

11. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Charitable activities			
Solihull Integrated Addiction Service	472,658	-	472,658
BBC Children in Need Grant	-	5,000	5,000
Active Citizens Award Grant	-	2,847	2,847
Aquarius Grant	-	30,072	30,072
Other trading activities	123,945	-	123,945
Total	<u>596,603</u>	<u>37,919</u>	<u>634,522</u>
EXPENDITURE ON			
Raising funds	108,140	-	108,140
Charitable activities			
Solihull Integrated Addiction Service	524,406	-	524,406
BBC Children in Need Grant	-	21,182	21,182
Active Citizens Award Grant	-	960	960
Aquarius Grant	-	34,208	34,208
Total	<u>632,546</u>	<u>56,350</u>	<u>688,896</u>
NET INCOME/(EXPENDITURE)	<u>(35,943)</u>	<u>(18,431)</u>	<u>(54,374)</u>
Transfers between funds	<u>(13,382)</u>	<u>13,382</u>	<u>-</u>
Net movement in funds	<u>(49,325)</u>	<u>(5,049)</u>	<u>(54,374)</u>
RECONCILIATION OF FUNDS			
Total funds brought forward	<u>570,102</u>	<u>10,774</u>	<u>580,876</u>
TOTAL FUNDS CARRIED FORWARD	<u><u>520,777</u></u>	<u><u>5,725</u></u>	<u><u>526,502</u></u>

WELCOME

Notes to the Financial Statements - continued
for the Year Ended 31 March 2022

12. TANGIBLE FIXED ASSETS

	Improvements to property £	Fixtures and fittings £	Motor vehicles £	Furniture and computer equipment £	Totals £
COST					
At 1 April 2021	31,905	9,418	12,625	89,481	143,429
Additions	-	-	9,360	-	9,360
Disposals	-	-	(3,400)	-	(3,400)
At 31 March 2022	<u>31,905</u>	<u>9,418</u>	<u>18,585</u>	<u>89,481</u>	<u>149,389</u>
DEPRECIATION					
At 1 April 2021	31,905	9,177	6,890	58,497	106,469
Charge for year	-	171	3,190	8,084	11,445
Eliminated on disposal	-	-	(3,209)	-	(3,209)
At 31 March 2022	<u>31,905</u>	<u>9,348</u>	<u>6,871</u>	<u>66,581</u>	<u>114,705</u>
NET BOOK VALUE					
At 31 March 2022	<u>-</u>	<u>70</u>	<u>11,714</u>	<u>22,900</u>	<u>34,684</u>
At 31 March 2021	<u>-</u>	<u>241</u>	<u>5,735</u>	<u>30,984</u>	<u>36,960</u>

Assets with a total carrying amount of £2,158 (2021: £5,725) have a restricted title.

13. FIXED ASSET INVESTMENTS

Welcome is a Corporate director of Welcome Change CIC, a company limited by guarantee, company number 07758208. Also the Board of Welcome has common board members with Welcome Change CIC. Therefore, the directors of Welcome consider Welcome Change CIC to be the charity's subsidiary.

Welcome Change CIC's principal activities are the provision of a variety of enterprises operated for the benefit of the community consisting of a community centre a community garden and two community hubs. These enterprises offer volunteering opportunities and work experience placements for people in recovery from substance misuse, or otherwise disadvantaged in the mainstream job market, helping to build their confidence and skills and enable them ultimately to find work.

The results of Welcome Change CIC for the year ended 31 March 2022 are:

Profit and loss Account	2022 £	2021 £
Turnover	269,241	215,682
Expenditure	<u>266,104</u>	<u>201,437</u>
Profit/(loss)	3,137	14,245
Donation to Charity	-	-
Profit/(loss)	<u><u>3,137</u></u>	<u><u>14,245</u></u>

WELCOME

Notes to the Financial Statements - continued
for the Year Ended 31 March 2022

13. FIXED ASSET INVESTMENTS - continued

Balance Sheet

	£	£
Fixed Assets	100,162	118,572
Current Assets	135,091	147,741
Creditors due within one year	(48,773)	(98,080)
Creditors due after one year	-	-
Deferred Income	(169,075)	(153,965)
	<u>17,405</u>	<u>14,268</u>
Net Assets/ Reserves	<u>17,405</u>	<u>14,268</u>

14. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022 £	2021 £
Trade debtors	-	5,408
Amounts owed by group undertakings	-	57,558
Other debtors	5,000	5,000
Prepayments	4,868	13,778
	<u>9,868</u>	<u>81,744</u>

15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022 £	2021 £
Trade creditors	1,292	8,688
Amounts owed to group undertakings	18,902	-
Social security and other taxes	7,677	6,390
Other creditors	2,468	4,920
Accrued expenses	11,445	13,341
Deferred revenue grants	14,944	3,887
	<u>56,728</u>	<u>37,226</u>

16. LEASING AGREEMENTS

Minimum lease payments under non-cancellable operating leases fall due as follows:

	2022 £	2021 £
Within one year	1,350	16,200
Between one and five years	-	1,350
	<u>1,350</u>	<u>17,550</u>

WELCOME

Notes to the Financial Statements - continued
for the Year Ended 31 March 2022

17. MOVEMENT IN FUNDS

	At 1/4/21 £	Net movement in funds £	At 31/3/22 £
Unrestricted funds			
General fund	520,777	(120,537)	400,240
Restricted funds			
BBC Children In Need Grant	-	7,026	7,026
Active Citizens Award Grant	5,725	(720)	5,005
Aquarius Grant	-	7,676	7,676
	<u>5,725</u>	<u>13,982</u>	<u>19,707</u>
TOTAL FUNDS	<u>526,502</u>	<u>(106,555)</u>	<u>419,947</u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	583,077	(703,614)	(120,537)
Restricted funds			
BBC Children In Need Grant	28,228	(21,202)	7,026
Active Citizens Award Grant	-	(720)	(720)
Aquarius Grant	22,500	(14,824)	7,676
	<u>50,728</u>	<u>(36,746)</u>	<u>13,982</u>
TOTAL FUNDS	<u>633,805</u>	<u>(740,360)</u>	<u>(106,555)</u>

WELCOME

Notes to the Financial Statements - continued
for the Year Ended 31 March 2022

17. **MOVEMENT IN FUNDS - continued**

Comparatives for movement in funds

	At 1/4/20 £	Net movement in funds £	Transfers between funds £	At 31/3/21 £
Unrestricted funds				
General fund	570,102	(35,943)	(13,382)	520,777
Restricted funds				
BBC Children In Need Grant	2,800	(16,182)	13,382	-
Active Citizens Award Grant	3,838	1,887	-	5,725
Aquarius Grant	4,136	(4,136)	-	-
	<u>10,774</u>	<u>(18,431)</u>	<u>13,382</u>	<u>5,725</u>
TOTAL FUNDS	<u>580,876</u>	<u>(54,374)</u>	<u>-</u>	<u>526,502</u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	596,603	(632,546)	(35,943)
Restricted funds			
BBC Children In Need Grant	5,000	(21,182)	(16,182)
Active Citizens Award Grant	2,847	(960)	1,887
Aquarius Grant	30,072	(34,208)	(4,136)
	<u>37,919</u>	<u>(56,350)</u>	<u>(18,431)</u>
TOTAL FUNDS	<u>634,522</u>	<u>(688,896)</u>	<u>(54,374)</u>

Purpose of restricted income funds:

BBC Children in Need: Funding to provide support to young people affected by parental drug and alcohol misuse. Through taking part in various activities the young people will be more confident, resilient and able to make more informed life choices.

Active Citizens Award: Funding towards supporting a mobile platform from which the charity can provide support to young people affected by parental drug and alcohol misuse. Through engaging with the mobile platform in various activities, the young people will become more confident in engaging with the charity.

Aquarius: Funding to provide support to young people affected by parental drug and alcohol misuse through young people workers. Through taking part in various activities the young people will be more confident, resilient and able to make more informed life choices.

WELCOME

Notes to the Financial Statements - continued for the Year Ended 31 March 2022

18. RELATED PARTY DISCLOSURES

During the year ended 31 March 2022 the Charity recharged expenses totalling £28,247 (2021: £13,994) to its subsidiary company, Welcome Change CIC.

As at 31 March 2022 the Charity owes £18,902 (2021: Owed to £57,558) to Welcome Change CIC.

19. POST BALANCE SHEET EVENTS

The trading activities contained in the Statement of Financial Activities represent the income and costs associated to two charity shops. The Charity's trading activities generated a surplus for the year ended 31 March 2021, however the trustees are aware that the two charity shops resulted in a deficit in respect of the year ended 31 March 2022. The deficit was caused by a combination of commercial reasons which prevented the shops from being open for the entire financial year whilst the lease commitment for each shop continued to accrue. In order to ensure the Charity is not exposed to any further future deficit the Board of Trustees took the strategic decision to close both charity shops during the year ending 31 March 2023. It is anticipated that the charity shops ongoing costs incurred together with the costs associated to the closure of both shops will exceed the income generated. Therefore, a final trading deficit associated to the shops for the year ended 31 March 2023 is anticipated.

WELCOME

England & Wales - Charity number 1087511

Accounts

**Report of the Trustees and
Audited Financial Statements
for the Year Ended 31 March 2021
for
WELCOME
(A COMPANY LIMITED BY GUARANTEE)**

Eden Currie Limited
Chartered Accountants
and Statutory Auditor
2 Highlands Court
Cranmore Avenue
Solihull
West Midlands
B90 4LE

WELCOME

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for the Year Ended 31 March 2021**

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WELCOME

**Reference and Administrative Details
for the Year Ended 31 March 2021**

TRUSTEES

Dr L M Williams
M Lewis
A Darkes
J P Elsegood
C Nickolls

REGISTERED OFFICE

Middlewood House
15 Larch Croft
Chelmsley Wood
Solihull
West Midlands
B37 7UR

**REGISTERED COMPANY
NUMBER**

04241324 (England and Wales)

**REGISTERED CHARITY
NUMBER**

1087511

INDEPENDENT AUDITORS

Eden Currie Limited
Chartered Accountants
and Statutory Auditor
2 Highlands Court
Cranmore Avenue
Solihull
West Midlands
B90 4LE

CEO

Sally Edwards

**Report of the Trustees
for the Year Ended 31 March 2021**

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 March 2021. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

Welcome is a charitable company limited by guarantee, incorporated on 26 June 2001 and registered as a charity on 13 July 2001. The company was established under a constitution, the governing document which underlines the company objectives, membership, activities, meetings, and how the constitution may be changed. In the event of the company being wound up members are required to contribute an amount not exceeding £10 each.

OBJECTIVES AND ACTIVITIES

Objectives and aims

The charity's objectives are:

- a) to provide open access and a single point of contact to a range of drug and alcohol services in Solihull for those individuals whose lives are adversely affected by substance misuse. These services include not only those who use substances, but also their friends and family (who are often also indirectly affected);
- b) to work in partnership to ensure a seamless service is provided for those accessing treatment pathways in the borough of Solihull;
- c) to enable individuals to change their lives in a positive way through the provision of support, advice, and counselling and care co-ordination services.

Significant activities

The Charity's stakeholders have continued to benefit from our provision of services in association with other SIAS partners.

Welcome continues to employ the Single Point of Engagement (SPOE) team, which includes a team leader and two administrators. The team plays a critical role in welcoming and engaging clients into the service, carrying out triage assessments before allocating clients to their keyworker/Practitioner. We employ four full time and one part time adult treatment Practitioners. One of these Practitioners has taken on Additional Responsibility for leading on Harm Reduction and the Needle Exchange Service in Solihull on behalf of the SIAS Partnership.

Welcome has become the SIAS lead in the provision of young persons' services, including early intervention and prevention, treatment and support for children affected by a family member's substance misuse. We employ two YP treatment Practitioners and a Hidden Harm Practitioner funded through the SIAS contract as well as a treatment Counsellor, Hidden Harm Support Worker and Hidden Harm Counsellor thanks to funding from Children in Need. The Hidden Harm Support Worker is able to offer children living with parents or family members with issues around substance misuse the chance to enjoy a wide range of activities, giving them some respite and fun away from their normal environment. These include an annual day trip beyond Solihull, as well as craft workshops, fun days, activities after school and a Christmas party and gifts.

**Report of the Trustees
for the Year Ended 31 March 2021**

OBJECTIVES AND ACTIVITIES

Welcome also acts as Marketing Lead on behalf of the SIAS Partnership and undertook a thorough branding review and refresh during the year, which included updating the website and suite of literature.

Youth Engagement in Birmingham

Thanks to funding from Aquarius, Welcome employs a Youth Engagement Worker who works with young people across Birmingham encouraging them to comment on and improve the provision of services and become peer mentors.

Welcome Change CIC

Welcome Change CIC, a subsidiary undertaking of Welcome charity, has continued to provide opportunities for people who have received treatment and support through SIAS, as well as others with mental health issues or disadvantaged in society, to volunteer, build skills and confidence and make positive contributions in the community. This in turn helps them to better integrate into society. The CIC's enterprises currently include a Community Centre, a Community Garden and two Community Hubs. Aiming to 'Encourage Enterprise and Support Communities', our work through the CIC supports communities across East Birmingham including Shard End, Kitts Green/Lea Village, East Meadway and Glebe Farm.

Position at the end of 2021

The charity has been stable throughout the challenges of the pandemic and staff have adapted well first to working from home, then returning to the office working in 'bubbles'. Recruitment continued through lockdowns where necessary.

The Board continued to pay the staff their full salaries as they agreed to top up their furlough income.

Our staff have continued to deliver in terms of their contractual obligations and to shine in terms of their willingness to do whatever it takes to ensure that their clients are well served.

Our co-productive and collaborative relationships with our service users have remained in place and we have continued to take new referrals and work effectively via telephone and online platforms where face to face contact has not been possible.

The need to employ agency staff while we recruited and consultants to support us in covering then reviewing and upgrading our financial processes did lead to a loss in this financial year. The Board considers this to be an investment in the long-term future and stability of the charity. Whilst reduced funding for the delivery of substance misuse services does pose a challenge, the Board is confident that this can be successfully met by both reviewing and streamlining methods of working and seeking additional funding for new projects. As the charity passes its 20 year milestone, the Board is looking forward to the future with confidence and optimism.

Public benefit

The Trustees are aware of the obligations of the charity, which are set out in the Guidance issued by The Charities Commission under the Companies Act 2006. They are confident that the work of the charity in pursuit of its objects is delivering Public Benefit. The Trustees will comply with the future reporting requirements in this regard.

Volunteers

Welcome makes extensive use of volunteers where appropriate and is extremely grateful for the contribution they make to the work of the charity.

**Report of the Trustees
for the Year Ended 31 March 2021**

FINANCIAL REVIEW

Financial position

The charity generated a net deficit of £54,374 (2020: deficit £32,904) for the year ended 31 March 2021. The results for the year are shown on page 11. The charity has total funds of £526,502 (2020: £580,876) at the year end. The Financial position at the year end is shown on page 12.

Principal funding sources

The principal funding source during the year ended 31 March 2021 continued to be from our programme delivery as a SIAS Partner which ensures our charitable activities are met.

Reserves policy

Welcome is committed to maintaining a level of reserves that is prudent to meet ongoing liabilities, sufficient to ensure that all service delivery commitments can be met and to protect the long term future of its operations. The policy seeks to balance these priorities by holding a level of reserves sufficient to:

- ensure the availability of sufficient working funds in hand to ensure that spending commitments can be met and to provide a breathing space in case of unexpected loss of income;
- provide sufficient funds for an orderly wind down in the event of a need to cease our activities.

The charity has total funds of £526,502 (2020: £580,876) at the year end, of which £5,725 is restricted (2020: £10,774).

FUTURE PLANS

The Board is confident that Welcome will continue to manage the challenges it faces as it has a strong foundation and is resilient, both financially and through the expertise and commitment of its staff and volunteer Board members.

The Board acknowledges and thanks the team on the ground for their continued hard work. 2021 has been a more challenging year than anyone could have predicted with the ongoing coronavirus pandemic and further lockdowns, but they have pulled together and come through strongly poised for what we all hope will be a brighter, more 'normal' year ahead.

Welcome is proud to be an essential part of the SIAS partnership and key in bringing the 'local' to the tender process. It is also proud of its ability, as a charity, to secure additional funding to 'add value' to that contract to benefit service users and plans to do more of this in the year ahead.

The transfer of the charity shops in Shard End and Lea Village to the main charity from its subsidiary undertaking, provides an opportunity to develop an unrestricted income stream for the charity in the years ahead. This will become the primary purpose of the shops, whereas their original purpose was to serve their communities, which are areas of high deprivation, and provide volunteering opportunities for people in recovery from addiction.

The Board of Trustees continues to support the charity giving up their essential free time to ensure its sustainability going forward. The Board will continue to provide commitment and guidance, helping to ensure that Welcome is a strong organisation that is able to take difficult decisions and steer its way through any challenges that arise.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

**Report of the Trustees
for the Year Ended 31 March 2021**

STRUCTURE, GOVERNANCE AND MANAGEMENT

Recruitment and appointment of new trustees

Under the governing document members of the Board are elected to serve for three years after which they must be re-elected at the next Annual General Meeting.

We regularly review the skills of our current Board to ensure the charity has the appropriate level of skill and expertise required to ensure it is effectively directed. If any skill gaps are identified we seek to recruit new Trustees from the communities we serve, with the necessary skills to join the board.

Organisational structure

Welcome has a Board of Trustees which meets six weekly. Day-to-day responsibility rests with the CEO who is responsible for ensuring that the charity delivers the services specified and that service level agreements are achieved. The CEO along with the Service Manager and Senior Practitioner have responsibility for the operational management of the charity, staff supervision and ensuring the staff continue to develop their skills and working practices in line with good practice.

Induction and training of new trustees

Any potential new Trustees are invited to visit the charity and its trading arm and experience its full range of activities in operation. Additionally, Trustees are kept abreast of ongoing work through a short presentation at each Board meeting by a member of the Welcome team.

Members of our existing Board and any new Trustees undertake governance training and are involved in an annual Away Day to facilitate discussions surrounding strategic direction for the charity and CIC.

Key management remuneration

The remuneration paid to the Charity's employees is reviewed annually. The pay is benchmarked against pay levels for other roles with similar responsibilities elsewhere within the sector.

National Drug Strategy

Welcome is guided by both local and national drugs and alcohol policies. The Government has a published Drugs Strategy and an Alcohol Strategy, but the lead responsibility for commissioning drug and alcohol services rests with local authorities.

Risk management

The trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

Throughout the year, effective control over expenditure has been maintained so that our cash balance at the year end remains healthy. As part of our charity's overall risk management, possible dangers to assets and future cash flows have been assessed and deemed to be under satisfactory control.

EVENTS SINCE THE END OF THE YEAR

Information relating to events since the end of the year is given in the notes to the financial statements.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also the directors of Welcome for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"

**Report of the Trustees
for the Year Ended 31 March 2021**

STATEMENT OF TRUSTEES' RESPONSIBILITIES - continued

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

AUDITORS

The auditors, Eden Currie Limited, will be proposed for re-appointment at the forthcoming Annual General Meeting.

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

Approved by order of the board of trustees on 2 December 2021 and signed on its behalf by:



L. WILLIAMS

Dr L M Williams - Trustee

Opinion

We have audited the financial statements of Welcome (the 'charitable company') for the year ended 31 March 2021 which comprise the Statement of Financial Activities, the Statement of Financial Position, the Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

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 2021 and of its incoming resources and application of resources, including its result, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'; 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 Auditors' 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 charitable 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 Annual Report, other than the financial statements and our Report of the Independent Auditors 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 this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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 Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the 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 Report of the Trustees.

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

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to take advantage of the small companies exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Trustees.

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities, 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.

Our 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 a Report of the Independent Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Enquiry of management, those charged with governance around actual and potential litigation and claims;
- Enquiry of entity staff to identify any instances of non-compliance with laws and regulations;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.
- Performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias.
- Performing audit work over the risk of understatement of income including substantive testing and obtaining corroborated explanations from Management.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Independent Auditors.

**Report of the Independent Auditors to the Members of
Welcome (Registered number: 04241324)**

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 auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Eden Currie Limited

Paul Mannion ACA ACCA (Senior Statutory Auditor)
for and on behalf of Eden Currie Limited
Chartered Accountants
and Statutory Auditor
2 Highlands Court
Cranmore Avenue
Solihull
West Midlands
B90 4LE

2 December 2021

WELCOME

**Statement of Financial Activities
for the Year Ended 31 March 2021**

	Notes	Unrestricted funds £	Restricted funds £	2021 Total funds £	2020 Total funds £
INCOME AND ENDOWMENTS FROM					
Charitable activities					
	3				
Solihull Integrated Addiction Service		472,658	-	472,658	456,036
BBC Children in Need Grant		-	5,000	5,000	46,802
Active Citizens Award Grant		-	2,847	2,847	1,180
Hidden Harm Grant		-	-	-	3,500
Aquarius Grant		-	30,072	30,072	15,000
Other trading activities	2	123,945	-	123,945	-
Total		<u>596,603</u>	<u>37,919</u>	<u>634,522</u>	<u>522,518</u>
EXPENDITURE ON					
Raising funds	4	108,140	-	108,140	-
Charitable activities					
	5				
Solihull Integrated Addiction Service		524,406	-	524,406	495,144
BBC Children in Need Grant		-	21,182	21,182	44,702
Active Citizens Award Grant		-	960	960	1,212
Hidden Harm Grant		-	-	-	3,500
Aquarius Grant		-	34,208	34,208	10,864
Total		<u>632,546</u>	<u>56,350</u>	<u>688,896</u>	<u>555,422</u>
NET INCOME/(EXPENDITURE)		<u>(35,943)</u>	<u>(18,431)</u>	<u>(54,374)</u>	<u>(32,904)</u>
Transfers between funds	16	<u>(13,382)</u>	<u>13,382</u>	<u>-</u>	<u>-</u>
Net movement in funds		<u>(49,325)</u>	<u>(5,049)</u>	<u>(54,374)</u>	<u>(32,904)</u>
RECONCILIATION OF FUNDS					
Total funds brought forward		570,102	10,774	580,876	613,780
TOTAL FUNDS CARRIED FORWARD		<u><u>520,777</u></u>	<u><u>5,725</u></u>	<u><u>526,502</u></u>	<u><u>580,876</u></u>

CONTINUING OPERATIONS

All income and expenditure has arisen from continuing activities.

Statement of Financial Position
31 March 2021

	Notes	Unrestricted funds £	Restricted funds £	2021 Total funds £	2020 Total funds £
FIXED ASSETS					
Tangible assets	11	31,235	5,725	36,960	44,360
Investments	12	-	-	-	-
		<u>31,235</u>	<u>5,725</u>	<u>36,960</u>	<u>44,360</u>
CURRENT ASSETS					
Debtors	13	76,744	5,000	81,744	8,134
Cash at bank and in hand		445,024	-	445,024	602,643
		<u>521,768</u>	<u>5,000</u>	<u>526,768</u>	<u>610,777</u>
CREDITORS					
Amounts falling due within one year	14	(32,226)	(5,000)	(37,226)	(74,261)
		<u>489,542</u>	<u>-</u>	<u>489,542</u>	<u>536,516</u>
NET CURRENT ASSETS					
		<u>520,777</u>	<u>5,725</u>	<u>526,502</u>	<u>580,876</u>
TOTAL ASSETS LESS CURRENT LIABILITIES					
		<u>520,777</u>	<u>5,725</u>	<u>526,502</u>	<u>580,876</u>
NET ASSETS					
		<u>520,777</u>	<u>5,725</u>	<u>526,502</u>	<u>580,876</u>
FUNDS					
	16				
Unrestricted funds:					
General fund				520,777	570,102
Restricted funds:					
BBC Children In Need Grant				-	2,800
Active Citizens Award Grant				5,725	3,838
Aquarius Grant				-	4,136
				<u>5,725</u>	<u>10,774</u>
TOTAL FUNDS					
				<u>526,502</u>	<u>580,876</u>

WELCOME (REGISTERED NUMBER: 04241324)

Statement of Financial Position - continued
31 March 2021

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

The financial statements were approved by the Board of Trustees and authorised for issue on 2 December 2021 and were signed on its behalf by:

A handwritten signature in black ink, appearing to read 'M Lewis', with a small dot at the end.

M Lewis - Trustee

WELCOME

**Statement of Cash Flows
for the Year Ended 31 March 2021**

	Notes	2021 £	2020 £
Cash flows from operating activities			
Cash generated from operations	1	(94,082)	155,998
Net cash (used in)/provided by operating activities		<u>(94,082)</u>	<u>155,998</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(10,440)	(31,841)
Sale of tangible fixed assets		21,000	-
Net cash provided by/(used in) investing activities		<u>10,560</u>	<u>(31,841)</u>
Cash flows from financing activities			
Subsidiary loan (receipt)/payment		(74,097)	35,530
Net cash (used in)/provided by financing activities		<u>(74,097)</u>	<u>35,530</u>
Change in cash and cash equivalents in the reporting period			
		(157,619)	159,687
Cash and cash equivalents at the beginning of the reporting period		<u>602,643</u>	<u>442,956</u>
Cash and cash equivalents at the end of the reporting period		<u><u>445,024</u></u>	<u><u>602,643</u></u>

The notes form part of these financial statements

WELCOME

**Notes to the Statement of Cash Flows
for the Year Ended 31 March 2021**

1. RECONCILIATION OF NET EXPENDITURE TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2021 £	2020 £
Net expenditure for the reporting period (as per the Statement of Financial Activities)	(54,374)	(32,904)
Adjustments for:		
Depreciation charges	11,097	8,081
Profit on disposal of fixed assets	(14,257)	-
(Increase)/decrease in debtors	(16,052)	148,526
(Decrease)/increase in creditors	(20,496)	32,295
	<u>(94,082)</u>	<u>155,998</u>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1/4/20 £	Cash flow £	At 31/3/21 £
Net cash			
Cash at bank and in hand	602,643	(157,619)	445,024
	<u>602,643</u>	<u>(157,619)</u>	<u>445,024</u>
Total	<u>602,643</u>	<u>(157,619)</u>	<u>445,024</u>

WELCOME

Notes to the Financial Statements for the Year Ended 31 March 2021

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

The presentation currency of the financial statements is the Pound Sterling (£).

Preparation of consolidated financial statements

The financial statements contain information about Welcome as an individual company and do not contain consolidated financial information as the parent of a group. The charity is exempt under Section 399(2A) of the Companies Act 2006 from the requirements to prepare consolidated financial statements.

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Retail income including income from clothing and other items donated for resale through the charity shops are included in income from other trading activities when the sale takes place.

Expenditure

Expenditure is recognised on an accrual basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is reported as part of the expenditure to which it relates.

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity and include the audit fees and costs linked to the strategic management of the charity.

Raising funds expenditure comprises of the direct costs of trading through the charity shops.

All costs are allocated between the expenditure categories of the SOFA on a basis designed to reflect the use of the resource.

Allocation and apportionment of costs

Support costs are those that assist the work of the charity but do not directly represent charitable activities and include office costs, governance costs, administrative and management payroll costs. They are incurred directly in support of expenditure on the objects of the charity. Where support costs cannot be directly attributed to particular headings they have been allocated to cost of raising funds and expenditure on charitable activities on a basis consistent with the charity's employee profile.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

WELCOME

Notes to the Financial Statements - continued for the Year Ended 31 March 2021

1. ACCOUNTING POLICIES - continued

Tangible fixed assets

Improvements to property	- straight line over the life of the lease
Fixtures and fittings	- 15% straight line
Motor vehicles	- 25% on reducing balance
Furniture and computer equipment	- 20% straight line

Related party exemption

The charitable company has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the group.

Taxation

The charity is exempt from corporation tax on its charitable activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Investment income and gains are allocated to the appropriate fund.

Operating lease agreements

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease.

Pension costs and other post-retirement benefits

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

Donated goods

Goods donated for on-going use by the charity in carrying out its activities are recognised as tangible fixed assets with the corresponding gain recognised as income from donations within the Statement of Financial Activities.

In common with any other tangible assets, donated goods held as tangible fixed assets are subject to depreciation and an assessment is made at the reporting date of whether there is any indication that the asset should be written down to its recoverable amount.

Grants

Income from grants, whether 'capital' grants or 'revenue' grants, are recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

WELCOME

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2021**

1. ACCOUNTING POLICIES - continued

Grants

Government grants

Revenue Government grants will be recognised using the accrual model and will be recognised in income on a systematic basis over the periods in which the company recognises the related costs for which the grant is intended to compensate.

2. OTHER TRADING ACTIVITIES

	Unrestricted funds £	Restricted funds £	2021 Total funds £	2020 Total funds £
Charity shop income	45,492	-	45,492	-
Covid grants	61,725	-	61,725	-
Furlough grants	16,728	-	16,728	-
	<u>123,945</u>	<u>-</u>	<u>123,945</u>	<u>-</u>

3. INCOME FROM CHARITABLE ACTIVITIES

	Solihull Integrated Addiction Service £	BBC Children in Need Grant £	Active Citizens Award Grant £
Solihull Integrated Addition Service	472,658	-	-
BBC Children in Need Grant	-	5,000	-
Active Citizens Award Grant	-	-	2,847
Hidden Harm Grant	-	-	-
Aquarius Grant	-	-	-
Furlough grants	-	-	-
	<u>472,658</u>	<u>5,000</u>	<u>2,847</u>
		2021 Total activities £	2020 Total activities £
Solihull Integrated Addition Service	-	472,658	456,036
BBC Children in Need Grant	-	5,000	46,802
Active Citizens Award Grant	-	2,847	1,180
Hidden Harm Grant	-	-	3,500
Aquarius Grant	27,908	27,908	15,000
Furlough grants	2,164	2,164	-
	<u>30,072</u>	<u>510,577</u>	<u>522,518</u>

WELCOME

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2021**

4. RAISING FUNDS

Other trading activities

	Unrestricted funds £	Restricted funds £	2021 Total funds £	2020 Total funds £
Staff costs	60,960	-	60,960	-
Other operating leases	32,425	-	32,425	-
Rates & water	1,150	-	1,150	-
Insurance	284	-	284	-
Light & Heat	4,327	-	4,327	-
Repairs & Renewals	3,734	-	3,734	-
Motor expenses	1,556	-	1,556	-
Professional fees	469	-	469	-
Telephone	1,756	-	1,756	-
Equipment rental	757	-	757	-
Post & stationery	401	-	401	-
Sundry expenses	321	-	321	-
	<u>108,140</u>	<u>-</u>	<u>108,140</u>	<u>-</u>

5. CHARITABLE ACTIVITIES COSTS

	Direct Costs £	Support costs (see note 6) £	Totals £
Solihull Integrated Addiction Service	385,150	139,256	524,406
BBC Children in Need Grant	21,182	-	21,182
Active Citizens Award Grant	960	-	960
Aquarius Grant	34,208	-	34,208
	<u>441,500</u>	<u>139,256</u>	<u>580,756</u>

WELCOME

Notes to the Financial Statements - continued
for the Year Ended 31 March 2021

6. SUPPORT COSTS

	Management £	Governance costs £	Totals £
Solihull Integrated Addiction Service	110,683	28,573	139,256

Support costs, included in the above, are as follows:

Management

	2021 Solihull Integrated Addiction Service £	2020 Total activities £
Wages	89,614	68,249
Social security	6,459	5,549
Pensions	2,064	3,412
Insurance	1,453	1,395
Repairs and renewals	27	-
Travelling	56	1,600
Motor expenses	321	896
Legal and professional fees	-	28,395
Telephone	2,408	1,533
Computer costs	2,711	1,571
Equipment rental	430	463
Post and stationery	160	295
Subscriptions	1,211	421
Sundry expenses	1,051	816
Recruitment	-	812
Bank charges	117	80
Training	203	694
Depreciation of tangible assets	2,398	1,902
	110,683	118,083

Governance costs

	2021 Solihull Integrated Addiction Service £	2020 Total activities £
Auditors' remuneration	8,762	8,100
Auditors' remuneration for non audit work	-	294
Bookkeeping fees	18,411	7,000
Consultancy fees	1,400	-
	28,573	15,394

WELCOME

Notes to the Financial Statements - continued for the Year Ended 31 March 2021

7. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	2021	2020
	£	£
Auditors' remuneration	8,762	8,100
Auditors' remuneration for non audit work	-	294
Depreciation - owned assets	11,097	8,305
Other operating leases	32,425	-
Surplus on disposal of fixed assets	(14,257)	-
	<u> </u>	<u> </u>

8. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 March 2021 nor for the year ended 31 March 2020.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 March 2021 nor for the year ended 31 March 2020.

9. STAFF COSTS

	2021	2020
	£	£
Wages and salaries	456,993	328,266
Social security costs	26,420	22,722
Other pension costs	21,450	16,803
	<u> </u>	<u> </u>
	<u>504,863</u>	<u>367,791</u>

The average monthly number of employees during the year was as follows:

	2021	2020
Counselling staff	14	14
Administrative staff	4	3
Charity Shops	5	-
	<u> </u>	<u> </u>
	<u>23</u>	<u>17</u>

No employees received emoluments in excess of £60,000.

Total key management personnel remuneration in the year amounted to £45,000 (2020: £64,247).

WELCOME

Notes to the Financial Statements - continued
for the Year Ended 31 March 2021

10. **COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES**

	Unrestricted funds £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Charitable activities			
Solihull Integrated Addiction Service	456,036	-	456,036
BBC Children in Need Grant	-	46,802	46,802
Active Citizens Award Grant	-	1,180	1,180
Hidden Harm Grant	-	3,500	3,500
Aquarius Grant	-	15,000	15,000
	-----	-----	-----
Total	456,036	66,482	522,518
 EXPENDITURE ON			
Charitable activities			
Solihull Integrated Addiction Service	495,144	-	495,144
BBC Children in Need Grant	-	44,702	44,702
Active Citizens Award Grant	-	1,212	1,212
Hidden Harm Grant	-	3,500	3,500
Aquarius Grant	-	10,864	10,864
	-----	-----	-----
Total	495,144	60,278	555,422
	-----	-----	-----
NET INCOME/(EXPENDITURE)	(39,108)	6,204	(32,904)
 RECONCILIATION OF FUNDS			
Total funds brought forward	609,210	4,570	613,780
	-----	-----	-----
TOTAL FUNDS CARRIED FORWARD	<u>570,102</u>	<u>10,774</u>	<u>580,876</u>

WELCOME

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2021**

11. TANGIBLE FIXED ASSETS

	Improvements to property £	Fixtures and fittings £	Motor vehicles £	Furniture and computer equipment £	Totals £
COST					
At 1 April 2020	31,905	9,418	43,625	79,041	163,989
Additions	-	-	-	10,440	10,440
Disposals	-	-	(31,000)	-	(31,000)
	<u>31,905</u>	<u>9,418</u>	<u>12,625</u>	<u>89,481</u>	<u>143,429</u>
At 31 March 2021	31,905	9,418	12,625	89,481	143,429
DEPRECIATION					
At 1 April 2020	31,905	8,978	28,621	50,125	119,629
Charge for year	-	199	2,526	8,372	11,097
Eliminated on disposal	-	-	(24,257)	-	(24,257)
	<u>31,905</u>	<u>9,177</u>	<u>6,890</u>	<u>58,497</u>	<u>106,469</u>
At 31 March 2021	31,905	9,177	6,890	58,497	106,469
NET BOOK VALUE					
At 31 March 2021	<u>-</u>	<u>241</u>	<u>5,735</u>	<u>30,984</u>	<u>36,960</u>
At 31 March 2020	<u>-</u>	<u>440</u>	<u>15,004</u>	<u>28,916</u>	<u>44,360</u>

Assets with a total carrying amount of £5,725 (2020: £4,138) have a restricted title.

12. FIXED ASSET INVESTMENTS

Welcome is a Corporate director of Welcome Change CIC, a company limited by guarantee, company number 07758208. Also the Board of Welcome has common board members with Welcome Change CIC. Therefore, the directors of Welcome consider Welcome Change CIC to be the charity's subsidiary.

Welcome Change CIC's principal activities are the provision of a variety of enterprises operated for the benefit of the community consisting of a community centre a community garden and two community hubs. These enterprises offer volunteering opportunities and work experience placements for people in recovery from substance misuse, or otherwise disadvantaged in the mainstream job market, helping to build their confidence and skills and enable them ultimately to find work.

The results of Welcome Change CIC for the year ended 31 March 2021 are:

Profit and loss Account	2021 £	2020 £
Turnover	215,682	346,302
Expenditure	<u>201,437</u>	<u>369,927</u>
Profit/(loss)	14,245	(23,625)
Donation to Charity	-	-
Profit/(loss)	<u>14,245</u>	<u>(23,625)</u>

WELCOME

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2021**

12. FIXED ASSET INVESTMENTS - continued

Balance Sheet

	£	£
Fixed Assets	118,572	139,192
Current Assets	147,741	47,492
Creditors due within one year	(98,080)	(42,267)
Creditors due after one year	-	-
Deferred Income	(153,965)	(144,394)
	<u>14,268</u>	<u>23</u>

13. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021 £	2020 £
Trade debtors	5,408	-
Amounts owed by group undertakings	57,558	-
Other debtors	5,000	-
Prepayments	13,778	8,134
	<u>81,744</u>	<u>8,134</u>

14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021 £	2020 £
Trade creditors	8,688	37,909
Amounts owed to group undertakings	-	16,539
Social security and other taxes	6,390	4,358
Other creditors	4,920	4,778
Accrued expenses	13,341	7,620
Deferred revenue grants	3,887	3,057
	<u>37,226</u>	<u>74,261</u>

15. LEASING AGREEMENTS

Minimum lease payments under non-cancellable operating leases fall due as follows:

	2021 £	2020 £
Within one year	16,200	18,860
Between one and five years	1,350	26,042
	<u>17,550</u>	<u>44,902</u>

WELCOME

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2021**

16. MOVEMENT IN FUNDS

	At 1/4/20 £	Net movement in funds £	Transfers between funds £	At 31/3/21 £
Unrestricted funds				
General fund	570,102	(35,943)	(13,382)	520,777
Restricted funds				
BBC Children In Need Grant	2,800	(16,182)	13,382	-
Active Citizens Award Grant	3,838	1,887	-	5,725
Aquarius Grant	4,136	(4,136)	-	-
	<u>10,774</u>	<u>(18,431)</u>	<u>13,382</u>	<u>5,725</u>
TOTAL FUNDS	<u>580,876</u>	<u>(54,374)</u>	<u>-</u>	<u>526,502</u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	596,603	(632,546)	(35,943)
Restricted funds			
BBC Children In Need Grant	5,000	(21,182)	(16,182)
Active Citizens Award Grant	2,847	(960)	1,887
Aquarius Grant	30,072	(34,208)	(4,136)
	<u>37,919</u>	<u>(56,350)</u>	<u>(18,431)</u>
TOTAL FUNDS	<u>634,522</u>	<u>(688,896)</u>	<u>(54,374)</u>

WELCOME

Notes to the Financial Statements - continued
for the Year Ended 31 March 2021

16. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

	At 1/4/19 £	Net movement in funds £	At 31/3/20 £
Unrestricted funds			
General fund	609,210	(39,108)	570,102
Restricted funds			
BBC Children In Need Grant	700	2,100	2,800
Active Citizens Award Grant	3,870	(32)	3,838
Aquarius Grant	-	4,136	4,136
	<u>4,570</u>	<u>6,204</u>	<u>10,774</u>
TOTAL FUNDS	<u>613,780</u>	<u>(32,904)</u>	<u>580,876</u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	456,036	(495,144)	(39,108)
Restricted funds			
BBC Children In Need Grant	46,802	(44,702)	2,100
Active Citizens Award Grant	1,180	(1,212)	(32)
Hidden Harm Grant	3,500	(3,500)	-
Aquarius Grant	15,000	(10,864)	4,136
	<u>66,482</u>	<u>(60,278)</u>	<u>6,204</u>
TOTAL FUNDS	<u>522,518</u>	<u>(555,422)</u>	<u>(32,904)</u>

Purpose of restricted income funds:

BBC Children in Need: Funding to provide support to young people affected by parental drug and alcohol misuse. Through taking part in various activities the young people will be more confident, resilient and able to make more informed life choices.

Active Citizens Award: Funding towards supporting a mobile platform from which the charity can provide support to young people affected by parental drug and alcohol misuse. Through engaging with the mobile platform in various activities, the young people will become more confident in engaging with the charity.

WELCOME

Notes to the Financial Statements - continued for the Year Ended 31 March 2021

16. MOVEMENT IN FUNDS - continued

Hidden Harm: Funding to provide support to people affected by drug and alcohol misuse. Through taking part in various activities the people will be more confident, resilient and able to make more informed life choices.

Aquarius: Funding to provide support to young people affected by parental drug and alcohol misuse through young people workers. Through taking part in various activities the young people will be more confident, resilient and able to make more informed life choices.

17. RELATED PARTY DISCLOSURES

During the year ended 31 March 2021 the Charity recharged expenses totalling £13,994 (2020: £nil) and approved revenue grants totalling £nil (2020: £16,000) to its subsidiary company, Welcome Change CIC.

As at 31 March 2021 the Charity was owed £57,558 (2020: owed by £16,539) from Welcome Change CIC.

18. POST BALANCE SHEET EVENTS

The Charity's main activity is the delivery of drug and alcohol treatment services which is supplemented by related grant-funded activity. Whilst the pandemic has affected the way in which services and back-office support are delivered the trustees have taken steps to develop its unrestricted income streams by transferring the charity shops from its subsidiary to the Charity. Therefore, whilst the true financial impact of Covid-19 cannot be fully ascertained the Trustees are confident about the future and the Charity's ability to continue as a Going Concern.