

SOUTHWARK DIOCESAN WELCARE

England & Wales · Charity number 1107859

Details

Other names WELCARE

Status Registered

Legal form Charitable company

Company number [05275749](#)

Registered 2005-01-31

Register [View on the Charity Commission register](#)

Contact

Address 24 Warwick Road
Redhill
RH1 1BU

Phone 02078207910

Email info@welcare.org

Website www.welcare.org

Activities

Objects: 1. THE RELIEF OF POVERTY AND DISTRESS AND THE PROMOTION OF ANY CHARITABLE PURPOSE FOR THE BENEFIT OF FAMILIES AND CHILDREN AND PREGNANT WOMEN;2. THE PROMOTION OF THE SOCIAL MISSION OF THE CHRISTIAN CHURCH;3. THE ADVANCEMENT OF EDUCATION FOR THE PUBLIC BENEFIT.

Activities: Welcare is a Charity, based on Christian values, working in South London and East Surrey. We offer family support, mentoring services and group work programmes for parents and children. We strive to empower families with children up to the age of 13 by offering practical and emotional support to overcome challenges and to enable parents to give children secure and confident childhoods.

Classification

- **How:** Provides Human Resources, Provides Buildings/facilities/open Space, Provides Services, Provides Advocacy/advice/information
- **What:** General Charitable Purposes, Education/training, The Advancement Of Health Or Saving Of Lives, Disability, The Prevention Or Relief Of Poverty
- **Who:** Children/young People, People With Disabilities

Geography

- **Area of benefit:** NOT DEFINED, IN PRACTICE SOUTHWARK, GREATER LONDON
- Bromley
- Greenwich
- Lambeth
- Richmond Upon Thames
- Southwark
- Surrey
- Wandsworth

Finances

Period end	Income	Expenditure	Assets	Employees
2025-03-31	£952,646	£936,186	£2,962,198	15
2024-03-31	£933,529	£938,799	£2,809,618	16
2023-03-31	£930,548	£941,016	£2,785,090	18
2022-03-31	£858,606	£794,628	£2,811,255	22
2021-03-31	£1,070,292	£850,988	£2,716,381	22

Trustees

Name	Role	Appointed
Shaun Peter Macdonald	Chair	2024-07-22
CHRISTOPHER HOWARD TAYLOR		2021-10-21
Louise Villeneuve		2022-11-28
Natalie Walters		2023-11-27
Patrick James Williams		2026-02-02
Rev Rachel Curley		2025-10-20

Accounts

welcare

strengthening families since 1894

TRUSTEES' REPORT & ACCOUNTS

FOR THE YEAR ENDED 31 MARCH 2025

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

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

Legal & Administrative Information

Trustees	Christopher Elliott (until 22 July 2024) Rachel Phillips (until 22 July 2024) Christopher Taylor (Hon Treasurer) (Chair from 22 July 2024) The Ven Greg Prior Louise Villeneuve The Ven Allie Kerr (until 23 June 2025) Natalie Walters Shaun Macdonald (from 22 July 2024)
Chief Executive Officer	Anna Khan
Management Team	Katie Toal Catharine Adjei Diane Taylor Rose Luckett
Charity Number	1107859
Company Number	5275749
Registered Name	Southwark Diocesan Welcare
Registered Office	24 Warwick Road Redhill Surrey, RH1 1BU
Correspondence Address	48 Union Street London, SE1 1TD
Auditor	TC Group The Courtyard Shoreham Road Upper Beeding Steyping West Sussex, BN44 3TN
Banker	National Westminster Bank plc London Bridge Branch PO Box 35 10 Southwark Street London, SE1 1TJ
Solicitors	Russell-Cooke 2 Putney Hill London, SW15 6AB

Our Centres

Registered Office

24 Warwick Road
Redhill
Surrey
RH1 1BU

Central Office, South London Services and Correspondence Address

48 Union Street
London
SE1 1TD

Tel: 020 7820 7910

Email: info@welcare.org

Bromley Centre

Community House
South Street
Bromley
BR1 1RH

Email: info@welcare.org

East Surrey

Welcare House
24 Warwick Road
Redhill
Surrey
RH1 1BU

Tel: 01737 780884

Email: Redhill@welcare.org

Southwest London Services

Castelnau Community Centre
7 Stillingfleet Road
Barnes
London
SW13 9AQ

Email: info@welcare.org

welcare.org



[@welcareuk.bsky.social](https://twitter.com/welcareuk.bsky.social)



facebook.com/welcareuk



[@welcare_uk](https://www.instagram.com/welcare_uk)



FUNDRAISING
REGULATOR

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Welcome from the Chair

I am very pleased to present this report of Welcare's achievements during the past year. It has been a pleasure and privilege to work with my fellow trustees and the team at Welcare. During the year we have had a number of changes on the Board: our former Chair, Chris Elliott, and Rachel Philips have stood down. I would like to formally record my personal thanks to each of them for the contribution they have made to our work. We have welcomed Shaun Macdonald to our number and I look forward to working with him in the future.

I would like to thank all those who have supported us financially including individuals, churches and corporate bodies. The Diocese of Southwark continues to provide us with a grant for which we are extremely grateful. Others who have provided us with grants include City Bridge Foundation, the Charity of Sir Richard Whittington, the Netherby Trust, Richmond Foundation, Benefact Trust, St Faith's Trust, Barnes Fund, United St Saviour's, Girdlers' Company Charitable Trust, Awards for All, Drapers' Charitable Fund, Sherborne in the Community, Surrey Community Foundation and the Shanly Foundation.

At the heart of our work is a steadfast commitment to supporting families, and over the past year, Welcare has provided help, guidance, and practical support to 838 families. This has been delivered through a combination of one-to-one support, structured group programmes including our Capability in Schools initiative and tailored practical interventions to provide immediate support.

A development this year has been our new partnership with Feed London, enabling us to distribute food boxes and supermarket vouchers to families facing food insecurity during school holidays.

Our work in East Surrey continues, despite significant changes to funding arrangements that resulted in a substantial reduction in our income for this area. From April 2024, we began working as a subcontractor to YMCA East Surrey, delivering a range of family resilience services. This partnership has allowed us to continue our established services in the region, albeit with reduced resources.

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

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

Thank you for your continued support.



Christopher Taylor
Chair

Trustees' Report

Introduction

The trustees, who are also directors of Southwark Diocesan Welcare for the purposes of the Companies Act 2006, are pleased to submit their annual report and audited financial statements for the year ended 31 March 2025. The trustees have adopted the provisions of the Statement of Recommended Practice "Accounting and Reporting by Charities" issued in 2015 – Second Edition effective 1 January 2019, the Companies Act 2006 and applicable UK accounting standards in preparing the annual report and financial statements of the organisation.

Public Benefit

The trustees confirm that they have complied with their duty under Section 17 of the Charities Act 2011 to have due regard to the Charity Commission's general guidance on public benefit.

Objectives and Activities

Objects of the Charity

Welcare is governed by the articles of association and memorandum dated 2 November 2004 and amended 29 September 2010 and 23 September 2015. The objects of the charity are:

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

Aims of the Charity

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

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

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

Welcare staff and volunteers aim to intervene early to provide practical and emotional help and support to strengthen families who are experiencing difficulties. Our aim is to enable a parent to become the very best parent they can be to their children, to engage with their available networks and to improve the outcomes for vulnerable children and their families. We believe that by working together we can create a society where parents and children have the confidence to recognise and seize every opportunity to flourish.

Activities of the Charity

Identifying the need

We work across South London and East Surrey with children and their families facing the following challenges:

For children

- Previous experience of trauma, including exposure to domestic abuse
- Heightened levels of anxiety
- Lack of effective coping mechanisms
- Emotionally based school non-attendance

For parents

- Poor parent/child relationships
- Poor housing or home environment impacting children's health
- Experience of domestic abuse and violence
- Stepping down from specialist Children's Services
- Inappropriate chastisement
- Parental Conflict
- Low income and challenges with the cost of living crisis
- Poor social networks and contacts
- Mental health challenges
- Children with special needs or challenging behaviour

Activities addressing the need

We are continuing to focus our charitably funded support services to alleviate the impact of:

- Emotional health and well-being issues experienced by children and young people up to the age of 13
- Domestic abuse and parental conflict
- Social isolation, especially for parents of children with special educational needs and disabilities
- The high cost of food and energy bills; our staff are able to access local support and emergency funds, including fuel funds, to help families in need.

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

We do this through one to one support and our group work programmes:

- Capability in Schools is a bespoke programme designed by our experienced family support staff which aims to support children still impacted by post-covid anxieties, as a result of missed schooling and opportunities to develop and socialise, alongside other adverse childhood experiences. The programme aims to improve emotional health, wellbeing and resilience in children in key stage 2.
- Caring Dads™ is a 17-week group programme which aims to improve the relationship between fathers and their children. It is an evidence-based programme specifically for men who have abused and neglected their children or exposed them to abuse of their

mother. The aim is to help men take accountability for their actions, address attitudes to parenting and promote healthy relationships between parent and child.

- Strengthening Families, Strengthening Communities is an inclusive, evidence-based parenting programme, designed to promote positive parenting skills that are associated with better outcomes for children.
- Our annual Families In Crisis appeal enables us to purchase supermarket vouchers to help families buy food, cleaning products, warm clothes and shoes. Our partnership with Feed London enabled us to provide fresh food to families during the summer and Christmas holidays.

Achievements and Performance

Performance against objectives

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

Our most significant achievements of the last year include:

- Providing individual support for 838 families and providing a range of practical assistance and financial grants for struggling families.
- Delivering effective Family Centre and Family Resilience services in Reigate & Banstead commissioned by Surrey County Council.
- Facilitating parenting programmes including **Strengthening Families Strengthening Communities**, **Parenting Puzzle** and **Who's In Charge**. In addition, over 600 parents attended a range of play therapy and other support groups with their children.
- Refining our **Capability in Schools** material in response to feedback from practitioners in schools.
- Delivering two **Caring Dads** 17 week group work programmes for men who have abused and neglected their children.
- Delivering a range of playworker led courses including Mummy & Me and Every Child a Talker from our centre in Redhill to support isolated new mothers and those with English as a second language, including asylum seekers.
- Maintaining strong connections with Southwark Diocese and our supporters in local churches by speaking at churches and sharing our supporter videos which highlight the work of the charity.
- Ongoing commitment to our core work supporting children and parents to recover from the trauma of domestic abuse.
- Our loyal supporters organised a range of traditional fundraising events during the year and raised £15.4k (2024: £17.2k).

We have been heartened that despite their own challenges 51 individual churches supported our work in the last financial year. It is always a pleasure to visit churches and speak with supporters about our work. A regular highlight of the year is the Annual Service of Thanksgiving for the work of Welcare held in Bromley Parish Church followed by a wonderful networking lunch provided by Friends and Parish Reps.

Total income from Trusts and Foundations amounted to £122,612 (2024: £109,470).

Outcomes

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

- Support children and families to have nurturing relationships free from harm
- Support children and families to feel connected to their local community
- Increase family resilience and improve parenting skills to enable children to experience effective parenting
- Support young people and parents to increase their health and emotional development
- Encourage participation in our group work programmes to promote self-care skills, independence, self-esteem and resilience
- Support children and parents to recover from domestic abuse and develop strategies to prevent abuse in future relationships
- Provide practical support and access to emergency funding to meet immediate needs and improve family well-being

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

Our families received additional support, sourced by Welcare staff, in the form of supermarket vouchers, household items, support with utility costs, school and warm clothes and access to counselling worth £41,116 in value (2024: £48,827).

Welcare uses Family Outcomes Star+ to measure the impact of our work with families. This is an evidence-based tool which places the beneficiary at the centre of their own journey of change. Each scale on the star is underpinned by the Journey of Change for that Star. We aim to make a significant difference using at least 3 scales on the star with 80% of the families we work with. In the year 2024-25, 74.7% of parents reported a significant personal Journey of Change using the following scales on the star:

- My children's emotions
- My children's behaviour
- How I feel

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

Plans for the Future

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

- To develop our partnership with the YMCA delivering Family Centre and Family Resilience services in East Surrey.
- Expansion of our Capability in Schools programme. This programme supports vulnerable children and offers a range of group-work programmes focussed on building emotional well-being, resilience, and self-esteem. Through our strategic relationship

with the Southwark Diocesan Board of Education (SDBE) we seek to extend the service to other children and families in schools working in clusters in areas of high need. We have begun delivering to schools in Southwark and plan to expand the programme throughout South London and East Surrey with a focus on re-establishing our charitable services in the London borough of Croydon.

- Continuing delivery of the Caring Dads programme. Caring Dads is an intense 17-week group intervention programme for fathers who have shown harmful or neglectful behaviour towards their children or exposed them to domestic abuse. It is an accredited and evaluated programme to support men who admit they need help to become a better father.
- Expansion of our child and family support services into the boroughs of Croydon, Southwark and Greenwich and specifically our Capability in Schools programme in partnership with the Southwark Diocesan Board of Education.
- Domestic Abuse Recovery – our staff will train with Rockpool to deliver a domestic abuse recovery programme used in one-to-one and group work settings. The approach is to reinforce strengths, coping skills and resilience, contributing to improvements in health and wellness on a long-term and sustainable basis to enable a path to be navigated from trauma to recovery.

Contributions from Volunteers

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

Our Trustees, Friends, and Parish Representatives donated a combined total of 590 hours of their time to support Welcare during the year. A special thank you to our former Chair of Trustees, Chris Elliott, who regularly visited and spoke at churches both on Sundays and in the evenings.

Volunteers have continued to help by supporting our playworker to run our regular groups. This help is invaluable, not just in helping set up and tidy up but also role modelling and involving the parents and children in play. Of our two group volunteers, one, a previous caseload family, successfully went on to paid employment using her volunteering experience as a positive reference.

At our Centre in Redhill we are very fortunate to have a husband and wife team who provide regular maintenance and gardening. This year we have also successfully reintroduced volunteers to support our staff on reception, welcoming visitors to the building, signing them in and answering the phone.

We were delighted to welcome a team of 5 from Aviva in November who painted our largest upstairs office. They brought energy and fun into the building and not only completed the office painting but also tidied up the garden area for us, giving us overall a brighter and tidier place of work.

We saw the fruition this year of the East Surrey College design students' project to replace our tired and crumbling wall mural. We liked their designs so much that we chose two instead of

one and after involving 4 of our other volunteers to fix the large wooden mural to the wall, we now have two wonderful new designs adorning our outside premises.

This August we had another year of success with two Picnics in the Park in Redhill. 120 families attended the picnics in Redhill and we were assisted by volunteers as well as free activities provided by Raven Housing and SES Water.

Financial Review

Income for the year of £953k shows an increase of £19k, largely due to the increase in grants in the year, compared with the previous year's total of £934k.

Donations amounting to £23k were received from individual supporters (2024: £38k) and £69k from fundraising (2024: £72k). Investment income amounted to £18k (2024: £18k) and rental income of £151k was derived from properties (2024: £131k).

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

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

Expenditure in the year was £936k (2024: £939k) including £424k of expenditure from restricted funds (2024: £535k).

It is the aim of the Charity to maintain a stable operating surplus over the coming years with the aid of strengthened financial processes, reallocation of resources, service reviews and new income streams to ensure that Welcare truly is *Here now, Here always* to serve the most vulnerable children and their families in South London and East Surrey for generations to come.

Reserves Policy

Reserves as at 31 March 2025 totalled £2,962k (2024: £2,810k) including £67k (2024: £14k) of restricted reserves and £2,564k (2024: £2,498k) of designated funds.

The designated operational fixed asset fund represents fixed assets used in the day to day running of Welcare and are therefore not funds freely available to the charity. The designated fixed asset investment fund represents the value of the investment property and listed securities held as these are held for long-term income generation and are not freely available as liquefiable assets. The designated pension liability fund represents the amounts owed to The Pension's Trust in respect of the pension deficit and is not part of the operational expenditure of the charity. The Board considers that free reserves (defined as total reserves less designated and restricted funds) should be maintained at an amount equivalent to three to four months of the current year's expenditure. This gives a minimum level of £233k. The Board considers that the minimum level is adequate to support current and anticipated levels of activity, to enable it to respond to opportunities and to provide for emergencies. The target level of three to four months' reserves

reflects realistic commitments on salaries, rent and other expenditure.

Free reserves are currently £332k (2024: £298k).

Investment Policy

As at 31 March 2025 fixed asset investments were valued at £2,165k (2024: £2,023k) including £1,900k (2024: £1,750k) of investment properties. There were net losses on investments of £14k in the year (2024: net gains of £30k). A full revaluation of all investment properties took place on 28 April 2021. It is the policy of the Board of Trustees to undertake a formal revaluation of investment properties every five years. The next revaluation will be undertaken in 2026.

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

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

Fundraising Policy

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

We commit to fundraising ethically, responsibly and with our donors in mind. We care about our supporters, what they think about our fundraising and always promise to be transparent, fair and legally compliant. We will always respect the privacy and contact preferences of our donors. We will respond promptly to requests to cease contact or to complaints and act as best we can to address their concerns. Any enquiries regarding fundraising can be directed to fundraising@welcare.org, while complaints should be made in writing to: Welcare Fundraising, 48 Union Street, London, SE1 1TD. We have not received any complaints about our fundraising practices.

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

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

Principle Risks and Uncertainties

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

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

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

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

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

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

- Communication and feedback
- Business planning
- Staff appraisals

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

Welcare has a business continuity plan which is reviewed annually. All staff are able to work remotely. A sub-committee of the Board, initially established to provide a rapid Board level response to the pandemic, can be reconvened at short notice to address a specific crisis.

The grant from the Diocese of Southwark to Welcare was maintained at the 2022-2023 level during 2023-2024. We remained in receipt of ongoing funding from grant making trusts and foundations although some of our long term donors have been unable to continue their support. We are looking to continue to diversify our income streams and attract a new generation of supporters.

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

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

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

Structure, Governance and Management

Governing Document

Southwark Diocesan Welcare is a charitable company limited by guarantee. It was established under a Memorandum of Association and is governed under its Articles of Association. Revised Articles of Association were adopted by a special resolution passed at the charity's AGM on 23 September 2015. The members of the organisation are limited to the trustees for the time being who may serve two terms of three years which, in exceptional circumstances and with the agreement of the Board, can be extended for one additional three-year term. In the event of the company being wound up, members are required to contribute an amount not exceeding £1.

Trustees

The directors of the company are also the charity trustees. Trustees serve fixed terms of office. The Anglican Bishop of Southwark has the right to nominate up to two trustees. The Bishop's nominees were Christopher Elliott and Natalie Walters. Christopher Elliott stood down during the year.

The trustees do not receive any benefit but may be reimbursed for reasonable expenses properly incurred when acting on behalf of the charity. In 2024-2025 a total of £117.03 (2023-2024: £245.25) was paid to trustees in reasonable expenses.

An induction process provides new trustees with the detailed information about the charity required for their role. The Board has held a number of facilitated planning sessions most recently in November 2023 at which the Board confirmed its strategy to:

- Deliver and fund the Capability in Schools project
- Continue our work to deliver Family Centre and Family Resilience Services in East Surrey
- Continue delivering Caring Dads and other courses.

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

Organisational Structure

Following a review of the governance structure in May 2021, the Board agreed to merge the business of the Board Committees with that of the full Board.

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

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

Two whole staff training events took place during the year on Safeguarding and on Systemic Family Therapy.

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

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

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

Safeguarding Policy

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

of all safeguarding matters within Welcare. A designated Board member holds Board level responsibility for safeguarding.

Relationships

Welcare has worked closely with statutory bodies involved in the delivery of services to children. Until 31 March 2024, Welcare had a 5 year contract with Surrey County Council to provide services at the Redhill Family Centre and delivery of Early Help work in partnership with East Surrey YMCA. Since 1 April 2024, Welcare has provided a Family Centre and Family Resilience service for Surrey County Council as a subcontractor of East Surrey YMCA. Welcare is building future services around local needs and local support. Welcare works within the legislative framework of the Children Acts of 1989 and 2004 and the Children and Families Act 2014. Welcare is in regular contact with other charities serving children and families through active partnership working.

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

Key Management Personnel Remuneration Policy

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

Statement of Trustees' Responsibilities

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

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

In preparing these accounts the trustees are required to:

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles in the Charities SORP;
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- Prepare the accounts on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

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

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

Auditor

The Board of Trustees appointed TC Group to undertake the audit for the financial year ending in 2025 and will consider the appointment of the auditor for 2025-2026 at the next scheduled Board meeting.

On behalf of the Board of Trustees



Christopher Taylor, Chair

21 July 2025

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

Opinion

We have audited the financial statements of Southwark Diocesan Welcare (the 'charitable company') for the year ended 31 March 2025. 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 charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent

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

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

Auditor's responsibilities for the audit of the financial statements

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

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

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

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

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

Our approach was as follows:

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

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

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

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

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

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



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

Dated 19th August 2025

Statement of Financial Activities

(including income and expenditure account)
For the year ended 31 March 2025

	Note	Unrestricted funds £	Restricted funds £	2025 Total £	2024 Total £
INCOME					
<i>Donations and legacies</i>					
Individual Giving		22,884	88	22,972	37,805
<i>Other Trading Activities</i>					
Fundraising Activities		67,828	1,022	68,850	72,062
<i>Income From Investments</i>					
Investment income		17,638	-	17,638	18,030
Rents received		151,466	-	151,466	131,380
<i>Income From Charitable Activities</i>					
Child & Family Support Services		200,942	193,882	394,824	351,804
Groups & Workshops		15,400	-	15,400	10,800
Early Help		-	-	-	30,993
Family Centre		-	278,238	278,238	279,177
<i>Other income</i>		180	3,078	3,258	1,478
Total income	2	476,338	476,308	952,646	933,529
EXPENDITURE					
<i>Expenditure on Raising Funds</i>					
Fundraising & Marketing		47,124	-	47,124	30,007
<i>Expenditure on Charitable Activities</i>					
Child & Family Support Services		411,392	107,978	519,370	429,545
Groups & Workshops		7,043	-	7,043	17,022
Early Help		-	-	-	47,736
Family Centre		46,788	315,861	362,649	414,489
Total Expenditure	3	512,347	423,839	936,186	938,799
Net income/(expenditure) before investments gains/(losses)		(36,009)	52,469	16,460	(5,270)
Net (losses)/gains on investments	7	136,120	-	136,120	29,798
Net income/(expenditure) after investments gains		100,111	52,469	152,580	24,528
Net movement in funds		100,111	52,469	152,580	24,528
Fund balances brought forward at 1 April 2024		2,795,354	14,264	2,809,618	2,785,090
Funds balances carried forward at 31 March 2025		2,895,465	66,733	2,962,198	2,809,618

There were no recognised gains or losses other than those shown in the Statement of Financial Activities.

All income and expenditure derive from continuing activities.

The accompanying notes form part of those financial statements.

Details of comparative figures by fund are given in note 12.

Balance Sheet

As at 31 March 2025

Registered company number 05275749

	Note	2025 £	2025 £	2024 £	2024 £
Operational Fixed Assets	6		399,637		410,433
Fixed Asset Investments	7		2,164,894		2,022,500
Current assets					
Debtors	8	50,185		20,796	
Short term investments		139,417		145,691	
Cash at bank & in hand		411,427		353,602	
Current assets		601,029		520,089	
Creditors: amounts falling due within one year	9	(186,720)		(143,404)	
Net current assets			414,309		376,685
Creditors: amounts falling due after one year	9		(16,642)		-
Net assets	10		2,962,198		2,809,618
Funds of the Charity					
Restricted funds	10		66,733		14,264
Designated funds	10				
Operational fixed assets			399,637		410,433
Fixed assets investments			2,164,894		2,022,500
Covid Recovery			25,000		75,000
Pension liability			(25,875)		(10,179)
General funds			331,809		297,600
Total funds			2,962,198		2,809,618

The financial statements were approved by the Board and authorised for issue on 21 July 2025 and signed on its behalf by:



Christopher Taylor, Honorary Treasurer and Chair

The accompanying notes form part of these financial statements.

Statement of Cash Flows

For the year ended 31 March 2025

	2025 £	2025 £	2024 £	2024 £
Cash flows from operating activities:				
Net income for the year	152,580		24,528	
Adjustments for:				
Depreciation charges	10,796		10,584	
Losses/(Gains) on revaluation of investments	(136,120)		(29,798)	
Dividends, interest & rents from investments	(169,104)		(149,410)	
(Increase)/decrease in debtors	(29,389)		40,649	
Increase/(decrease) in creditors	59,958		(80,304)	
Net cash provided by operating activities		(111,279)		(183,751)
Cash flows from investing activities:				
Purchase of tangible fixed assets	-		(2,832)	
Dividends, interest & rents from investments	169,104		149,410	
Net cash used in investing activities		169,104		146,578
Change in cash and cash equivalents in the year		57,825		(37,173)
Cash and cash equivalents at the beginning of the year		353,602		390,775
Cash and cash equivalents at the end of the year		411,427		353,602
		01 April 2024 £	Cash flow £	31 March 2025 £
Cash at bank and in hand		353,602	57,825	411,427

Notes to the Accounts

For the year ended 31 March 2025

1. ACCOUNTING POLICIES

(a) Statutory information

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

(b) Basis of Accounting

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

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

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

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

(c) Operational Fixed Assets

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

Freehold buildings	2% of cost p.a. straight line
Office furniture and equipment	20% of cost p.a. straight line
Computer equipment	33⅓% of cost p.a. straight line

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

(d) Investments

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

(e) Cash Management

Cash not required for day to day operation, but for the medium term, is held in an instant access savings account. Where it is deemed that cash can be held for the longer term this is transferred into the investment portfolio.

Notes to the Accounts (continued)

For the year ended 31 March 2025

1. ACCOUNTING POLICIES (continued)

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

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

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

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

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

(g) Debtors

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

(h) Creditors and provisions

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

(i) Gifts in kind

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

(j) General funds – unrestricted

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

(k) Designated funds – unrestricted

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

(l) Restricted funds

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

Notes to the Accounts (continued)

For the year ended 31 March 2025

1. ACCOUNTING POLICIES (continued)

(m) **Income**

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

Income is recognised when the charity is considered to be entitled to apply the resource, the amount may be estimated with reasonable accuracy and the likelihood of receipt is considered probable.

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

(n) **Expenditure**

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

(o) **Charitable activities**

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

(p) **Fundraising, publicity, communication and events expenditure**

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

(q) **Support costs**

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

(r) **Governance**

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

(s) **Pension costs**

Southwark Diocesan Welcare participates in the defined contribution scheme offered by The Pensions Trust. The Pensions Trust is an occupational pension scheme provider for organisations involved in social, educational, charitable, voluntary or similar work. The financial position and the income and expenditure of The Pensions Trust are disclosed in its annual financial statements. Although The Pensions Trust is a defined contribution scheme a shortfall has occurred and each contributor is required to make good their share of the shortfall. The liability is reduced when payments are made to The Pension Trust.

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

(t) **Operating leases**

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

Notes to the Accounts (continued)

For the year ended 31 March 2025

2. ANALYSIS OF INCOME

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

Prior year	Unrestricted funds £	Restricted funds £	Total 2024 £
Donations			
Donations and fundraising	103,071	6,796	109,867
Grants			
South London Church Fund	157,772	-	157,772
Surrey County Council:			
- Early Help	-	30,993	30,993
- Family Centre	-	279,177	279,177
Netherby Trust	35,000	-	35,000
The Charity of Sir Richard Whittington	-	27,958	27,958
City Bridge Foundation	-	41,106	41,106
PTL Foundation	-	45,833	45,833
Grants of under £20,000	1,961	42,174	44,135
Total Grants	194,733	467,241	661,974
Investment income & rent receivable	149,410	-	149,410
Groups & Workshops	10,800	-	10,800
Other income	1,423	55	1,478
Total income	459,437	474,092	933,529

Notes to the Accounts (continued)

For the year ended 31 March 2025

3. ANALYSIS OF TOTAL EXPENDITURE

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

Prior year	Direct Staff Costs £	Direct Other Costs £	Support Costs Allocated £	2024 Total £
<i>Expenditure on Raising Funds</i>				
Fundraising & Marketing	13,477	12,052	4,478	30,007
<i>Expenditure on Charitable Activities</i>				
Child & Family Support Services	261,215	110,455	57,875	429,545
Groups & Workshops	4,585	11,421	1,016	17,022
Early Help	33,812	6,433	7,491	47,736
Family Centre	284,709	66,703	63,077	414,489
Total Expenditure	597,798	207,064	133,937	938,799

ANALYSIS OF SUPPORT COSTS

Support costs can be analysed as follows:

	2025 £	2024 £
<i>Governance</i>		
Audit fee	11,640	10,500
Trustee and other meeting costs	117	245
AGM and other	-	-
Staff costs allocated to Governance	7,371	7,967
	19,128	18,712
<i>Other Support costs</i>		
Movement in accrued pension liability	3,989	5,929
Staff costs allocated to Support	40,841	15,178
	90,079	94,118
Total support costs	154,037	133,937

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

Notes to the Accounts (continued)

For the year ended 31 March 2025

4. RESULTS FOR THE YEAR

Expenditure includes:	2025 £	2024 £
Auditors' remuneration:	11,640	10,500
Depreciation	10,796	10,584

5. STAFF COSTS AND NUMBERS

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

The total amounts paid in respect of the key management personnel of the Charity were £90,713 (2024: £86,932). This includes employers' national insurance and pension contributions.

Staff costs were as follows:	2025 £	2024 £
Salaries and wages	607,486	607,300
Social Security costs	57,258	56,758
Pension contributions	30,750	30,700
Redundancy	-	5,125
	695,494	699,883

One employee earned greater than £60,000 during the year (between £70,000 and £80,000) (2024: One).

Pension contributions in the year for this employee amounted to £4,606 (2024: £4,417).

No redundancy payments were made in the year (2024: £5,125.80).

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

	2025 No.	2024 No.
Fundraising and publicity	0.6	0.64
Charitable activities	14.2	15.51
	14.8	16.15

The total number of staff employed at year end was 17 (2024: 16).

No member of the Board of Trustees received remuneration for their services during the year (2024: £nil). One trustee was reimbursed for out of pocket expenses for £117.03 (2024: £245.25).

Notes to the Accounts (continued)

For the year ended 31 March 2025

6. OPERATIONAL FIXED ASSETS

	Operational freehold land and buildings in use £	Freehold Property Replacements £	Computer equipment £	Total 2025 £
<i>Cost or Valuation</i>				
As at 1 April 2024	582,221	2,832	18,112	603,165
Additions	-	-	-	-
At 31 March 2025	582,221	2,832	18,112	603,165
<i>Accumulated depreciation</i>				
As at 1 April 2024	174,549	71	18,112	192,732
Charge for the year	10,513	283	-	10,796
At 31 March 2025	185,062	354	18,112	203,528
<i>Net book value</i>				
At 31 March 2025	397,159	2,478	-	399,637
At 31 March 2024	407,672	2,761	-	410,433

All operational fixed assets are used in the charitable activities of the charity. The £13,880 loss on investments in the SOFA is made up of the £7,606 loss in the fixed asset investments, with the remaining gain coming from current assets.

7. FIXED ASSET INVESTMENTS

	Investment properties £	Other investments £	Total 2025 £	Total 2024 £
Balance at 1 April 2024	1,750,000	272,500	2,022,500	2,004,786
Gains on revaluation	150,000	(7,606)	142,394	17,714
Balance as at 31 March 2025	1,900,000	264,894	2,164,894	2,022,500

The investment properties were revalued at 31 March 2021 in accordance with the RICS Valuation – Professional Standards 2014 (The Red Book) by William Bradley BSc (Hons) MRICS of Bradley Harris Ltd, Chartered Surveyors, 368 Croydon Road, Beckenham, Kent BR3 4EX. Reflecting a recent offer from a tenant to purchase one of the investment properties, the trustees consider that the overall value has increased by £150k since the previous formal valuation. In line with their policy to undertake a formal revaluation of investment properties every five years, the next formal revaluation will take place in March 2026.

Notes to the Accounts (continued)

For the year ended 31 March 2025

8. DEBTORS

	Total 2025 £	Total 2024 £
Prepayments	10,742	9,173
Accrued income	39,443	11,623
	50,185	20,796

9. CREDITORS

	Total 2025 £	Total 2024 £
Accounts falling due within one year:		
Trade creditors	17,923	24,357
Deferred income and accruals	140,994	91,181
Other taxes & social security	16,264	16,312
Other creditors	2,306	1,375
Pension provision	9,233	10,179
Total Creditors	186,720	143,404

Deferred grant income

Balance brought forward	6,857	157,129
Amount released to grant income	(6,857)	(157,129)
Amount deferred in the year	122,871	6,857
	122,871	6,857

	Total 2025 £	Total 2024 £
Accounts falling due after more than one year:		
Pension provision	16,642	-
	16,642	-

Notes to the Accounts (continued)

For the year ended 31 March 2025

10. MOVEMENT IN FUNDS

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

Prior year	Balance at 1 April 2023 £	Income £	Expenditure £	Transfer and gains/ (losses) on investments £	As at 31 March 2024 £
Restricted funds:					
East Surrey	74,172	336,691	(396,787)	-	14,076
South London	-	136,601	(136,601)	-	-
Central	750	800	(1,362)	-	188
Total restricted funds	74,922	474,092	(534,750)	-	14,264
Designated funds:					
Operational fixed assets fund	418,185	-	-	(7,752)	410,433
Fixed asset investment fund	2,004,786	-	-	17,714	2,022,500
Covid Recovery	75,000	-	-	-	75,000
Pension liability fund	(21,791)	-	-	11,612	(10,179)
Total unrestricted designated funds:	2,476,180	-	-	21,574	2,497,754
Total unrestricted general funds:	233,988	459,437	(404,049)	8,224	297,600
Total funds	2,785,090	933,529	(938,799)	29,798	2,809,618

Notes to the Accounts (continued)

For the year ended 31 March 2025

10. MOVEMENT IN FUNDS (continued)

Restricted Funds

East Surrey – funds carried forward at 31 March 2025 relate to the Family Resilience service funded by YMCA Easy Surrey and in the prior year funds from Surrey County Council to provide Early Help and a Family Centre.

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

Designated Funds

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

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

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

Welcare has rationalised its office accommodation requirements and moved to a flexible way of working whilst co-locating service delivery in schools. The relocation of our Central Office has enabled us to work more closely with the Diocese of Southwark and with schools.

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

Transfers in funds represent programmes funded from unrestricted income.

Notes to the Accounts (continued)

For the year ended 31 March 2025

11. ANALYSIS OF NET ASSETS BETWEEN FUNDS

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

PRIOR YEAR ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Operational Fixed Assets £	Investments £	Short term investment and cash at bank £	Other Net Assets / (Liabilities) £	Total 2024 £
Restricted funds	-	-	14,264	-	14,264
Unrestricted general funds	-	-	485,029	(187,429)	297,600
Unrestricted designated funds	410,433	2,022,500	-	64,821	2,497,754
Net assets at 31 March 2024	410,433	2,022,500	499,293	(122,608)	2,809,618

Notes to the Accounts (continued)

For the year ended 31 March 2025

12. PRIOR YEAR STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted Funds £	2024 Total £
INCOME			
<i>Donations and legacies</i>			
Individual Giving	37,613	192	37,805
<i>Other Trading Activities</i>			
Fundraising Activities	66,458	5,604	72,062
<i>Income From Investments</i>			
Investment income	18,030	-	18,030
Rents received	131,380	-	131,380
<i>Income From Charitable Activities</i>			
Child & Family Support Services	193,733	158,071	351,804
Groups & Workshops	10,800	-	10,800
Early Help	-	30,993	30,993
Family Centre	-	279,177	279,177
<i>Other income</i>	1,423	55	1,478
Total income	459,437	474,092	933,529
EXPENDITURE			
<i>Expenditure on Raising Funds</i>			
Fundraising & Marketing	30,007	-	30,007
<i>Expenditure on Charitable Activities</i>			
Child & Family Support Services	269,945	159,600	429,545
Groups & Workshops	17,022	-	17,022
Early Help	15,672	32,064	47,736
Family Centre	71,403	343,086	414,489
Total Expenditure	404,049	534,750	938,799
Net income/(expenditure) before investments gains/(losses)	55,388	(60,658)	(5,270)
Net gains on investments	29,798	-	29,798
Net income/(expenditure) after investments gains	85,186	(60,658)	24,528
Net movement in funds	85,186	(60,658)	24,528
Fund balances brought forward at 1 April 2023	2,710,168	74,922	2,785,090
Funds balances carried forward at 31 March 2024	2,795,354	14,264	2,809,618

Notes to the Accounts (continued)

For the year ended 31 March 2025

13. RELATED PARTIES

During the year Southwark Diocesan Welcare received a grant of £157,772 (2024: £157,772) from Southwark Diocesan Board of Finance. Under the Articles of Association of the charity, the Anglican Bishop of Southwark has the right to nominate up to two Trustees and to approve the appointment of the Chair from among the Trustees. The Bishop's nominees are Natalie Walters and, until July 2024, Christopher Elliott.

Aggregated donations to the charity from trustees during the year amounted to £nil (2024: £20). There have been no other related party transactions and all trustees and key management personnel have signed related party declarations

14. PENSION ARRANGEMENTS

Pensions Trust Growth Plan

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

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

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

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

DEFICIT CONTRIBUTIONS

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

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

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

Where the scheme is in deficit and where the company has agreed to a deficit funding arrangement the company recognises a liability for this obligation. The amount recognised is the net present value of the deficit reduction contributions payable under the agreement

Notes to the Accounts (continued)

For the year ended 31 March 2025

that relates to the deficit. The present value is calculated using the discount rate detailed in these disclosures. The unwinding of the discount rate is recognised as a finance cost.

A pension provision has been included in the accounts of £25,875 in respect of the above liability to the scheme as at 31 March 2025 (2024: £10,179).

15. CAPITAL COMMITMENTS

There were no capital commitments at year end (2024: £nil).

16. OPERATING LEASE COMMITMENT

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

	2025 £	2024 £
Less than 1 year	1,846	13,490
1 – 2 years	588	2,434
3 – 5 years	-	-
Total	2,434	15,924

17. POST BALANCE SHEET EVENTS

There are no post balance sheet events to report.

The trustees recognise that the future impact of the ongoing war in Ukraine is unknown, and that it has already contributed to an increase in the cost of living and energy.

The impact of increased utility costs for the charity will continue to be mitigated by staff working more flexibly from serviced office accommodation.

18. TAXATION

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

19. CONTROL

Throughout the year the charity was controlled by its trustees.

20. SHARE CAPITAL

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

Accounts

welcare

strengthening families since 1894

TRUSTEES' REPORT & ACCOUNTS

FOR THE YEAR ENDED 31 MARCH 2024

Welcare is a charity based on Christian values, working with families and children up to age 13, in South London and East Surrey.

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

Legal & Administrative Information

Trustees	Christopher Elliott (Chair) Rachel Phillips Paulette Tajah-Bell (until 31 October 2023) Christopher Taylor (Honorary Treasurer) Nicola Thomas (until 17 October 2023) The Ven Greg Prior Louise Villeneuve The Ven Allie Kerr (from 17 July 2023) Natalie Walters (from 27 November 2023)
Chief Executive Officer	Anna Khan
Management Team	Katie Toal Barbara Wilson Catharine Adjei Diane Taylor
Charity Number	1107859
Company Number	5275749
Registered Name	Southwark Diocesan Welcare
Registered Office	24 Warwick Road Redhill Surrey, RH1 1BU
Correspondence Address	48 Union Street London, SE1 1TD
Auditor	TC Group The Courtyard Shoreham Road Upper Beeding Steyning West Sussex, BN44 3TN
Banker	National Westminster Bank plc London Bridge Branch PO Box 35 10 Southwark Street London, SE1 1TJ
Solicitors	Russell-Cooke 2 Putney Hill London, SW15 6AB

Our Centres

Registered Office

24 Warwick Road
Redhill
Surrey
RH1 1BU

Central Office, South London Services and Correspondence Address

48 Union Street
London
SE1 1TD

Tel: 020 7820 7910

Email: info@welcare.org

Bromley Centre

Community House
South Street
Bromley
BR1 1RH

Tel: 020 8466 0399

Email: info@welcare.org

East Surrey

Welcare House
24 Warwick Road
Redhill
Surrey
RH1 1BU

Tel: 01737 780884

Email: Redhill@welcare.org

Southwest London Services and Correspondence Address

48 Union Street
London
SE1 1TD

Tel: 020 8893 9123

Email: info@welcare.org

welcare.org



[@welcareuk](https://twitter.com/welcareuk)



facebook.com/welcareuk



[@welcare_uk](https://www.instagram.com/welcare_uk)



FUNDRAISING
REGULATOR

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Welcome from the Chair

I am very pleased to present this report of Welcare's achievements during the past year. It has been a pleasure and privilege to work with my fellow trustees and the team at Welcare. During the year we have had a number of changes on the Board: Paulette Tajah-Bell and Nicola Thomas have stood down. I would like to formally record my personal thanks to each of them for the contribution they have made to our work. We have welcomed Ven Allie Kerr and Natalie Walters to our number and I look forward to working with them in the future.

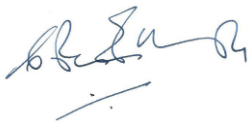
The central office team has settled into their new office in Union Street, London SE1, where we are sharing premises with Southwark Diocesan Board of Education who we are working closely with on delivery of our CapeAbility in Schools programme. Rationalisation of our office accommodation will be complete when we move into the Castelnau Community Centre to deliver services in southwest London.

I would like to thank all those who have supported us financially including individuals, churches and corporate bodies. The Diocese of Southwark continues to provide us with a grant for which we are extremely grateful. Others who have provided us with grants include City Bridge Foundation, the Charity of Sir Richard Whittington, the PTL Foundation, the Netherby Trust, Richmond Parish Lands Charity, St Faith's Trust, Barnes Fund and Sherborne in the Community,

Throughout this year we have provided help and support to 855 families. None of this could have been possible without the dedicated work of Anna Khan, our Chief Executive Officer, and her wonderful team who I would like to take this opportunity to thank for their relentless efforts. Special thanks also the Fay Morris who retired this year after many years' service to Welcare. It has been especially good to welcome Katie Toal as our new Head of Practice.

We are pleased that we can continue to provide services and support families in Redhill in partnership with East Surrey YMCA under a contract with Surrey County Council.

I feel that the Charity is well placed to continue with our work and to move forward after some challenging years not least of which has been the Pandemic.



Christopher Elliott
Chair

Trustees' Report

Introduction

The trustees, who are also directors of Southwark Diocesan Welcare for the purposes of the Companies Act 2006, are pleased to submit their annual report and audited financial statements for the year ended 31 March 2024. The trustees have adopted the provisions of the Statement of Recommended Practice "Accounting and Reporting by Charities" issued in 2015 – Second Edition effective 1 January 2019, the Companies Act 2006 and applicable UK accounting standards in preparing the annual report and financial statements of the organisation.

Public Benefit

The trustees confirm that they have complied with their duty under Section 17 of the Charities Act 2011 to have due regard to the Charity Commission's general guidance on public benefit.

Objectives and Activities

Objects of the Charity

Welcare is governed by the articles of association and memorandum dated 2 November 2004 and amended 29 September 2010 and 23 September 2015. The objects of the charity are:

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

Aims of the Charity

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

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

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

Welcare staff and volunteers aim to intervene early to provide practical and emotional help and support to strengthen families who are experiencing difficulties. Our aim is to enable a parent to become the very best parent they can be to their children, to engage with their available networks and to improve the outcomes for vulnerable children and their families. We believe that by working together we can create a society where parents and children have the confidence to recognise and seize every opportunity to flourish.

Activities of the Charity

Identifying the need

We work across South London and East Surrey with children and their families facing the following challenges:

For children aged between 7 and 13

- Previous experience of trauma, including exposure to domestic abuse
- Heightened levels of anxiety
- Lack of effective coping mechanisms
- Emotionally based school non-attendance

Parents with children up to the age of 13

- Poor parent/child relationships
- Poor housing or home environment impacting children's health
- Experience of domestic abuse and violence
- Stepping down from specialist Children's Services
- Inappropriate chastisement
- Parental Conflict
- Low income and challenges with the cost of living crisis
- Poor social networks and contacts
- Mental health challenges
- Children with special needs or challenging behaviour

Activities addressing the need

We are continuing to focus our charitably funded support services to alleviate the impact of:

- Emotional health and well-being issues experienced by children and young people up to the age of 13
- Domestic abuse and parental conflict
- Social isolation, especially for parents of children with special educational needs and disabilities
- The high cost of food and energy bills; our staff are able to access local support and emergency funds, including fuel funds, to help families in need. Our annual Families In Crisis appeal enables us to purchase supermarket vouchers to help families buy food, cleaning products, warm clothes and shoes.

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

In the spring of 2023, Welcare enlisted the services of the Cranfield Trust to carry out an independent evaluation of our Families & Schools Together (FAST) programme. The evaluation included the views of the children we were supporting, their parents and caregivers, focused interviews with school staff and with staff across Welcare. CapeAbility in Schools is a bespoke programme designed by our experienced family support staff in response to this evaluation and is designed to support children with post-covid anxieties alongside other adverse childhood experiences to improve emotional health, wellbeing and resilience in children in key stage 2.

Achievements and Performance

Performance against objectives

We have continued to build our Child and Family Support Service to enable delivery of a consistent community-based service throughout South London boroughs and extending into East Surrey. This service has been provided alongside the Family Centre and Early Help services commissioned by Surrey County Council. Our most significant achievements of the last year include:

- Providing individual support for 855 families and providing a range of practical assistance and financial grants for struggling families.
- Delivering an effective Family Centre and Early Help service in Reigate & Banstead commissioned by Surrey County Council.
- Facilitating parenting courses for 49 parents including the **Strengthening Families Strengthening Communities** Parenting Programme and Parenting Puzzle programmes.
- Developing our **CapeAbility in Schools** programme and extending the programme to schools in Southwark.
- Summer Holiday Programme: The programme was supported by Sherborne in the Community and the activities helped children build relationships, grow confidence, and learn and play together.
- Delivering the **Caring Dads** group work programme in partnership with St Michael's Fellowship.
- Delivering a range of playworker led courses including Mummy & Me and Every Child a Talker from our centre in Redhill to support isolated new mothers and those with English as a second language, including asylum seekers.
- Maintaining strong connections with Southwark Diocese and our supporters in local churches by speaking at churches and producing two new supporter videos which highlight the work of the charity and are available on YouTube and our website. These can be used at meetings and events to bring our work with children and their families to life.
- Recruitment of an experienced qualified social worker as Head of Practice to provide leadership and effective day to day management of Family Support Workers and ensure a robust safeguarding culture and that comprehensive safeguarding practices are embedded throughout the charity

Our loyal supporters organised a range of traditional fundraising events during the year including sponsored walks, concerts, theatre visits and community carol singing and raised £17.2k from events. (2023: £16.9k)

We have been heartened that despite their own challenges over the year 54 individual churches supported our work in the last financial year. It is always a pleasure to visit churches and speak with supporters about our work. A particular highlight of the year is the Annual Service of Thanksgiving for the work of Welcare held in Bromley Parish Church followed by a wonderful networking lunch provided by Friends and Parish Reps. This year the supporter video was shown for the first time during the service.

Total income from Trusts and Foundations amounted to £109,470 (2023: £192,951).

Outcomes

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

- Support children and families to have nurturing relationships free from harm
- Support children and families to feel connected to their local community
- Increase family resilience and improve parenting skills and capacity to enable children to experience effective parenting
- Support young people and parents to increase their health and emotional development
- Encourage participation in our group work programmes to promote self-care skills, independence, self-esteem and resilience
- Support children and parents to recover from domestic abuse and develop strategies to prevent abuse in future relationships
- Provide practical support and access to emergency funding to meet immediate needs and improve family well-being

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

Our families received additional support in the form of supermarket vouchers, household items and children's clothing worth £48,827 in value (2023: £38,000).

Welcare uses Family Outcomes Star+ to measure the impact of our work with families. This is an evidence-based tool which places the beneficiary at the centre of their own journey of change. Each scale on the star is underpinned by the Journey of Change for that Star. And we aim to make a significant difference using at least 3 scales on the star with 80% of the families we work with. In the year 2023-24 78% of parents reported a significant personal Journey of Change using the following scales on the star:

- Our family routine
- My children's emotions
- My children's behaviour
- How I feel

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

Plans for the Future

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

- To develop our partnership with the YMCA delivering Family Centre and Family Resilience services in East Surrey.
- Expansion of CapeAbility in Schools based on the successful evaluation pilots of Families and Schools Together (FAST), a schools-based programme. This programme supports vulnerable children and offers a range of group-work programmes focussed on

building emotional well-being, resilience, and self-esteem. Through our strategic relationship with the Southwark Diocesan Board of Education (SDBE) we seek to extend the service to other children and families in schools working in clusters in areas of high need and have begun delivering to schools in Southwark and plan to expand the programme throughout South London and east Surrey with a focus on re-establishing our charitable services in the London borough of Croydon.

- Continuing delivery of the Caring Dads programme. Caring Dads is an intense 17-week group intervention programme for fathers who have shown harmful or neglectful behaviour towards their children or exposed them to domestic abuse. It is an accredited and evaluated programme to support men who admit they need help to become a better father.
- Continuing the rationalisation of our premises - the coronavirus pandemic changed how many people work and it provided the opportunity to review how we deliver child and family support services. Our centre-based approach has been replaced by delivering our services more flexibly and co-locating group work programmes from schools and community settings. Our services in southwest London will be delivered from an office base in the Castelnau Community Centre.
- Expansion of our child and family support services into the boroughs of Croydon and Southwark and specifically our CapeAbility in Schools programme in partnership with the Southwark Diocesan Board of Education.

Contributions from Volunteers

Our volunteers have always been a key, valued part of the charity. We are grateful for all the prayerful and financial support we receive throughout South London and East Surrey but especially from our Bromley Parish Reps and Friends, Greenwich Friends and supporters in Hampton Deanery who have organised Lent lunches, theatre shows, concerts, carol singing, walks and other fundraising events. Once again we have been able to take advantage of match funding from Morrisons thanks to Christina Clark organising a quiz night in Bromley.

Our Trustees, Friends, and Parish Representatives donated 574 hours of their time to support Welcare during the year. A special thank you to our Chair of Trustees, Chris Elliott, who has visited and spoken at churches both on Sundays and in the evenings. We appreciate his willingness to give up so much of his time and can often tell when Chris has spoken on a Sunday as there is an increase in donations via the website.

Volunteers have continued to help by supporting our playworker to run crèches enabling parents to attend parenting courses and supporting our regular under 5 groups. This help is invaluable, not just in helping set up and tidy up but also role modelling and involving the parents and children in play.

At our Centre in Redhill we are very fortunate to have a husband and wife team who provide regular maintenance and gardening as well as keeping the food bags stocked and ready to go. We are also hoping to reintroduce volunteers to sit alongside staff on reception, welcoming visitors to the building, signing them in and answering the phone.

We were delighted to welcome SES Water to our Family Centre in July. A team of 6 SES employees attended as part of their Give-A-Day scheme (equating to 24 hours of work) and quickly got to work tidying up our garden area, repainting fences and clearing rubbish. They

were a joy to have around! They were all so willing, engaging and enthusiastic and just got stuck in.

We are also working on a project with students from East Surrey College to create a new mural for the entry way at our Centre in Redhill. We provided a brief and as part of their course students presented different designs. We choose two designs and the students will now produce the actual artwork.

This August we had another year of success with two Picnics in the Park in Redhill and the summer project in Lambeth. Around 120 families attended the picnics in Redhill and we were assisted by volunteers as well as free activities provided by Raven Housing and SES Water. We also delivered our final Summer Holiday programme in Frederick Crescent with financial support from Sherborne In The Community and support from 3 volunteers.

Financial Review

Income for the year of £934k shows an increase of £3k compared with the previous year's total of £931k.

Donations amounting to £38k were received from individual supporters (2023: £31k) and £72k from fundraising (2023: £81k). Investment income amounted to £18k (2023: £15k) and rental income of £131k was derived from properties (2023: £126k).

The principal funding sources of the charity were the Diocese of Southwark (South London Church Fund) and Surrey County Council. Grants received during the year over £25,000 include, City Bridge Foundation, the Charity of Sir Richard Whittington, the PTL Foundation and the Netherby Trust. We are also grateful to the following trusts and foundations who generously supported our work, Surrey Community Foundation Richmond Parish Lands Charity, St Faith's Trust, Barnes Fund and Sherborne in the Community. We were grateful to Richmond Charities for their grant to us to support families in crisis. The charity also receives funding from churches and individuals.

Expenditure in the year was £939k (2023: £941k) including £535k of expenditure from restricted funds (2023: £494k).

The increase in income and decrease in expenditure has resulted in a deficit of £5k before gains on investments (2023: deficit of £10k before gains on investments).

It is the aim of the Charity to maintain a stable operating surplus over the coming years with the aid of strengthened financial processes, reallocation of resources, service reviews and new income streams to ensure that Welcare truly is *Here now, Here always* to serve the most vulnerable children and their families in South London and East Surrey for generations to come.

Reserves Policy

Reserves as at 31 March 2024 totalled £2,810k (2023: £2,785k) including £14k (2023: £75k) of restricted reserves and £2,498k (2023: £2,476k) of designated funds.

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

The Board considers that free reserves (defined as total reserves less designated and restricted funds) should be maintained at an amount equivalent to three to four months of the current year's expenditure. This gives a minimum level of £245k. The Board considers that the minimum level is adequate to support current and anticipated levels of activity, to enable it to respond to opportunities and to provide for emergencies. The target level of three to four months' reserves reflects realistic commitments on salaries, rent and other expenditure.

Free reserves are currently £298k (2023: £234k). This is above the target level.

Investment Policy

As at 31 March 2024 fixed asset investments were valued at £2,023k (2023: £2,005k) including £1,750k (2023: £1,750k) of investment properties. There were net gains on investments of £18k in the year (2023: net losses of £11k). A full revaluation of all investment properties took place on 28 April 2021. It is the policy of the Board of Trustees to undertake a formal revaluation of investment properties every five years. The next revaluation will be undertaken in 2026.

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

The Board of Trustees holds investment properties. Welcare relies on income from property investments to finance service delivery and to provide a level of protection when grant funding comes to an end. Rental income from the properties is used for the furtherance of the aims and objectives of the charity. These assets provide essential income streams for our service delivery. A new 10 year lease was signed with the existing tenant of one investment property.

Fundraising Policy

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

We commit to fundraising ethically, responsibly and with our donors in mind. We care about our supporters, what they think about our fundraising and always promise to be transparent, fair and legally compliant. We will always respect the privacy and contact preferences of our donors. We will respond promptly to requests to cease contact or to complaints and act as best we can to address their concerns. Any enquiries regarding fundraising can be directed to fundraising@welcare.org, while complaints should be made in writing to: Welcare Fundraising, 48 Union Street, London, SE1 1TD. We have not received any complaints about our fundraising practices.

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

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

Principle Risks and Uncertainties

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

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

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

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

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

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

- Communication and feedback
- Business planning
- Staff appraisals

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

Welcare has a business continuity plan which is reviewed annually. All staff are able to work remotely. A sub-committee of the Board, initially established to provide a rapid Board level response to the pandemic, can be reconvened at short notice to address a specific crisis.

Welcare's income from its regular donors, supporting churches and principal funders remained stable throughout the financial year. The grant from the Diocese of Southwark to Welcare was maintained at the 2022-2023 level during 2023-2024. We remained in receipt of ongoing funding from Richmond Parish Lands Charity, St Faith's Trust, Barnes Fund, the PTL Foundation, the Charity of Sir Richard Whittington and City Bridge Foundation.

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

Category	Risk	Mitigation
Financial	Inability to deliver services and fund projects due to lack of funding for any reason including termination of contracts and over-reliance on particular supporters and funders.	• Develop sustainable services independent of local authority contracts • Diversify funding streams and develop new supporters • Promote regular giving scheme • Improve communications between charity and

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

		• Good gate-keeping procedures • Escalation of appropriate cases • Escalation Policy • Safeguarding/Escalation report submitted at every Board meeting
External/Environmental	Welcare is required to absorb increased costs (utilities, HR, supplier contracts etc) while income remains static resulting in budget deficits.	• Reduce external costs wherever possible. • Move to serviced offices

Structure, Governance and Management

Governing Document

Southwark Diocesan Welcare is a charitable company limited by guarantee. It was established under a Memorandum of Association and is governed under its Articles of Association. Revised Articles of Association were adopted by a special resolution passed at the charity's AGM on 23 September 2015. The members of the organisation are limited to the trustees for the time being who may serve two terms of three years which, in exceptional circumstances and with the agreement of the Board, can be extended for one additional three-year term. In the event of the company being wound up, members are required to contribute an amount not exceeding £1.

Trustees

The directors of the company are also the charity trustees. Trustees serve fixed terms of office. The Anglican Bishop of Southwark has the right to nominate up to two trustees. The Bishop's nominees were Christopher Elliott and Nicola Thomas. Natalie Walters replaced Nicola Thomas during the year.

The trustees do not receive any benefit but may be reimbursed for reasonable expenses properly incurred when acting on behalf of the charity. In 2023-2024 a total of £245.25 (2022-2023: £218.60) was paid to trustees in reasonable expenses.

An induction process provides new trustees with the detailed information about the charity required for their role. Following an independent review of Board effectiveness in May 2019, the Board has held a number of facilitated planning sessions to inform development of the 2021-2024 Strategic Plan most recently in November 2023 at which the Board confirmed its strategy to:

- Deliver and fund the CapeAbility in Schools project
- Continue our work to deliver Family Centre and Family Resilience Services in East Surrey
- Continue delivering Caring Dads and other courses.

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

Organisational Structure

Following a review of the governance structure in May 2021, the Board agreed to merge the business of the Finance and Development and Services Committees with that of the Board. Previously, there had been 4 full Board meetings with each committee meeting 3 times a year.

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

A sub-committee was established as a rapid response committee of the Board during the pandemic. The sub-committee has delegated authority to conduct business of the Board between the Board meetings and to report to the Board. It can be reinstated when required.

Overall responsibility for the delivery of Welcare's services lies with the CEO. Welcare is structured into three separate regional service delivery areas each headed by a senior social worker or experienced centre manager. The Head of Practice, Child and Family Support Service Manager and the Family Centre Manager are members of the senior management team. A whole staff training day focussing on Family Law took place in November 2023.

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

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

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

Safeguarding Policy

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

Relationships

Welcare has worked closely with statutory bodies involved in the delivery of services to children. Until 31 March 2024, Welcare had a 5 year contract with Surrey County Council to provide services at the Redhill Family Centre and delivery of Early Help work in partnership with East Surrey YMCA. Since 1 April 2024, Welcare has provided a Family Centre and Family Resilience service for Surrey County Council as a subcontractor of East Surrey YMCA. Welcare is building future services around local needs and local support. Welcare works within the legislative framework of the Children Acts of 1989 and 2004 and the Children and Families Act 2014. Welcare is in regular contact with other charities serving children and families through active partnership working.

Welcare has a strong relationship with the Church of England and receives a significant annual grant towards its work from the Anglican Diocese of Southwark. Welcare also enjoys close relationships with a number of churches in South London boroughs including the Bromley,

Beckenham and Orpington deaneries in the Diocese of Rochester and with the Hampton deanery in the Diocese of London where individual church members support Welcare financially, through volunteering and in prayer.

Key Management Personnel Remuneration Policy

The salary of the Chief Executive is set by the Chair in consultation with the Honorary Treasurer following annual appraisals. The organisation uses the NJC pay scales for benchmarking salaries of other staff.

Statement of Trustees' Responsibilities

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

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

In preparing these accounts the trustees are required to:

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles in the Charities SORP;
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- Prepare the accounts on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

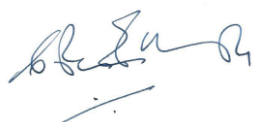
The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the accounts comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity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

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

Auditor

The Board of Trustees appointed TC Group to undertake the audit for the financial year ending in 2024 and will consider the appointment of the auditor for 2024-2025 at the next scheduled Board meeting.

On behalf of the Board of Trustees



Christopher Elliott, Chair

22 July 2024

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

Opinion

We have audited the financial statements of Southwark Diocesan Welcare (the 'charitable company') for the year ended 31 March 2024. 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 charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent

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

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

Auditor's responsibilities for the audit of the financial statements

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

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

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

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

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

Our approach was as follows:

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

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

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

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

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

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



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

8 August 2024

Statement of Financial Activities

(including income and expenditure account)
For the year ended 31 March 2024

	Note	Unrestricted funds £	Restricted funds £	2024 Total £	2023 Total £
INCOME					
<i>Donations and legacies</i>					
Individual Giving		37,613	192	37,805	31,127
<i>Other Trading Activities</i>					
Fundraising Activities		66,458	5,604	72,062	80,733
<i>Income From Investments</i>					
Investment income		18,030	-	18,030	14,583
Rents received		131,380	-	131,380	126,044
<i>Income From Charitable Activities</i>					
Child & Family Support Services		193,733	158,071	351,804	350,723
Groups & Workshops		10,800	-	10,800	16,536
Early Help		-	30,993	30,993	30,993
Family Centre		-	279,177	279,177	278,636
Other income		1,423	55	1,478	1,173
Total income	2	459,437	474,092	933,529	930,548
EXPENDITURE					
<i>Expenditure on Raising Funds</i>					
Fundraising & Marketing		30,007	-	30,007	48,843
<i>Expenditure on Charitable Activities</i>					
Child & Family Support Services		269,945	159,600	429,545	455,853
Groups & Workshops		17,022	-	17,022	30,802
Early Help		15,672	32,064	47,736	33,696
Family Centre		71,403	343,086	414,489	371,822
Total Expenditure	3	404,049	534,750	938,799	941,016
Net income/(expenditure) before investments gains/(losses)		55,388	(60,658)	(5,270)	(10,468)
Net (losses)/gains on investments	7	29,798	-	29,798	(15,697)
Net income/(expenditure) after investments gains		85,186	(60,658)	24,528	(26,165)
Net movement in funds		85,186	(60,658)	24,528	(26,165)
Fund balances brought forward at 1 April 2023		2,710,168	74,922	2,785,090	2,811,255
Funds balances carried forward at 31 March 2024		2,795,354	14,264	2,809,618	2,785,090

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

Balance Sheet

As at 31 March 2024

Registered company number 05275749

	Note	2024 £	2024 £	2023 £	2023 £
Operational Fixed Assets	6		410,433		418,185
Fixed Asset Investments	7		2,022,500		2,004,786
Current assets					
Debtors	8	20,796		61,445	
Short term investments		145,691		133,607	
Cash at bank & in hand		353,602		390,775	
Current assets		520,089		585,827	
Creditors: amounts falling due within one year	9	(143,404)		(214,370)	
Net current assets			376,685		371,457
Creditors: amounts falling due after one year	9		-		(9,338)
Net assets	10		2,809,618		2,785,090
Funds of the Charity					
Restricted funds	10		14,264		74,922
Designated funds	10				
Operational fixed assets			410,433		418,185
Fixed assets investments			2,022,500		2,004,786
Covid Recovery			75,000		75,000
Pension liability			(10,179)		(21,791)
General funds			297,600		233,988
Total funds			2,809,618		2,785,090

The financial statements were approved by the Board and authorised for issue on 22 July 2024 and signed on its behalf by:



Christopher Taylor, Honorary Treasurer



Christopher Elliott, Chair

The accompanying notes form part of these financial statements.

Statement of Cash Flows

For the year ended 31 March 2024

	2024 £	2024 £	2023 £	2023 £
Cash flows from operating activities:				
Net income for the year	24,528		(26,165)	
Adjustments for:				
Depreciation charges	10,584		15,667	
(Gains)/Losses on revaluation of investments	(29,798)		15,697	
Dividends, interest & rents from investments	(149,410)		(140,627)	
(Increase)/decrease in debtors	40,649		(31,341)	
Increase/(decrease) in creditors	(80,304)		(118,995)	
Net cash provided by operating activities		(183,751)		(285,764)
Cash flows from investing activities:				
Purchase of tangible fixed assets	(2,832)		-	
Dividends, interest & rents from investments	149,410		140,627	
Net cash used in investing activities		146,578		140,627
Change in cash and cash equivalents in the year		(37,173)		(145,137)
Cash and cash equivalents at the beginning of the year		390,775		535,912
Cash and cash equivalents at the end of the year		353,602		390,775
		01 April 2023 £	Cash flow £	31 March 2024 £
Cash at bank and in hand		390,775	(37,173)	353,602

Notes to the Accounts

For the year ended 31 March 2024

1. ACCOUNTING POLICIES

(a) Statutory information

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

(b) Basis of Accounting

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

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

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

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

(c) Operational Fixed Assets

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

Freehold buildings	2% of cost p.a. straight line
Office furniture and equipment	20% of cost p.a. straight line
Computer equipment	33⅓% of cost p.a. straight line

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

(d) Investments

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

(e) Cash Management

Cash not required for day to day operation, but for the medium term, is held in an instant access savings account. Where it is deemed that cash can be held for the longer term this is transferred into the investment portfolio.

Notes to the Accounts (continued)

For the year ended 31 March 2024

1. ACCOUNTING POLICIES (continued)

(f) **Critical accounting judgements and key sources of estimation uncertainty**

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

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

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

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

(g) **Debtors**

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

(h) **Creditors and provisions**

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

(i) **Gifts in kind**

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

(j) **General funds – unrestricted**

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

(k) **Designated funds – unrestricted**

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

(l) **Restricted funds**

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

Notes to the Accounts (continued)

For the year ended 31 March 2024

1. ACCOUNTING POLICIES (continued)

(m) Income

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

Income is recognised when the charity is considered to be entitled to apply the resource, the amount may be estimated with reasonable accuracy and the likelihood of receipt is considered probable.

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

(n) Expenditure

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

(o) Charitable activities

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

(p) Fundraising, publicity, communication and events expenditure

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

(q) Support costs

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

(r) Governance

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

(s) Pension costs

Southwark Diocesan Welcare participates in the defined contribution scheme offered by The Pensions Trust. The Pensions Trust is an occupational pension scheme provider for organisations involved in social, educational, charitable, voluntary or similar work. The financial position and the income and expenditure of The Pensions Trust are disclosed in its annual financial statements. Although The Pensions Trust is a defined contribution scheme a shortfall has occurred and each contributor is required to make good their share of the shortfall. The liability is reduced when payments are made to The Pension Trust.

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

(t) Operating leases

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

Notes to the Accounts (continued)

For the year ended 31 March 2024

2. ANALYSIS OF INCOME

Current year	Unrestricted funds £	Restricted funds £	Total 2024 £
Donations			
Donations and fundraising	103,071	6,796	109,867
Grants			
South London Church Fund	157,772	-	157,772
Surrey County Council:			
- Early Help	-	30,993	30,993
- Family Centre	-	279,177	279,177
Netherby Trust	35,000	-	35,000
The Charity of Sir Richard Whittington	-	27,958	27,958
City Bridge	-	41,106	41,106
PTL Foundation	-	45,833	45,833
Grants of under £20,000	1,961	42,174	44,135
Total Grants	194,733	467,241	661,974
Investment income & rent receivable	149,410	-	149,410
Groups & Workshops	10,800	-	10,800
Other income	1,423	55	1,478
Total income	459,437	474,092	933,529

Prior year	Unrestricted funds £	Restricted funds £	Total 2023 £
Donations			
Donations and fundraising	111,559	300	111,859
Grants			
South London Church Fund	157,772	-	157,772
Surrey County Council:			
- Early Help	-	30,993	30,993
- Family Centre	-	278,636	278,626
Netherby Trust	35,000	-	35,000
The Charity of Sir Richard Whittington	-	30,538	30,538
City Bridge	-	30,833	30,833
PTL Foundation	-	50,000	50,000
Grants of under £20,000	1,440	45,140	46,580
Total Grants	194,212	466,140	660,352
Investment income & rent receivable	140,627	-	140,627
Groups & Workshops	16,536	-	16,536
Other income	1,174	-	1,174
Total income	464,108	466,440	930,548

Notes to the Accounts (continued)

For the year ended 31 March 2024

3. ANALYSIS OF TOTAL EXPENDITURE

Current year	Direct Staff Costs £	Direct Other Costs £	Support Costs Allocated £	2024 Total £
<i>Expenditure on Raising Funds</i>				
Fundraising & Marketing	13,477	12,052	4,478	30,007
<i>Expenditure on Charitable Activities</i>				
Child & Family Support Services	261,215	110,455	57,875	429,545
Groups & Workshops	4,585	11,421	1,016	17,022
Early Help	33,812	6,433	7,491	47,736
Family Centre	284,709	66,703	63,077	414,489
Total Expenditure	597,798	207,064	133,937	938,799

Prior year	Direct Staff Costs £	Direct Other Costs £	Support Costs Allocated £	2023 Total £
<i>Expenditure on Raising Funds</i>				
Fundraising & Marketing	28,121	10,313	10,409	48,843
<i>Expenditure on Charitable Activities</i>				
Child & Family Support Services	276,882	107,705	71,266	455,853
Groups & Workshops	23,266	1,548	5,988	30,802
Early Help	21,214	7,022	5,460	33,696
Family Centre	245,835	62,713	63,274	371,822
Total Expenditure	595,318	189,301	156,397	941,016

ANALYSIS OF SUPPORT COSTS

Support costs can be analysed as follows:

	2024 £	2023 £
<i>Governance</i>		
Audit fee	10,500	10,500
Trustee and other meeting costs	245	219
AGM and other	-	41
Staff costs allocated to Governance	7,967	7,361
	18,712	18,121
<i>Other Support costs</i>		
Movement in accrued pension liability	5,929	20,449
Staff costs allocated to Support	15,178	13,982
	94,118	103,845
Total support costs	133,937	156,397

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

Notes to the Accounts (continued)

For the year ended 31 March 2024

4. RESULTS FOR THE YEAR

Expenditure includes:	2024 £	2023 £
Auditors' remuneration:	10,500	10,500
Depreciation	10,584	15,667

5. STAFF COSTS AND NUMBERS

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

The total amounts paid in respect of the key management personnel of the Charity were £86,932 (2023: £82,601). This includes employers' national insurance and pension contributions.

Staff costs were as follows:	2024 £	2023 £
Salaries and wages	607,300	624,779
Social Security costs	56,758	50,901
Pension contributions	30,700	29,012
Redundancy	5,125	1,832
	699,883	706,524

One employee earned greater than £60,000 during the year (between £70,000 and £80,000) (2023: One).

Pension contributions in the year for this employee amounted to £4,417 (2023: £4,178).

A redundancy payment of £5,125.80 was made in the year (2023: £1,832).

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

	2024 No.	2023 No.
Fundraising and publicity	0.64	0.84
Charitable activities	15.51	17.36
	16.15	18.20

The total number of staff employed at year end was 16 (2023: 22).

No member of the Board of Trustees received remuneration for their services during the year (2023: £nil). One trustee was reimbursed for out of pocket expenses for £245.25 (2023: £219).

Notes to the Accounts (continued)

For the year ended 31 March 2024

6. OPERATIONAL FIXED ASSETS

	Operational freehold land and buildings in use £	Freehold Property Replacements £	Computer equipment £	Total 2024 £
<i>Cost or Valuation</i>				
As at 1 April 2023	582,221	-	18,112	600,333
Additions	-	2,832	-	2,832
At 31 March 2024	582,221	2,832	18,112	603,165
<i>Accumulated depreciation</i>				
As at 1 April 2023	164,036	-	18,112	182,148
Charge for the year	10,513	71	-	10,584
At 31 March 2024	174,549	71	18,112	192,732
<i>Net book value</i>				
At 31 March 2024	407,672	2,761	-	410,433
At 31 March 2023	418,185	-	-	418,185

All operational fixed assets are used in the charitable activities of the charity. The £29,798 gain on investments in the SOFA is made up of the £17,714 gain in the fixed asset investments, with the remaining gain coming from current assets.

7. FIXED ASSET INVESTMENTS

	Investment properties £	Other investments £	Total 2024 £	Total 2023 £
Balance at 1 April 2023	1,750,000	254,786	2,004,786	2,015,562
Gains on revaluation	-	17,714	17,714	(10,776)
Balance as at 31 March 2024	1,750,000	272,500	2,022,500	2,004,786

The investment properties were revalued at 31 March 2021 in accordance with the RICS Valuation – Professional Standards 2014 (The Red Book) by William Bradley BSc (Hons) MRICS of Bradley Harris Ltd, Chartered Surveyors, 368 Croydon Road, Beckenham, Kent BR3 4EX. The trustees believe that the commercial property market has remained relatively static over the last 12 months and, therefore, do not consider the investment properties to have materially altered in value over that period. In line with their policy to undertake a formal revaluation of investment properties every five years, the next formal revaluation will take place in March 2026.

Notes to the Accounts (continued)

For the year ended 31 March 2024

8. DEBTORS

	Total 2024 £	Total 2023 £
Prepayments	9,173	605
Accrued income	11,623	52,970
Other taxes & social security	-	7,870
	20,796	61,445

9. CREDITORS

	Total 2024 £	Total 2023 £
Accounts falling due within one year:		
Trade creditors	24,357	7,583
Deferred income and accruals	91,181	183,925
Other taxes & social security	16,312	7,429
Other creditors	1,375	2,980
Pension provision	10,179	12,453
Total Creditors	143,404	214,370
Deferred grant income		
Balance brought forward	157,129	219,184
Amount released to grant income	(157,129)	(219,184)
Amount deferred in the year	6,857	157,129
	6,857	157,129

	Total 2024 £	Total 2023 £
Accounts falling due after more than one year:		
Pension provision	-	9,338
	-	9,338

Notes to the Accounts (continued)

For the year ended 31 March 2024

10. MOVEMENT IN FUNDS

Current year	Balance at 1 April 2023 £	Income £	Expenditure £	Transfers and gains/(losses) on investments £	As at 31 March 2024 £
Restricted funds:					
East Surrey	74,172	336,691	(396,787)	-	14,076
South London	-	136,601	(136,601)	-	-
Central	750	800	(1,362)	-	188
Total restricted funds	74,922	474,092	(534,750)	-	14,264
Designated funds:					
Operational fixed assets fund	418,185	-	-	(7,752)	410,433
Fixed asset investment fund	2,004,786	-	-	17,714	2,022,500
Covid Recovery	75,000	-	-	-	75,000
Pension liability fund	(21,791)	-	-	11,612	(10,179)
Total unrestricted designated funds:	2,476,180	-	-	21,574	2,497,754
Total unrestricted general funds:	233,988	459,437	(404,049)	8,224	297,600
Total funds	2,785,090	933,529	(938,799)	29,798	2,809,618

Prior year	Balance at 1 April 2022 £	Income £	Expenditure £	Transfers and gains/(losses) on investments £	As at 31 March 2023 £
Restricted funds:					
East Surrey	91,458	328,725	(346,011)	-	74,172
South London	10,895	134,465	(145,360)	-	-
Central	-	3,250	(2,500)	-	750
Total restricted funds	102,353	466,440	(493,871)	-	74,922
Designated funds:					
Operational fixed assets fund	433,852	-	-	(15,667)	418,185
Fixed asset investment fund	2,015,562	-	-	(10,776)	2,004,786
Covid Recovery	93,783	-	-	(18,783)	75,000
Pension liability fund	(34,181)	-	-	12,390	(21,791)
Total unrestricted designated funds:	2,509,016	-	-	(32,836)	2,476,180
Total unrestricted general funds:	199,886	464,108	(447,145)	17,139	233,988
Total funds	2,811,255	930,548	(941,016)	(15,697)	2,785,090

Notes to the Accounts (continued)

For the year ended 31 March 2024

10. MOVEMENT IN FUNDS (continued)

Restricted Funds

East Surrey – these funds represent income from Surrey County Council to provide Early Help, family support and a Family Centre. They also receive some small grants and donations restricted to specific uses.

South London – this fund is represented by a specific grant from the Charity of Sir Richard Whittington to deliver work in schools in Lambeth.

Designated Funds

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

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

Welcare has met the needs of its beneficiaries by continuing to offer practical and emotional family support throughout the year. Trustees have focused on securing the future well-being of the charity and the surplus from 2021 was designated to a recovery fund to deliver pilot projects aimed at forging a stronger charity able to withstand a more challenging funding environment in the future. Welcare has rationalised its office accommodation requirements and moved to a flexible way of working whilst co-locating service delivery in schools. During 2022-2023 we completed the rationalisation of our office service delivery accommodation including the location of our Central Office to enable us to work more closely with the Diocese of Southwark and with schools. Our services in southwest London will be delivered from an office base in the Castelnau Community Centre.

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

Transfers in funds represent programmes funded from unrestricted income.

Notes to the Accounts (continued)

For the year ended 31 March 2024

11. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Operational Fixed Assets £	Investments £	Short term investment and cash at bank £	Other Net Assets / (Liabilities) £	Total 2024 £
Restricted funds	-	-	14,264	-	14,264
Unrestricted general funds	-	-	485,029	(187,429)	297,600
Unrestricted designated funds	410,433	2,022,500	-	64,821	2,497,754
Net assets at 31 March 2024	410,433	2,022,500	499,293	(122,608)	2,809,618

PRIOR YEAR ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Operational Fixed Assets £	Investments £	Short term investment and cash at bank £	Other Net Assets / (Liabilities) £	Total 2023 £
Restricted funds	-	-	74,922	-	74,922
Unrestricted general funds	-	-	449,460	(215,472)	233,988
Unrestricted designated funds	418,185	2,004,786	-	53,209	2,476,180
Net assets at 31 March 2023	418,185	2,004,786	524,382	(162,263)	2,785,090

Notes to the Accounts (continued)

For the year ended 31 March 2024

12. PRIOR YEAR STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted funds £	2023 Total £
INCOME			
<i>Donations and legacies</i>			
Individual Giving	30,827	300	31,127
<i>Other Trading Activities</i>			
Fundraising Activities	80,733	-	80,733
<i>Income From Investments</i>			
Investment income	14,583	-	14,583
Rents received	126,044	-	126,044
<i>Income From Charitable Activities</i>			
Child & Family Support Services	194,212	156,511	350,723
Groups & Workshops	16,536	-	16,536
Early Help	-	30,993	30,993
Family Centre	-	278,636	278,636
<i>Other income</i>	1,173	-	1,173
Total income	464,108	466,440	930,548
EXPENDITURE			
<i>Expenditure on Raising Funds</i>			
Fundraising & Marketing	48,843	-	48,843
<i>Expenditure on Charitable Activities</i>			
Child & Family Support Services	276,842	179,011	455,853
Groups & Workshops	30,802	-	30,802
Early Help	7,207	26,489	33,696
Family Centre	83,451	288,371	371,822
Total Expenditure	447,145	493,871	941,016
Net income (expenditure) before investments gains	16,963	(27,431)	(10,468)
Net gains on investments	(15,697)	-	(15,697)
Net income (expenditure) after investments gains	1,266	(27,431)	(26,165)
Net movement in funds	1,266	(27,431)	(26,165)
Fund balances brought forward at 1 April 2022	2,708,902	102,353	2,811,255
Funds balances carried forward at 31 March 2023	2,710,168	74,922	2,785,090

Notes to the Accounts (continued)

For the year ended 31 March 2024

13. RELATED PARTIES

During the year Southwark Diocesan Welcare received a grant of £157,772 (2023: £157,772) from Southwark Diocesan Board of Finance. Under the Articles of Association of the charity, the Anglican Bishop of Southwark has the right to nominate up to two Trustees and to approve the appointment of the Chair from among the Trustees. The Bishop's nominees are Christopher Elliott and Natalie Walters who replaced Nicola Thomas.

Aggregated donations to the charity from trustees during the year amounted to £20 (2023: £20). There have been no other related party transactions and all trustees and key management personnel have signed related party declarations

14. PENSION ARRANGEMENTS

Pensions Trust Growth Plan

The company participates in the scheme, a multi-employer scheme which provides benefits to some 638 non-associated participating employers. The scheme is a defined benefit scheme in the UK. It is not possible for the company to obtain sufficient information to enable it to account for the scheme as a defined benefit scheme. Therefore, it accounts for the scheme as a defined contribution scheme.

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

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

A full actuarial valuation for the scheme was carried out at 30 September 2020. This valuation showed assets of £800.3m, liabilities of £831.9m and a deficit of £31.6m. To eliminate this funding shortfall, the Trustee has asked the participating employers to pay additional contributions to the scheme as follows:

DEFICIT CONTRIBUTIONS

From 1 April 2022 to 31 January 2025:	£3,312,000 per annum (payable monthly)
---------------------------------------	--

Unless a concession has been agreed with the Trustee the term to 31 January 2025 applies.

Notes to the Accounts (continued)

For the year ended 31 March 2024

14. PENSION ARRANGEMENTS (continued)

Pensions Trust Growth Plan (continued)

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

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

A pension provision has been included in the accounts of £10,179 in respect of the above liability to the scheme as at 31 March 2024 (2023: £21,791).

15. CAPITAL COMMITMENTS

There were no capital commitments at year end (2023: £nil).

16. OPERATING LEASE COMMITMENT

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

	2024 £	2023 £
Less than 1 year	13,490	16,040
1 – 2 years	2,434	15,336
3 – 5 years	-	588
Total	15,924	31,964

17. POST BALANCE SHEET EVENTS

There are no post balance sheet events to report.

The trustees recognise that the future impact of the ongoing war in Ukraine is unknown, and that it has already contributed to an increase in the cost of living and energy.

The impact of increased utility costs for the charity will continue to be mitigated by staff working more flexibly from serviced office accommodation.

18. TAXATION

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

19. CONTROL

Throughout the year the charity was controlled by its trustees.

20. SHARE CAPITAL

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

Accounts

welcare

strengthening families since 1894

TRUSTEES' REPORT & ACCOUNTS

FOR THE YEAR ENDED 31 MARCH 2023

Welcare is a charity based on Christian values, working with families and children up to age 13, in South London and East Surrey.

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

Legal & Administrative Information

Trustees	Christopher Elliott (Chair) The Ven Moira Astin (until 30 January 2023) Debbie Haith (until 25 July 2022) David Nyirongo (until 25 April 2022) Rachel Phillips Paulette Tajah-Bell Christopher Taylor (Honorary Treasurer) Nicola Thomas The Ven Greg Prior (from 28 November 2022) Louise Villeneuve (from 28 November 2022)
Chief Executive Officer	Anna Khan
Management Team	Fay Morris Barbara Wilson Catharine Adjei Diane Taylor
Charity Number	1107859
Company Number	5275749
Registered Name	Southwark Diocesan Welcare
Registered Office	24 Warwick Road Redhill Surrey, RH1 1BU
Correspondence Address	48 Union Street London, SE1 1TD
Auditor	TC Group The Courtyard Shoreham Road Upper Beeding Steyping West Sussex, BN44 3TN
Banker	National Westminster Bank plc London Bridge Branch PO Box 35 10 Southwark Street London, SE1 1TJ
Solicitors	Russell-Cooke 2 Putney Hill London, SW15 6AB

Our Centres

Registered Office

24 Warwick Road
Redhill
Surrey
RH1 1BU

Central Office, South London Services and Correspondence Address

48 Union Street
London
SE1 1TD

Tel: 020 7820 7910

Email: info@welcare.org

Bromley Centre

Community House
South Street
Bromley
BR1 1RH

Tel: 020 8466 0399

Email: info@welcare.org

East Surrey

Welcare House
24 Warwick Road
Redhill
Surrey
RH1 1BU

Tel: 01737 780884

Email: Redhill@welcare.org

welcare.org



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FUNDRAISING
REGULATOR

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Welcome from the Chair

This has been my first full year as Chair of Trustees and it has been a pleasure and privilege to work with my fellow trustees and the team at Welcare. During the year we have had a number of changes on the Board: Debbie Haith, David Nyirongo and Ven Moira Astin have stood down. I would like to formally record my personal thanks to each of them for the contribution they have made to our work. We have welcomed Louise Villeneuve and Ven Greg Prior to our number and I look forward to working with them in the future.

I am delighted to be able to report that we have now moved out of our previous head office in Lambeth and we are now located in Union Street, London SE1, where we are sharing premises with Southwark Diocesan Board of Education who we are working closely with on our Family and Schools Together (FAST) programme.

I would like to thank all those who have supported us financially including Surrey County Council who commission us to run the Family Centre in Redhill and provide Early Help services to children and families in the borough of Reigate & Banstead. The Early Help services are provided in partnership with East Surrey YMCA. The Diocese of Southwark has provided us with a grant for which we are extremely grateful. Others who have provided us with grants include City Bridge Trust, the Charity of Sir Richard Whittington, the PTL Foundation, the Netherby Trust, the Peter Harrison Foundation, Richmond Parish Lands Charity, St Faith's Trust, Barnes Fund, Sherborne in the Community, Girdlers' Company and a final contribution from the Leathersellers' who funded our work in South East London for the last four years.

Throughout this year we have provided help and support to 518 families. None of this could have been possible without the dedicated work of Anna Khan, our Chief Executive Officer, and her wonderful team who I would like to take this opportunity to thank for their relentless efforts.

I feel that the Charity is well placed to continue with our work and to move forward after some challenging years not least of which has been the Pandemic. I believe we have an exciting time ahead and look forward to the year ahead.



Christopher Elliott
Chair

Trustees' Report

Introduction

The trustees, who are also directors of Southwark Diocesan Welcare for the purposes of the Companies Act 2006, are pleased to submit their annual report and audited financial statements for the year ended 31 March 2023. The trustees have adopted the provisions of the Statement of Recommended Practice "Accounting and Reporting by Charities" issued in 2015 – Second Edition effective 1 January 2019, the Companies Act 2006 and applicable UK accounting standards in preparing the annual report and financial statements of the organisation.

Public Benefit

The trustees confirm that they have complied with their duty under Section 17 of the Charities Act 2011 to have due regard to the Charity Commission's general guidance on public benefit.

Objectives and Activities

Objects of the Charity

Welcare is governed by the articles of association and memorandum dated 2 November 2004 and amended 29 September 2010 and 23 September 2015. The objects of the charity are:

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

Aims of the Charity

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

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

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

Welcare staff and volunteers aim to intervene early to provide practical and emotional help and support to strengthen families who are experiencing difficulties. Our aim is to enable a parent to become the very best parent they can be to their children, to engage with their available networks and to improve the outcomes for vulnerable children and their families. We believe that by working together we can create a society where parents and children have the confidence to recognise and seize every opportunity to flourish.

Activities of the Charity

Identifying the need

We work across South London and East Surrey with children and their families facing the following challenges:

For children aged between 8 and 13

- Absence from school
- Previous experience of trauma, including exposure to domestic abuse
- Risky behaviour
- Poor self esteem
- Social exclusion
- Difficult transition to secondary education
- Impact of gang culture and the risk of serious youth crime

Parents with children up to the age of 13

- Poor parent/child relationships
- Poor housing or home environment impacting children's health
- Experience of domestic abuse and violence
- Stepping down from specialist Children's Services
- Inappropriate chastisement
- Relationship breakdown
- Low income and challenges with the cost of living crisis
- Poor social networks and contacts
- Mental health challenges
- Children with special needs or challenging behaviour

Activities addressing the need

As the country began to recover from the challenges of the coronavirus pandemic, we were faced with a cost-of-living crisis which has had a disproportionate impact on the families we serve. In response, we are focusing our charitably funded support services to alleviate the impact of:

- Emotional health and well-being issues experienced by children and young people up to the age of 13
- Domestic abuse and parental conflict
- Social isolation, especially for parents of children with special educational needs and disabilities
- The high cost of food and energy bills; our staff are able to access local support and emergency funds, including fuel funds, to help families in need. Our annual Families In Crisis appeal enables us to purchase supermarket vouchers to help families buy food, cleaning products, warm clothes and shoes.

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

Our Families and Schools Together pilot projects have enabled us to work in partnership with schools to address emotional needs of children particularly those who were at risk of exclusion because of their behaviour or those who have experienced domestic abuse in their home.

A particular highlight has been our annual Summer Activity Programme delivered in Lambeth during August. This programme is aimed at children who have been especially isolated and is made possible through the support of the Sherborne in the Community Trust.

Achievements and Performance

Performance against objectives

We have continued to build our Child and Family Support Service to enable delivery of a consistent community-based service throughout South London boroughs and extending into East Surrey. This service has been provided alongside the Family Centre and Early Help services commissioned by Surrey County Council. Our most significant charitably funded achievements of the last year include:

- Providing individual support for 518 families and providing a range of practical assistance and financial grants for struggling families.
- Delivering the Strengthening Families Strengthening Communities Parenting Programme in person and online and deepening our working relationship with Skylarks, a charity supporting parents with children with disabilities and additional needs.
- **Families and Schools Together (FAST):** Continuing to deliver our group work programmes, MySpace, With Respect and My Next Step and expanding our partnerships with schools.
- **Summer Holiday Programme:** Children from our FAST programme in Lambeth took part in an activity packed week in August. Highlights included a sports day, tour of The Oval cricket ground, kite making and flying, and a DJ workshop. The programme was supported by Sherborne in the Community and the activities helped build relationships, grow confidence, and learn and play together.
- Delivering the Caring Dads group work programme in partnership with St Michael's Fellowship.
- **Youth Justice Partnership:** Our partnership with Lambeth Youth Justice Service to support young people and their families who have a child or sibling already in the criminal justice system or at severe risk of being so has continued and we will seek continuation funding to enable this example of preventative, early intervention to continue.
- Delivering a range of playworker led courses including Mummy & Me and Every Child a Talker from our centre in Redhill to support isolated new mothers and those with English as a second language, including asylum seekers.
- Maintaining strong connections with Southwark Diocese and our supporters in local churches by attending the Diocesan Conference and Area Deans' meeting and by speaking at churches.
- Accessing training for our social workers and family support workers through our partnerships with Kingston University School of Social Work and the South West London and Surrey Social Work Teaching Partnership.
- **Trauma Informed Practice:** Welcare facilitated a joint training event with staff from other charities supported by The Mercers' Company on Trauma Informed Practice. Led by Developing Together, the Social Work Teaching Partnership covering South West London and Surrey (Welcare is a primary partner), the training focussed on how we could become more adept at recognising trauma and adversity, how to respond appropriately and what we can learn from research on Adverse Childhood Experiences

(ACEs) and how this relates to working in a trauma informed way. The training also examined how to build resilience, repair trauma responses and reviewed some fascinating research on child and teenage brain development.

- **Refreshed Website** www.welcare.org The website was refreshed to reflect our work as one charity working across South London and East Surrey with clear sections for Welcare wide news and events and dedicated space to thank and acknowledge our church supporters and a space to share prayers reflecting the hopes and fears of the community we serve.
- Rationalisation of our office accommodation to strengthen our connections in the local community, the Diocese of Southwark, and Southwark Diocesan Board of Education.

Our loyal supporters organised a range of traditional fundraising events during the year including sponsored walks, the Rock Choir concert and community carol singing and raised over £16.9k from events, including matched funding from The Morrisons Foundation. (2022: £59,249)

We have been heartened that despite their own challenges over the year 56 individual churches supported our work in the last financial year and it has been a pleasure to be able to visit churches again and speak with supporters about our work.

Total income from Trusts and Foundations amounted to £192,951 (2022: £145,477).

Outcomes

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

- Support children and families to have nurturing relationships free from harm
- Support children and families to feel connected to their local community
- Increase family resilience and improve parenting skills and capacity to enable children to experience effective parenting
- Support young people and parents to increase their health and emotional development
- Encourage participation in our group work programmes to promote self-care skills, independence, self-esteem and resilience
- Support children and parents to recover from domestic abuse and develop strategies to prevent abuse in future relationships
- Provide practical support and access to emergency funding to meet immediate needs and improve family well-being

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

Our families received additional support in the form of supermarket vouchers, household items and children's clothing worth over £38,000 in value.

Welcare uses the Family Outcomes Star+, an evidence-based tool which places the beneficiary at the centre of their own journey of change. Each scale on the star is more than just a set of numbers from 1 to 10, they are underpinned by the Journey of Change for that Star. The Journey of Change is a theory of change that sets out the stages people go through when making sustainable changes in their lives, meaning the attitude and behaviour expected at each of the points on each scale are clearly defined. Each Journey of Change is specific to the individual Star that it describes in order to engage with and capture service users' change more

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

Plans for the Future

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

- To work with Surrey County Council and local partners to enable Welcare to continue to deliver Early Help and Family centre services in East Surrey district and boroughs.
- A focus on supporting children and families exposed to domestic abuse and violence to rebuild their lives and prevent future abuse. We continue to offer our MySpace – community treatment and recovery group for children – and have successfully delivered and will extend the Caring Dads programme to South West London and Redhill in 2023. Caring Dads is an intense 17-week group intervention programme for fathers who have shown harmful or neglectful behaviour towards their children or exposed them to domestic abuse. It is an accredited and evaluated programme to support men who have been brave enough to admit they need help to become a better father.
- Building on the successful pilot of the schools-based programme we called Families and Schools Together (FAST). This programme supports vulnerable children and offers a range of group-work programmes focussed on building emotional well-being, resilience, and self-esteem. Through our strategic relationship with the Southwark Diocesan Board of Education (SDBE) we are seeking to extend the service to other children and families in schools working in clusters in areas of high need. We are grateful to the Charity of Sir Richard Whittington and the City Bridge Trust who have funded the expansion of this work in the academic year beginning in September 2022.
- Rationalisation of our premises - the coronavirus pandemic changed how many people work and it provided the opportunity to review how we deliver child and family support services. Our centre-based approach has been replaced by delivering our services more flexibly and co-locating group work programmes from schools. During the year we vacated our premises in Lambeth and have re-located our inner London and central office staff within offices at the Southwark Diocesan Board of Education (SDBE).
- Development of our Let's Talk programme originally run in partnership with Lambeth Youth Justice Service (and funded by the Youth Endowment Fund). The programme provides relationship building support for families where young people are at the end of their out of court intervention. Welcare offers a non-judgemental and safe place for families to explore different areas they are struggling with through a range of therapeutic activities. This opens discussion, creates understanding, and seeks to address recurring communication breakdown which can have a profound effect on the whole family's emotional wellbeing, stability, and day-to-day functioning.
- Expansion of our child and family support services into the boroughs of Croydon and Southwark. We plan to deliver services primarily through our Family and Schools Together programme and in partnership with the Southwark Diocesan Board of Education.

Contributions from Volunteers

Our volunteers have always been a key, valued part of the charity. We are grateful for all the prayerful and financial support we receive throughout South London and East Surrey but especially from our Bromley Parish Reps and Greenwich Friends who have organised Lent lunches, concerts, walks and other fundraising events. We are particularly grateful to Christina Clark for organising the Rock Choir concert and generous matched funding from the Morrisons Foundation.

We also remember Alan Wiltcher who sadly died during the year – Alan had been a stalwart supporter of our work for over 40 years especially in the borough of Greenwich.

Our Trustees, Friends, and Parish Representatives donated 600 hours of their time to support Welcare during the year.

We are delighted to have been able to reintroduce volunteering with families at the East Surrey centre this year. We ran a Parenting Puzzle course for adults alongside a creche for their under 5s. Our playworker ran the crèche and was ably assisted by two volunteers.

Our regular outdoor maintenance and gardening volunteer left in July to work abroad. We put out a plea to our other volunteers and parish reps and someone nominated her husband who had recently retired. He started volunteering in August - it is lovely to have another husband and wife team on board.

On a regular basis we are very fortunate to have one amazingly versatile volunteer who comes in to sort harvest donations, assemble food bags, sort out printer cartridges and is willing to turn her hand to any other tasks our admin team finds. As a parish rep and volunteer she also organised the refreshments at the East Surrey Thanksgiving Service in June. We are incredibly grateful for her support.

Our week-long Lambeth summer project, funded by Sherbourne in the Community, received 12 hours of support from volunteers, including from a fitness instructor who led the children in outdoor physical activities and supported the group on a visit to Oval cricket ground.

Financial Review

Income for the year of £931k shows an increase of £72k compared with the previous year's total of £859k.

Donations amounting to £31k were received from individual supporters (2022: £58k) and £81k from fundraising (2022: £68k). Investment income amounted to £15k (2022: £12k) and rental income of £126k was derived from properties (2022: £123k).

The principal funding sources of the charity were the Diocese of Southwark (South London Church Fund) and Surrey County Council. Grants received during the year over £25,000 include, City Bridge Trust, the Charity of Sir Richard Whittington, the PTL Foundation and the Netherby Trust. We are also grateful to the following trusts and foundations who generously supported our work including the Peter Harrison Foundation, Richmond Parish Lands Charity, St Faith's Trust, Barnes Fund, Sherborne in the Community, Girdlers' Company and a final contribution from the Leathersellers' who funded our work in South East London for the last four years. We were grateful to Richmond Charities for their grant to us to support families in crisis and the Morrison Foundation for their matched funding. The charity also receives funding from churches and individuals.

Expenditure in the year was £941k (2022: £795k) including £494k of expenditure from restricted funds (2022: £463k).

The increase in income and expenditure has resulted in a deficit of £10k before losses on investments (2022: surplus of £64k before gains on investments).

It is the aim of the Charity to maintain a stable operating surplus over the coming years with the aid of strengthened financial processes, reallocation of resources, service reviews and new income streams to ensure that Welcare truly is *Here now, Here always* to serve the most vulnerable children and their families in South London and East Surrey for generations to come.

Reserves Policy

Reserves as at 31 March 2023 totalled £2,785k (2022: £2,811k) including £75k (2022: £102k) of restricted reserves and £2,476k (2022: £2,509k) of designated funds.

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

The Board considers that free reserves (defined as total reserves less designated and restricted funds) should be maintained at an amount equivalent to three to four months of the current year's expenditure. This gives a minimum level of £245k. The Board considers that the minimum level is adequate to support current and anticipated levels of activity, to enable it to respond to opportunities and to provide for emergencies. The target level of three to four months' reserves reflects realistic commitments on salaries, rent and other expenditure.

Free reserves are currently £234k (2022: £200k). This is below the target level. In order to build up free reserves to the target level the charity aims to expand sources of income and to continue to monitor and control costs.

Investment Policy

As at 31 March 2023 fixed asset investments were valued at £2,005k (2022: £2,016k) including £1,750k (2022: £1,750k) of investment properties. There were net losses on investments of £11k in the year (2022: net gains of £20k). A full revaluation of all investment properties took place on 28 April 2021. It is the policy of the Board of Trustees to undertake a formal revaluation of investment properties every five years. The next revaluation will be undertaken in 2026.

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

The Board of Trustees holds investment properties. Welcare relies on income from property investments to finance service delivery and to provide a level of protection when grant funding comes to an end. Rental income from the properties is used for the furtherance of the aims and objectives of the charity. These assets provide essential income streams for our service delivery.

Fundraising Policy

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

We commit to fundraising ethically, responsibly and with our donors in mind. We care about our supporters, what they think about our fundraising and always promise to be transparent, fair and legally compliant. We will always respect the privacy and contact preferences of our donors. We will respond promptly to requests to cease contact or to complaints and act as best we can to address their concerns. Any enquiries regarding fundraising can be directed to fundraising@welcare.org, while complaints should be made in writing to: Welcare Fundraising, 48 Union Street, London, SE1 1TD. We have not received any complaints about our fundraising practices.

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

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

Principle Risks and Uncertainties

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

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

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

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

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

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

- Communication and feedback
- Business planning
- Staff appraisals

The management of risk is not an isolated process but is embedded in the management of the organisation and the delivery of Welcare's services. Several other policies, therefore, deal with risk management and risk assessment e.g. Health and Safety Policy, Safeguarding, Data

Protection, Investment Policy etc. All Welcare's policies are reviewed regularly and updated in line with changes in legislation, regulation and best practice.

Welcare has a business continuity plan which is reviewed annually. All staff are able to work remotely. A sub-committee of the Board, initially established to provide a rapid Board level response to the pandemic, can be reconvened at short notice to address a specific crisis.

Welcare's income from its regular donors, supporting churches and principal funders remained stable throughout the financial year. However, like other charities we received more income from events and community fundraising. The grant from the Diocese of Southwark to Welcare was maintained at the 2021-2022 level during 2022-2023. We remained in receipt of ongoing funding from St Faith's Trust, the PTL Foundation, the Charity of Sir Richard Whittington and City Bridge Trust.

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

Category	Risk	Mitigation
Financial	Inability to deliver services and fund projects due to lack of funding for any reason including termination of contracts and over-reliance on particular supporters and funders.	• Develop sustainable services independent of local authority contracts • Diversify funding streams and develop new supporters • Promote regular giving scheme • Improve communications between charity and supporters by producing regular newsletters • Maintain a good local profile • Recent Board agreement to use services of freelance professional fundraiser • Review finances of all services before making decisions
Operational	Unanticipated long-term absence of key member of staff resulting in additional costs to cover the post or overload on existing staff required to cover the post; or reduced output (contact with families). Failure to recruit and retain professional, skilled and experienced staff to work in south London and East Surrey, endangering service delivery.	• Employee Assistance programme to mitigate stress and resolve the risk of long-term sickness absence • Senior staff required to provide 3 months' notice • Succession business continuity planning • Professional HR advice and support from WorkNest • Emphasise the advantages of working for Welcare • Review salary levels and role descriptions • Review staffing structure and operational model to increase resilience to

		impact of short- and medium-term staff changes
Operational	Incident involving child protection or safeguarding issue involving staff member or volunteer resulting in harm to the child and reputational damage.	• Rigorous application and annual review of Safeguarding policy • Safer recruitment processes • Mandatory safeguarding training for all staff, volunteers and trustees • DBS checks carried out for all eligible staff, volunteers and trustees • Robust supervision, complaints and referral processes • Foster awareness throughout Welcare of the duty to report • Safeguarding policies updated to take account of increased use of smartphones/IT and staff working from home
Environmental/External	Welcare is required to absorb increased costs (utilities, HR, supplier contracts etc) while income remains static resulting in budget deficits.	• Reduce external costs wherever possible. • Move to serviced offices

Structure, Governance and Management

Governing Document

Southwark Diocesan Welcare is a charitable company limited by guarantee. It was established under a Memorandum of Association and is governed under its Articles of Association. Revised Articles of Association were adopted by a special resolution passed at the charity's AGM on 23 September 2015. The members of the organisation are limited to the trustees for the time being who may serve two terms of three years which, in exceptional circumstances and with the agreement of the Board, can be extended for one additional three-year term. In the event of the company being wound up, members are required to contribute an amount not exceeding £1.

Trustees

The directors of the company are also the charity trustees. Trustees serve fixed terms of office. The Anglican Bishop of Southwark has the right to nominate up to two trustees. The Bishop's nominees were Christopher Elliott and Nicola Thomas.

The trustees do not receive any benefit but may be reimbursed for reasonable expenses properly incurred when acting on behalf of the charity. In 2022-2023 a total of £218.60 (2021-2022: £75.70) was paid to trustees in reasonable expenses.

An induction process provides new trustees with the detailed information about the charity required for their role. Following an independent review of Board effectiveness in May 2019,

the Board has held a number of facilitated planning sessions to inform development of the 2021-2024 Strategic Plan most recently in November 2022 at which the Board confirmed its strategy to:

- The expansion of the Families And Schools Together programme, particularly into Croydon
- Seek renewal of the Family Centre contract
- Continue delivering Caring Dads and other courses.

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

Organisational Structure

Following a review of the governance structure in May 2021, the Board agreed to merge the business of the Finance and Development and Services Committees with that of the Board. Previously, there had been 4 full Board meetings with each committee meeting 3 times a year.

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

A sub-committee was established as a rapid response committee of the Board during the pandemic. The sub-committee has delegated authority to conduct business of the Board between the Board meetings and to report to the Board. It can be reinstated when required.

Overall responsibility for the delivery of Welcare's services lies with the CEO. Welcare is structured into three separate regional service delivery areas (South-East London, South-West London and East Surrey) each headed by a senior social worker or experienced centre manager. The Child and Family Support Service Managers and the Family Centre Manager are members of the senior management team. Two whole staff training days took place June 2022 and January 2023.

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

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

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

Safeguarding Policy

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

Relationships

Welcare has worked closely with statutory bodies involved in the delivery of services to children. Welcare has a contract with Surrey County Council to provide services at the Redhill Family Centre and delivers Early Help work in partnership with East Surrey YMCA. Welcare is building future services around local needs and local support. Welcare works within the legislative framework of the Children Acts of 1989 and 2004 and the Children and Families Act 2014. Welcare is in regular contact with other charities serving children and families through active membership of Children England.

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

Key Management Personnel Remuneration Policy

The salary of the Chief Executive is set by the Chair in consultation with the Vice-Chair following annual appraisals. The organisation uses the NJC pay scales for benchmarking salaries of other staff.

Statement of Trustees' Responsibilities

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

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

In preparing these accounts the trustees are required to:

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles in the Charities SORP;
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- Prepare the accounts on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

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

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

Auditor

The Board of Trustees appointed TC Group to undertake the audit for the financial year ending in 2023 and will consider the appointment of the auditor for 2023-2024 at the next scheduled Board meeting.

On behalf of the Board of Trustees



Christopher Elliott, Chair

17 July 2023

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

Opinion

We have audited the financial statements of Southwark Diocesan Welcare (the 'charitable company') for the year ended 31 March 2023. 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 charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent

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

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

We have nothing to report in this regard.

The financial statements for Southwark Diocesan Welcare for the prior period were audited by the predecessor auditors Haysmacintyre LLP who issued an unqualified opinion on 8 July 2021.

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

Auditor's responsibilities for the audit of the financial statements

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

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

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

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

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

Our approach was as follows:

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

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

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

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

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

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



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

17 July 2023

Statement of Financial Activities

(including income and expenditure account)
For the year ended 31 March 2023

	Note	Unrestricted funds £	Restricted funds £	2023 Total £	2022 Total £
INCOME					
<i>Donations and legacies</i>					
Individual Giving		30,827	300	31,127	57,563
<i>Other Trading Activities</i>					
Fundraising Activities		80,733	-	80,733	67,738
<i>Income From Investments</i>					
Investment income		14,583	-	14,583	12,056
Rents received		126,044	-	126,044	123,266
<i>Income From Charitable Activities</i>					
Child & Family Support Services		194,212	156,511	350,723	286,499
Groups & Workshops		16,536	-	16,536	16,800
Early Help		-	30,993	30,993	30,993
Family Centre		-	278,636	278,636	257,056
Other income		1,173	-	1,173	6,635
Total income	2	464,108	466,440	930,548	858,606
EXPENDITURE					
<i>Expenditure on Raising Funds</i>					
Fundraising & Marketing		48,843	-	48,843	49,401
<i>Expenditure on Charitable Activities</i>					
Child & Family Support Services		276,842	179,011	455,853	371,709
Groups & Workshops		30,802	-	30,802	19,698
Early Help		7,207	26,489	33,696	32,873
Family Centre		83,451	288,371	371,822	320,947
Total Expenditure	3	447,145	493,871	941,016	794,628
Net income/(expenditure) before investments gains/(losses)		16,963	(27,431)	(10,468)	63,978
Net (losses)/gains on investments		(15,697)	-	(15,697)	30,896
Net income/(expenditure) after investments gains		1,266	(27,431)	(26,165)	94,874
Net movement in funds		1,266	(27,431)	(26,165)	94,874
Fund balances brought forward at 1 April 2022		2,708,902	102,353	2,811,255	2,716,381
Funds balances carried forward at 31 March 2023		2,710,168	74,922	2,785,090	2,811,255

There were no recognised gains or losses other than those shown in the Statement of Financial Activities.

All income and expenditure derive from continuing activities.

The accompanying notes form part of those financial statements.

Details of comparative figures by fund are given in note 12.

Balance Sheet

As at 31 March 2023

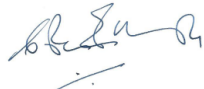
Registered company number 05275749

	Note	2023 £	2023 £	2022 £	2022 £
Operational Fixed Assets	6		418,185		433,852
Fixed Asset Investments	7		2,004,786		2,015,562
Current assets					
Debtors	8	61,445		30,104	
Short term investments		133,607		138,528	
Cash at bank & in hand		390,775		535,912	
Current assets		585,827		704,544	
Creditors: amounts falling due within one year	9	(214,370)		(275,146)	
Net current assets			371,457		429,398
Creditors: amounts falling due after one year	9		(9,338)		(67,557)
Net assets	10		2,785,090		2,811,255
Funds of the Charity					
Restricted funds	10		74,922		102,353
Designated funds	10				
Operational fixed assets			418,185		433,852
Fixed assets investments			2,004,786		2,015,562
Covid Recovery			75,000		93,783
Pension liability			(21,791)		(34,181)
General funds			233,988		199,886
Total funds			2,785,090		2,811,255

The financial statements were approved by the Board and authorised for issue on 17 July 2023 and signed on its behalf by:



Christopher Taylor, Honorary Treasurer



Christopher Elliott, Chair

The accompanying notes form part of these financial statements.

Statement of Cash Flows

For the year ended 31 March 2023

	2023 £	2023 £	2022 £	2022 £
Cash flows from operating activities:				
Net income for the year	(26,165)		94,874	
Adjustments for:				
Depreciation charges	15,667		16,697	
(Gains)/Losses on revaluation of investments	15,697		(30,896)	
Dividends, interest & rents from investments	(140,627)		(135,322)	
(Increase)/decrease in debtors	(31,341)		24,958	
Increase/(decrease) in creditors	(118,995)		69,791	
Net cash provided by operating activities		(285,764)		40,102
Cash flows from investing activities:				
Dividends, interest & rents from investments	140,627		135,322	
Net cash used in investing activities		140,627		135,322
Change in cash and cash equivalents in the year		(145,137)		175,424
Cash and cash equivalents at the beginning of the year		535,912		360,488
Cash and cash equivalents at the end of the year		390,775		535,912
		01 April 2022 £	Cash flow £	31 March 2023 £
Cash at bank and in hand		535,912	(145,137)	390,775

Notes to the Accounts

For the year ended 31 March 2023

1. ACCOUNTING POLICIES

(a) Statutory information

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

(b) Basis of Accounting

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

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

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

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

(c) Operational Fixed Assets

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

Freehold buildings	2% of cost p.a. straight line
Office furniture and equipment	20% of cost p.a. straight line
Computer equipment	33⅓% of cost p.a. straight line

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

(d) Investments

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

(e) Cash Management

Cash not required for day to day operation, but for the medium term, is held in an instant access savings account. Where it is deemed that cash can be held for the longer term this is transferred into the investment portfolio.

Notes to the Accounts (continued)

For the year ended 31 March 2023

1. ACCOUNTING POLICIES (continued)

(f) **Critical accounting judgements and key sources of estimation uncertainty**

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

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

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

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

(g) **Debtors**

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

(h) **Creditors and provisions**

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

(i) **Gifts in kind**

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

(j) **General funds – unrestricted**

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

(k) **Designated funds – unrestricted**

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

(l) **Restricted funds**

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

Notes to the Accounts (continued)

For the year ended 31 March 2023

1. ACCOUNTING POLICIES (continued)

(m) **Income**

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

Income is recognised when the charity is considered to be entitled to apply the resource, the amount may be estimated with reasonable accuracy and the likelihood of receipt is considered probable.

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

(n) **Expenditure**

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

(o) **Charitable activities**

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

(p) **Fundraising, publicity, communication and events expenditure**

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

(q) **Support costs**

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

(r) **Governance**

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

(s) **Pension costs**

Southwark Diocesan Welcare participates in the defined contribution scheme offered by The Pensions Trust. The Pensions Trust is an occupational pension scheme provider for organisations involved in social, educational, charitable, voluntary or similar work. The financial position and the income and expenditure of The Pensions Trust are disclosed in its annual financial statements. Although The Pensions Trust is a defined contribution scheme a shortfall has occurred and each contributor is required to make good their share of the shortfall. The liability is reduced when payments are made to The Pension Trust.

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

(t) **Operating leases**

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

Notes to the Accounts (continued)

For the year ended 31 March 2023

2. ANALYSIS OF INCOME

Current year	Unrestricted funds £	Restricted funds £	Total 2023 £
Donations			
Donations and fundraising	111,559	300	111,859
Grants			
South London Church Fund	157,772	-	157,772
Surrey County Council:			
- Early Help	-	30,993	30,993
- Family Centre	-	278,636	278,636
Netherby Trust	35,000	-	35,000
The Charity of Sir Richard Whittington	-	30,538	30,538
City Bridge	-	30,833	30,833
PTL Foundation	-	50,000	50,000
Grants of under £20,000	1,440	45,140	46,580
Total Grants	194,212	466,140	660,352
Investment income & rent receivable	140,627	-	140,627
Groups & Workshops	16,536	-	16,536
Other income	1,174	-	1,174
Total income	464,108	466,440	930,548

Prior year	Unrestricted funds £	Restricted funds £	Total 2022 £
Donations			
Donations and fundraising	97,962	27,339	125,301
Grants			
South London Church Fund	157,772	-	157,772
Surrey County Council:			
- Early Help	-	30,993	30,993
- Family Centre	-	257,056	257,056
BBC Children in Need	-	41,635	41,635
Netherby Trust	17,476	-	17,476
Grants of under £20,000	2,035	84,381	86,416
Total Grants	177,283	414,065	591,348
Investment income & rent receivable	135,322	-	135,322
Other income	4,969	1,666	6,635
Total income	415,536	443,070	858,606

Notes to the Accounts (continued)

For the year ended 31 March 2023

3. ANALYSIS OF TOTAL EXPENDITURE

Current year	Direct Staff Costs £	Direct Other Costs £	Support Costs Allocated £	2023 Total £
<i>Expenditure on Raising Funds</i>				
Fundraising & Marketing	28,121	10,313	10,409	48,843
<i>Expenditure on Charitable Activities</i>				
Child & Family Support Services	276,882	107,705	71,266	455,853
Groups & Workshops	23,266	1,548	5,988	30,802
Early Help	21,214	7,022	5,460	33,696
Family Centre	245,835	62,713	63,274	371,822
Total Expenditure	595,318	189,301	156,397	941,016

Prior year	Direct Staff Costs £	Direct Other Costs £	Support Costs Allocated £	2022 Total £
<i>Expenditure on Raising Funds</i>				
Fundraising & Marketing	24,920	19,621	4,860	49,401
<i>Expenditure on Charitable Activities</i>				
Child & Family Support Services	272,409	67,836	29,554	369,799
Groups & Workshops	19,493	-	2,115	21,608
Early Help	26,103	3,938	2,832	32,873
Family Centre	259,521	33,270	28,156	320,947
Total Expenditure	602,446	124,665	67,517	794,628

ANALYSIS OF SUPPORT COSTS

Support costs can be analysed as follows:

	2023 £	2022 £
<i>Governance</i>		
Audit fee	10,500	9,300
Trustee and other meeting costs	219	76
AGM and other	41	-
Staff costs allocated to Governance	7,361	6,904
	18,121	16,280
<i>Other Support costs</i>		
Movement in accrued pension liability	20,449	81,724
	13,982	(84,656)
Staff costs allocated to Support	103,845	54,169
Total support costs	156,397	67,517

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

Notes to the Accounts (continued)

For the year ended 31 March 2023

4. RESULTS FOR THE YEAR

Expenditure includes:	2023 £	2022 £
Auditors' remuneration:	10,500	9,300
Depreciation	15,667	16,697

5. STAFF COSTS AND NUMBERS

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

The total amounts paid in respect of the key management personnel of the Charity were £82,601 (2022: £78,860).

Staff costs were as follows:	2023 £	2022 £
Salaries and wages	624,779	586,344
Social Security costs	50,901	40,636
Pension contributions	29,012	36,539
Redundancy	1,832	-
	706,524	663,519

One employee earned between £70,000 and £80,000 during the year (2022: none). No employee earned between £60,000 and £70,000 during the year (2022: one).

Pension contributions in the year for this employee amounted to £4,178 (2022: £4,011).

A redundancy payment of £1,832 was made in the year (2022: £Nil).

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

	2023 No.	2022 No.
Fundraising and publicity	0.84	0.60
Charitable activities	17.36	17.07
	18.20	17.67

The total number of staff employed at year end was 22 (2022: 22).

No member of the Board of Trustees received remuneration for their services during the year (2022: £nil). One trustee was reimbursed for out of pocket expenses for £219 (2021: £76).

Notes to the Accounts (continued)

For the year ended 31 March 2023

6. OPERATIONAL FIXED ASSETS

	Operational freehold land and buildings in use £	Office furniture & equipment £	Computer equipment £	Total 2023 £
<i>Cost or Valuation</i>				
As at 1 April 2022	582,221	6,021	19,865	608,107
Disposals	-	(6,021)	(1,753)	(7,774)
At 31 March 2023	582,221	-	18,112	600,333
<i>Accumulated depreciation</i>				
As at 1 April 2022	153,525	6,021	14,709	174,255
Charge for the year	10,511	-	5,156	15,667
Disposals	-	(6,021)	(1,753)	(7,774)
At 31 March 2023	164,036	-	18,112	182,148
<i>Net book value</i>				
At 31 March 2023	418,185	-	-	418,185
At 31 March 2022	428,696	-	5,156	433,852

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

7. FIXED ASSET INVESTMENTS

	Investment properties £	Other investments £	Total 2023 £	Total 2022 £
Balance at 1 April 2022	1,750,000	265,562	2,015,562	1,995,432
Gains on revaluation	-	(10,776)	(10,776)	20,130
Balance as at 31 March 2023	1,750,000	254,786	2,004,786	2,015,562

The investment properties were revalued at 31 March 2021 in accordance with the RICS Valuation – Professional Standards 2014 (The Red Book) by William Bradley BSc (Hons) MRICS of Bradley Harris Ltd, Chartered Surveyors, 368 Croydon Road, Beckenham, Kent BR3 4EX. The trustees believe that the commercial property market has remained relatively static over the last 12 months and, therefore, do not consider the investment properties to have materially altered in value over that period. In line with their policy to undertake a formal revaluation of investment properties every five years, the next formal revaluation will take place in March 2026.

Notes to the Accounts (continued)

For the year ended 31 March 2023

8. DEBTORS

	Total 2023 £	Total 2022 £
Prepayments	605	9,967
Accrued income	52,970	20,137
Other taxes & social security	7,870	-
	<u>61,445</u>	<u>30,104</u>

9. CREDITORS

	Total 2023 £	Total 2022 £
Accounts falling due within one year:		
Trade creditors	7,583	14,903
Deferred income and accruals	183,925	221,084
Other taxes & social security	7,429	20,341
Other creditors	2,980	6,365
Pension provision	12,453	12,453
Total Creditors	<u>214,370</u>	<u>275,146</u>

Deferred grant income

Balance brought forward	219,184	45,981
Amount released to grant income	(219,184)	(45,981)
Amount deferred in the year	157,129	219,184
	<u>157,129</u>	<u>219,184</u>

	Total 2023 £	Total 2022 £
Accounts falling due after more than one year:		
Deferred income	-	45,829
Pension provision	9,338	21,728
	<u>9,338</u>	<u>67,557</u>

Notes to the Accounts (continued)

For the year ended 31 March 2023

10. MOVEMENT IN FUNDS

Current year	Balance at 1 April 2022 £	Income £	Expenditure £	Transfers and gains/(losses) on investments £	As at 31 March 2023 £
Restricted funds:					
East Surrey	91,458	328,725	(346,011)	-	74,172
South London	10,895	134,465	(145,360)	-	-
Central	-	3,250	(2,500)	-	750
Total restricted funds	102,353	466,440	(493,871)	-	74,922
Designated funds:					
Operational fixed assets fund	433,852	-	-	(15,667)	418,185
Fixed asset investment fund	2,015,562	-	-	(10,776)	2,004,786
Covid Recovery	93,783	-	-	(18,783)	75,000
Pension liability fund	(34,181)	-	-	12,390	(21,791)
Total unrestricted designated funds:	2,509,016	-	-	(32,836)	2,476,180
Total unrestricted general funds:	199,886	464,108	(447,145)	17,139	233,988
Total funds	2,811,255	930,548	(941,016)	(15,697)	2,785,090

Prior year	Balance at 1 April 2021 £	Income £	Expenditure £	Transfers and gains/(losses) on investments £	As at 31 March 2022 £
Restricted funds:					
East Surrey	104,775	329,243	(342,560)	-	91,458
South West London	1,528	55,092	(53,271)	-	3,349
South East London	16,211	58,735	(67,400)	-	7,546
Total restricted funds	122,514	443,070	(463,231)	-	102,353
Designated funds:					
Operational fixed assets fund	450,549	-	-	(16,697)	433,852
Fixed asset investment fund	1,995,432	-	-	20,130	2,015,562
Covid Recovery	153,783	-	-	(60,000)	93,783
Pension liability fund	(159,098)	-	-	124,917	(34,181)
Total unrestricted designated funds:	2,440,666	-	-	68,350	2,509,016
Total unrestricted general funds:	153,201	415,536	(331,397)	(37,454)	199,886
Total funds	2,716,381	858,606	(794,628)	30,896	2,811,255

Notes to the Accounts (continued)

For the year ended 31 March 2023

10. MOVEMENT IN FUNDS (continued)

Restricted Funds

East Surrey – these funds represent income from Surrey County Council to provide Early Help, family support and a Family Centre. They also receive some small grants and donations restricted to specific uses.

South London – this fund is represented by a specific grant from the Charity of Sir Richard Whittington to deliver work in schools in Lambeth.

Designated Funds

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

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

Welcare has met the needs of its beneficiaries by continuing to offer practical and emotional family support throughout the year. Trustees have focused on securing the future well-being of the charity and the surplus from 2021 was designated to a recovery fund to deliver pilot projects aimed at forging a stronger charity able to withstand a more challenging funding environment in the future. Welcare has rationalised its office accommodation requirements and moved to a flexible way of working whilst co-locating service delivery in schools. During 2022-2023 we completed the rationalisation of our office service delivery accommodation including the location of our Central Office to enable us to work more closely with the Diocese of Southwark and with schools.

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

Transfers in funds represent programmes funded from unrestricted income.

Notes to the Accounts (continued)

For the year ended 31 March 2023

11. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Operational Fixed Assets £	Investments £	Short term investment and cash at bank £	Other Net Assets / (Liabilities) £	Total 2023 £
Restricted funds	-	-	74,922	-	74,922
Unrestricted general funds	-	-	449,460	(215,472)	233,988
Unrestricted designated funds	418,185	2,004,786	-	53,209	2,476,180
Net assets at 31 March 2023	418,185	2,004,786	524,382	(162,263)	2,785,090

PRIOR YEAR ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Operational Fixed Assets £	Investments £	Short term investment and cash at bank £	Other Net Assets / (Liabilities) £	Total 2022 £
Restricted funds	-	-	102,353	-	102,353
Unrestricted general funds	-	-	572,087	(372,201)	199,886
Unrestricted designated funds	433,852	2,015,562	-	59,602	2,509,016
Net assets at 31 March 2022	433,852	2,015,562	674,440	(312,599)	2,811,255

Notes to the Accounts (continued)

For the year ended 31 March 2023

12. PRIOR YEAR STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted funds £	2022 Total £
INCOME			
<i>Donations and legacies</i>			
Individual Giving	30,224	27,339	57,563
<i>Other Trading Activities</i>			
Fundraising Activities	67,738	-	67,738
<i>Income From Investments</i>			
Investment income	12,056	-	12,056
Rents received	123,266	-	123,266
<i>Income From Charitable Activities</i>			
Child & Family Support Services	177,283	109,216	286,499
Groups & Workshops	-	16,800	16,800
Early Help	-	30,993	30,993
Family Centre	-	257,056	257,056
<i>Other income</i>	4,969	1,666	6,635
Total income	415,536	443,070	858,606
EXPENDITURE			
<i>Expenditure on Raising Funds</i>			
Fundraising & Marketing	49,401	-	49,401
<i>Expenditure on Charitable Activities</i>			
Child & Family Support Services	248,110	123,599	371,709
Groups & Workshops	2,898	16,800	19,698
Early Help	2,832	30,041	32,873
Family Centre	28,156	292,791	320,947
Total Expenditure	331,397	463,231	794,628
Net income (expenditure) before investments gains	84,139	(20,161)	63,978
Net gains on investments	30,896	-	30,896
Net income (expenditure) after investments gains	115,035	(20,161)	94,874
Net movement in funds	115,035	(20,161)	94,874
Fund balances brought forward at 1 April 2021	2,593,867	122,514	2,716,381
Funds balances carried forward at 31 March 2022	2,708,902	102,353	2,811,255

Notes to the Accounts (continued)

For the year ended 31 March 2023

13. RELATED PARTIES

During the year Southwark Diocesan Welcare received a grant of £157,772 (2022: £157,772) from Southwark Diocesan Board of Finance. Under the Articles of Association of the charity, the Anglican Bishop of Southwark has the right to nominate up to two Trustees and to approve the appointment of the Chair from among the Trustees. The Bishop's nominees are Christopher Elliott and Nicola Thomas.

Aggregated donations to the charity from trustees during the year amounted to £20 (2022: £nil). There have been no other related party transactions and all trustees and key management personnel have signed related party declarations

14. PENSION ARRANGEMENTS

Pensions Trust Growth Plan

The company participates in the scheme, a multi-employer scheme which provides benefits to some 638 non-associated participating employers. The scheme is a defined benefit scheme in the UK. It is not possible for the company to obtain sufficient information to enable it to account for the scheme as a defined benefit scheme. Therefore, it accounts for the scheme as a defined contribution scheme.

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

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

A full actuarial valuation for the scheme was carried out at 30 September 2020. This valuation showed assets of £800.3m, liabilities of £831.9m and a deficit of £31.6m. To eliminate this funding shortfall, the Trustee has asked the participating employers to pay additional contributions to the scheme as follows:

DEFICIT CONTRIBUTIONS

From 1 April 2022 to 31 January 2025:	£3,312,000 per annum (payable monthly)
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Unless a concession has been agreed with the Trustee the term to 31 January 2025 applies.

Notes to the Accounts (continued)

For the year ended 31 March 2023

14. PENSION ARRANGEMENTS (continued)

Pensions Trust Growth Plan (continued)

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

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

A pension provision has been included in the accounts of £21,791 in respect of the above liability to the scheme as at 31 March 2023 (2022: £34,181).

15. CAPITAL COMMITMENTS

There were no capital commitments at year end (2022: £nil).

16. OPERATING LEASE COMMITMENT

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

	2023 £	2022 £
Less than 1 year	16,040	5,840
1 – 2 years	15,336	11,680
3 – 5 years	588	2,434
Total	31,964	19,954

17. POST BALANCE SHEET EVENTS

There are no post balance sheet events to report.

The trustees recognise that the future impact of the ongoing war in Ukraine is unknown, and that it has already contributed to an increase in the cost of living and energy.

The impact of increased utility costs for the charity will continue to be mitigated by staff working more flexibly from serviced office accommodation.

18. TAXATION

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

19. CONTROL

Throughout the year the charity was controlled by its trustees.

20. SHARE CAPITAL

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

Accounts

welcare

strengthening families since 1894

TRUSTEES' REPORT & ACCOUNTS

FOR THE YEAR ENDED 31 MARCH 2022

*Working alongside parents in South London
and East Surrey to give children secure and
confident childhoods*

Legal & Administrative Information

Trustees	Christopher Elliott (Chair from 21 October 2021) Sarah Harty (until October 2021) The Ven Moira Astin (Vice-Chair, Interim Chair from 1 April until 21 October 2021) Debbie Haith Rachel Phillips Paulette Tajah-Bell Revd Davy Nyirongo (until 25 April 2022) Ruth Martin (until 15 November 2021) Christopher Taylor (From 21 October 2021; Honorary Treasurer from 15 November 2021) Nicola Thomas (from 15 November 2021)
Chief Executive Officer	Anna Khan
Management Team	Fay Morris Barbara Wilson Diane Taylor
Charity Number	1107859
Company Number	5275749
Registered Name	Southwark Diocesan Welcare
Principal Address & Registered Office	19 Frederick Crescent London SW9 6XN
Auditor	TC Group The Courtyard Shoreham Road Upper Beeding Steyning West Sussex, BN44 3TN
Banker	National Westminster Bank plc London Bridge Branch PO Box 35 10 Southwark Street London, SE1 1TJ
Solicitors	Russell-Cooke 2 Putney Hill London, SW15 6AB

Our Centres

Registered Office

Central Office
19 Frederick Crescent
London
SW9 6XN

Tel: 020 7820 7910

Email: info@welcare.org

South-East London:

Bromley Centre

Community House
South Street
Bromley
BR1 1RH

Tel: 020 8466 0399

Email: Bromley@welcare.org

Greenwich

Tel: 020 8854 3865

Email: Greenwich@welcare.org

South-West and Inner London

19 Frederick Crescent
London
SW9 6XN

South-West

Tel: 020 8893 9123

Email: info@welcare.org

Inner London

Tel: 020 7820 7913

Email: info@welcare.org

East Surrey

Welcare House
24 Warwick Road
Redhill
RH1 1BU

Tel: 01737 780884

Email: Redhill@welcare.org

welcare.org



[@welcareuk](https://twitter.com/welcareuk)



facebook.com/welcareuk



[@welcare_uk](https://www.instagram.com/welcare_uk)



FUNDRAISING
REGULATOR

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Welcome from the Chair

On behalf of the Board of Trustees of Welcare, it is a privilege and pleasure, following my appointment as Chair of the Board in October 2021, to introduce our annual report and accounts.

Welcare has been supporting families in south London and East Surrey for 128 years. Today, we provide practical and emotional support for families damaged by social isolation, domestic abuse, financial hardship, mental ill health, family breakdown and other disadvantages. Families continue to face these challenges which have been exacerbated by an unprecedented second year of global pandemic.

During these exceptional times, Welcare has continued its work with vulnerable children and families who desperately need our early intervention and prevention services to address problems before they become crises. Welcare's services have been needed more than ever.

Every week Welcare staff work alongside families helping them change their lives for the better. Our strong connections in the community enabled us to respond quickly to address families' immediate needs; our appeal for crisis funds raised £2,479 from our supporters. We distributed additional support worth over £14,700 in value. This included supermarket vouchers, household items and children's clothing. Our group work programmes were attended by a total of 353 parents and 363 children giving them the tools and strategies needed to make positive changes in their lives.

I would especially like to thank Anna Khan, our Chief Executive, and all of our staff team for going the extra mile during the extremely challenging times over the last two years rising to the challenges presented and continuing to support the families we serve.

We are grateful to those individuals, churches, and trusts who fund and support our work including the Diocese of Southwark, Surrey County Council, BBC Children in Need, the Youth Endowment Fund, the Barnes Fund, the Netherby Trust, St Faith's Trust, the Leathersellers' and Girdlers' Companies Charitable Funds, the Charity of Sir Richard Whittington, Richmond Parish Lands Charity, PTL Foundation, Peter Harrison Foundation, and Richmond Charities.

I would like to take this opportunity to thank all our friends and supporters not least our local Friends' Groups and Parish Representatives; and Sarah Harty and Ruth Martin who both stepped down as trustees during the year; and Moira Astin who served as interim Chair until October and for her continued support for me in her role as Vice Chair.

Welcare has been supporting families since 1894. Our flexible approach to service ensures that, 128 years later, we can continue to serve those in need.



Christopher Elliott
Chair

Trustees' Report

Introduction

The trustees, who are also directors of Southwark Diocesan Welcare for the purposes of the Companies Act 2006, are pleased to submit their annual report and audited financial statements for the year ended 31 March 2022. The trustees have adopted the provisions of the Statement of Recommended Practice "Accounting and Reporting by Charities" issued in 2015 – Second Edition effective 1 January 2019, the Companies Act 2006 and applicable UK accounting standards in preparing the annual report and financial statements of the organisation.

Public Benefit

The trustees confirm that they have complied with their duty under Section 17 of the Charities Act 2011 to have due regard to the Charity Commission's general guidance on public benefit.

Objectives and Activities

Objects of the Charity

Welcare is governed by the articles of association and memorandum dated 2 November 2004 and amended 29 September 2010 and 23 September 2015. The objects of the charity are:

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

Aims of the Charity

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

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

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

Welcare staff and volunteers aim to intervene early to provide practical and emotional help and support to strengthen families who are experiencing difficulties. Our aim is to enable a parent to become the very best parent they can be to their children, to engage with their available networks and to improve the outcomes for vulnerable children and their families. We believe that by working together we can create a society where parents and children have the confidence to recognise and seize every opportunity to flourish.

Activities of the Charity

Identifying the need

We work across South London and East Surrey with children and their families facing the following challenges:

For children aged between 8 and 13

- Absence from school
- Previous experience of trauma, including exposure to domestic abuse
- Risky behaviour
- Poor self esteem
- Social exclusion
- Difficult transition to secondary education
- Impact of gang culture and the risk of serious youth crime

Parents with children up to the age of 13

- Poor parent/child relationships
- Poor housing or home environment impacting children's health
- Experience of domestic abuse and violence
- Stepping down from specialist Children's Services
- Inappropriate chastisement
- Relationship breakdown
- Low income and challenges with the cost of living crisis
- Poor social networks and contacts
- Mental health challenges
- Children with special needs or challenging behaviour

Activities addressing the need

The impact of the coronavirus pandemic continued during the year 2021-22 and has disrupted the life of every person and organisation in the country. It was not only an unprecedented public health emergency but also a challenge to our society and our economy. Whilst impacting every child and family in the country, Covid-19 has had a particularly pernicious impact on children and young people living in financially unstable households and as the country began to recover from the challenges of the pandemic, we are being faced with a cost-of-living crisis. These global challenges have had a disproportionate impact on the families we serve and in response we are focusing our charitably funded support services alleviate the impact of:

- Emotional health and well-being issues experienced by children and young people up to the age of 13
- Domestic abuse and parental conflict
- Social isolation, especially for parents of children with special educational needs and disabilities
- The Cost-of-Living Crisis, our staff access local support and emergency funds including fuel funds to help families in need and hold a Families In Crisis appeal during December to enable us to purchase supermarket vouchers to help families buy food, cleaning products, warm clothes and shoes.

To address the need, our dedicated professional staff work with individual children and their parents; we work to build and strengthen the positive elements of family lives and to prevent future problems by intervening early and breaking cycles before they become entrenched. A particular highlight was the Summer Activity Programme delivered in Lambeth during August 2021. This programme was aimed at children who had been especially isolated during the year and was made possible through the support of the Sherborne in The Community Trust who allowed their donation made during the prior year to be deferred.

Achievements and Performance

Performance against objectives

We have continued to build our Child and Family Support Service to enable delivery of a consistent community-based service throughout South London boroughs and extending into East Surrey. This service has been provided alongside services delivered at our Family Centre in Redhill in partnership with Surrey County Council. Our most significant achievements of the last year included:

- Providing individual support for 307 families and providing a range of practical assistance and financial grants for struggling families.
- Delivering the Strengthening Families Strengthening Communities Parenting Programme in person and online.
- Continuing to deliver our group work programmes, MySpace, With Respect and My Next Step.
- Delivering the Caring Dads group work programme.
- Continuing our partnership with East Surrey YMCA to deliver Early Help family support in Reigate and Banstead by delivering telephone, online, and whenever possible, face to face support for families.
- Delivering a range of playworker led courses including Mummy & Me and Every Child a Talker from our centre in Redhill to support isolated new mothers and those with English as a second language, including asylum seekers.
- Maintaining strong connections with local schools and churches ready to re-launch our #CapeAbility campaign when circumstances permit. The campaign was disrupted by the closure of schools and churches by the pandemic.
- Accessing training for our social workers and family support workers through our partnerships with Kingston University School of Social Work and the South-West London and Surrey Social Work Teaching Partnership.
- Rolling out our new client management system to record in a cloud-based relational database all our work with individual children and families; including integration of the Outcomes Star tool to demonstrate how we measure the difference we make.

Following the cancellation of fundraising events and community activities in 2020-2021, our loyal supporters enthusiastically returned to traditional fundraising events this year including sponsored walks, participation in the Vitality London 10k run and community carol singing.

We have been heartened that despite their own challenges over the year 60 individual churches supported our work in the last financial year and it has been a pleasure to be able to visit churches again and speak with supporters about our work.

Despite the constraints on fundraising activities during the year, our loyal supporters raised in excess of £59,249 (2021: £100,400).

Total income from Trusts and Foundations amounted to £145,477 (2021: £268,257).

Outcomes

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

- Support children and families to have nurturing relationships free from harm
- Support children and families to feel connected to their local community
- Increase family resilience and improve parenting skills and capacity to enable children to experience effective parenting
- Support young people and parents to increase their health and emotional development
- Encourage participation in our group work programmes to promote self-care skills, independence, self-esteem and resilience
- Support children and parents to recover from domestic abuse and develop strategies to prevent abuse in future relationships
- Provide practical support and access to emergency funding to meet immediate needs and improve family well-being

During the year we received 369 referrals from a variety of sources including schools, children's services and health service providers. Reasons for referral included child and parent emotional wellbeing, domestic abuse, and low self-esteem.

Our Child and Family Support Service provided advice and support to over 300 families. In addition, our Redhill Family Centre worked with an additional 73 families referred at Level 3 (requiring more specialist support) and worked in partnership with other Family Centres throughout the borough of Reigate & Banstead to provide a wide range of support groups and preventative services.

Our families received additional support in the form of supermarket vouchers, household items and children's clothing worth over £14,700 in value.

Welcare uses the Family Outcomes Star+ an evidence-based tool which places the beneficiary at the centre of their own journey of change. Each scale on the star is more than just a set of numbers from 1 to 10, they are underpinned by the Journey of Change for that Star. The Journey of Change is a theory of change that sets out the stages people go through when making sustainable changes in their lives, meaning the attitude and behaviour expected at each of the points on each scale are clearly defined. Each Journey of Change is specific to the individual Star that it describes in order to engage with and capture service users' change more effectively. We use these insights to ensure we're making a lasting difference to the children and families we support.

Plans for the Future

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

- A focus on supporting children and families exposed to domestic abuse and violence to rebuild their lives and prevent future abuse. We continue to offer our MySpace – community treatment and recovery group for children and have successfully piloted the Caring Dads programme and will build on this during 2022. Caring Dads is an intense 17-week group intervention programme for fathers who have abused, neglected or

exposed their children to domestic violence. It is an accredited and evaluated programme to support men who have been brave enough to admit they need help to become a better father.

- Building on the successful pilot of the schools-based programme we called Families and Schools Together (FAST). This programme supports vulnerable children and offers a range of group-work programmes focussed on building emotional well-being, resilience, and self-esteem. Through our strategic relationship with the Southwark Diocesan Board of Education (SDBE) we are seeking to extend the service to other children and families in schools working in clusters in areas of high need. We are grateful to the Charity of Sir Richard Whittington and the City Bridge Trust who have funded the expansion of this work in the academic year beginning in September 2022.
- Rationalisation of our premises - the coronavirus pandemic changed how many people work and it provided the opportunity to review how we deliver child and family support services. Our centre-based approach has been replaced by delivering our services more flexibly and co-locating group work programmes from schools. During the year we vacated our premises on the Nightingale Estate in Greenwich and are exploring options to work more closely with schools and locate our central office within the Southwark Diocesan Board of Education (SDBE).

Contributions from Volunteers

Our volunteers have always been a key, valued part of the charity.

Our Trustees, Friends, and Parish Representatives donated 468 hours of their time to support Welcare during the year.

We have had to reduce practical volunteering opportunities working directly with families due to covid regulations. We are very grateful to have a regular volunteer at East Surrey who has been doing much needed outdoor maintenance and gardening and assisting on an ad hoc basis with packing food parcels and recycling printer cartridges.

Our week-long Lambeth summer project received 12 hours of support from volunteers, including from a fitness instructor who led the children in outdoor physical activities.

Financial Review

Income for the year of £881k shows a decrease of £189k compared with the previous year's total of £1,070k.

Donations amounting to £57k were received from individual supporters (2021: £34k) and £68k from fundraising (2021: £80k). Investment income amounted to £12k (2021: £11k) and rental income of £123k was derived from properties (2021: £126k).

The principal funding sources of the charity were the Diocese of Southwark, Surrey County Council, BBC Children in Need, the Youth Endowment Fund, the Barnes Fund, the Netherby Trust, St Faith's Trust, the Leathersellers' and Girdlers' Companies Charitable Funds, the Charity of Sir Richard Whittington, Richmond Parish Lands Charity, PTL Foundation, Peter Harrison Foundation and Richmond Charities. The charity also receives funding from churches and individuals.

Expenditure in the year was £795k (2021: £851k) including £463k of expenditure from restricted funds (2021: £463k).

The decrease in income and expenditure has resulted in a surplus of £86k before gains on investments (2021: surplus of £219k).

It is the aim of the Charity to maintain a stable operating surplus over the coming years with the aid of strengthened financial processes, reallocation of resources, service reviews and new income streams to ensure that Welcare truly is *Here now, Here always* to serve the most vulnerable children and their families in South London and East Surrey for generations to come.

Reserves Policy

Reserves as at 31 March 2022 totalled £2,811k (2021: £2,716k) including £124k (2021: £123k) of restricted reserves and £2,509k (2021: £2,440k) of designated funds.

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

The Board considers that free reserves (defined as total reserves less designated and restricted funds) should be maintained at an amount equivalent to three to four months of the current year's expenditure. This gives a minimum level of £234k. The Board considers that the minimum level is adequate to support current and anticipated levels of activity, to enable it to respond to opportunities and to provide for emergencies. The target level of three to four months' reserves reflects realistic commitments on salaries, rent and other expenditure.

Free reserves are currently £200k (2021: £153k). This is below the target level. In order to build up free reserves to the target level the charity aims to expand sources of income and to continue to monitor and control costs.

Investment Policy

As at 31 March 2022 fixed asset investments were valued at £2,016k (2021: £1,995k) including £1,750k (2021: £1,750) of investment properties. There were net gains on investments of £20k in the year (2021: net gains of £273k). A full revaluation of all investment properties took place on 28 April 2021. It is the policy of the Board of Trustees to undertake a formal revaluation of investment properties every five years. The next revaluation will be undertaken in 2026.

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

The Board of Trustees holds investment properties. Welcare relies on income from property investments to finance service delivery and to provide a level of protection when grant funding comes to an end. Rental income from the properties is used for the furtherance of the aims and objectives of the charity. These assets provide essential income streams for our service delivery.

Fundraising Policy

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

We commit to fundraising ethically, responsibly and with our donors in mind. We care about our supporters, what they think about our fundraising and always promise to be transparent, fair and legally compliant. We will always respect the privacy and contact preferences of our donors. We will respond promptly to requests to cease contact or to complaints and act as best we can to address their concerns. Any enquiries regarding fundraising can be directed to fundraising@welcare.org, while complaints should be made in writing to: Welcare Fundraising, 19 Frederick Crescent, London, SW9 6XN. We have not received any complaints about our fundraising practices. We do not use the services of commercial fundraisers.

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

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

Principle Risks and Uncertainties

Welcare is committed to active management of risk. Risk management is incorporated into governance and management structures, planning processes and all aspects of service delivery. The Chief Executive is responsible for ensuring that this policy is implemented throughout Welcare.

Welcare produces a risk register which identifies risk and allocates responsibility for managing areas of risk to named individuals.

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

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

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

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

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

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

- Communication and feedback
- Business planning
- Staff appraisals

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

Welcare's ability to respond to and withstand the risks presented by a global pandemic was assessed by trustees and a number of mitigations were identified. These included the ability for all staff to access remote working and to move quickly to offer family support by telephone and on-line. Welcare already had a business continuity plan which is reviewed annually. During the early days of the pandemic a Standing Committee of the Board was established to enable a rapid Board level response to the crisis. The standing committee can be reconvened at short notice when required. Welcare built on the Families in Crisis appeal of 2020 by repeating the appeal at Christmas 2021 to meet the emergency needs of service users by raising money for supermarket vouchers. Throughout the pandemic Welcare has continued to receive donations from individuals and local churches.

Welcare's income from its regular donors, supporting churches and principal funders remained stable throughout the financial year. However, like other charities we received less income from events and community fundraising. The Diocese of Southwark had reduced their grant to Welcare in the final quarter of 2020-2021 and maintained it at that level during 2021-2022. Towards the end of the reporting period, we received the welcome news that St Faith's Trust would support our work in East Surrey for three years, the PTL Foundation and the Charity of Sir Richard Whittington would support our work for two years and City Bridge Trust awarded a 5 year grant. Welcare did not place any staff on furlough under the government's Coronavirus Job Retention Scheme after March 2021.

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

Category	Risk	Mitigation
Financial	Inability to deliver services and fund projects due to lack of funding for any reason including termination of contracts and over-reliance on particular supporters and funders.	• Develop sustainable services independent of local authority contracts • Diversify funding streams and develop new supporters • Promote regular giving scheme • Improve communications between charity and supporters by producing regular newsletters • Maintain a good local profile • Employment of part-time specialist Trust and Foundations fundraiser

		- Review finances of all services before making decisions - Make use of Covid19 related support when appropriate
Operational	Unanticipated long-term absence of key member of staff resulting in additional costs to cover the post or overload on existing staff required to cover the post; or reduced output (contact with families). Failure to recruit and retain professional, skilled and experienced staff to work in south London and East Surrey, endangering service delivery.	- Employee Assistance programme to mitigate stress and resolve the risk of long-term sickness absence - Senior staff required to provide 3 months' notice - Succession business continuity planning - Professional HR advice and support from HRSP - Emphasise the advantages of working for Welcare - Review salary levels and role descriptions
Governance	Failure to maintain a skilled and dynamic trustee board with the skills and enthusiasm required to assist and oversee the delivery of the strategic aims. Failure to recruit a trustee with a professional social work background.	- Strengthen and use professional networks to encourage Board membership - Maintain a balance between Diocesan representatives and trustees with specific professional skills - Annual review of Board skills
Compliance	Incident involving child protection or safeguarding issue involving staff member or volunteer resulting in harm to the child and reputational damage.	- Rigorous application and annual review of Safeguarding policy - Safer recruitment processes - Mandatory safeguarding training for all staff and volunteers - DBS checks carried out for all eligible staff, volunteers and trustees - Robust supervision, complaints and referral processes - Foster awareness throughout Welcare of the duty to report - Safeguarding policies updated to take account of increased use of phones/IT during lockdown
Environmental/External	Inadequate response to and failure to withstand the global pandemic and continue "business as usual".	All staff have access to Office 365 and SharePoint to enable homeworking

	(excluding potential impact on future funding)	• Use of video conferencing using a variety of platforms for both staff meetings and group-work with service users • Board Standing Committee created as a rapid response Board committee can be reinstated as needed • Disaster Management Plan reviewed annually and regularly updated • Ability to offer on-line and telephone support for service users
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Structure, Governance and Management

Governing Document

Southwark Diocesan Welcare is a charitable company limited by guarantee. It was established under a Memorandum of Association and is governed under its Articles of Association. Revised Articles of Association were adopted by a special resolution passed at the charity's AGM on 23 September 2015. The members of the organisation are limited to the trustees for the time being who may serve two terms of three years which, in exceptional circumstances and with the agreement of the Board, can be extended for one additional three-year term. In the event of the company being wound up, members are required to contribute an amount not exceeding £1.

Trustees

The directors of the company are also the charity trustees. Trustees serve fixed terms of office. The Anglican Bishop of Southwark has the right to nominate up to two trustees. The Bishop's nominees were Christopher Elliott (from 15 February 2021), Ruth Martin (until 15 November 2021) and Nicola Thomas (from 15 November 2021).

The trustees do not receive any benefit but may be reimbursed for reasonable expenses properly incurred when acting on behalf of the charity. In 2021-2022 a total of £75.70 was paid to trustees in reasonable expenses.

An induction process provides new trustees with the detailed information about the charity required for their role. Following an independent review of Board effectiveness in May 2019, the Board has held a number of facilitated planning sessions to inform development of the 2021-2024 Strategic Plan: in November 2019, and July and November 2020. Strategic planning is a standard item on each Board agenda. Trustees are encouraged to attend appropriate external training courses, including online safeguarding training for trustees, conferences and forums. All trustees have received Charity Commission guidance on The Essential Trustee and the Charity Governance Code and receive briefings from Welcare's professional advisers.

Organisational Structure

Following a review of the governance structure in May 2021, the Board agreed to merge the business of the Finance and Development and Services Committees with that of the Board. Previously, there had been 4 full Board meetings with each committee meeting 3 times a year.

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

A Standing Committee was established as a rapid response committee of the Board during the pandemic. The Standing Committee has delegated authority to conduct business of the Board between the Board meetings and to report to the Board. It can be reinstated when required.

Overall responsibility for the delivery of Welcare's services lies with the CEO. Welcare is structured into three separate regional service delivery areas (South-East London, South-West London and East Surrey) each headed by a senior social worker or experienced centre manager. The Child and Family Support Service Managers and the Family Centre Manager are members of the senior management team. The annual all staff training day took place online in July 2021.

Welcare employs a part-time Fundraising Officer responsible for submitting funding applications to Trusts and Foundations.

The continued integration of eTapestry, our supporter database, into the organisation, has enabled improved communication with donors and supporters and better data collection, management and protection.

The implementation of Lamplight, our client management system, from 1 April 2021 has enhanced our ability to record output and outcomes and to report to funders.

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

Safeguarding Policy

Our safeguarding policy is available on our website and is reviewed annually by senior managers. The policy has been updated in line with recommendations for maintaining safeguarding standards while using digital platforms to deliver individual and groupwork. The safeguarding policy is approved annually by the Board of Trustees. Welcare has a named Service Manager with responsibility for and oversight of all safeguarding matters within Welcare. A designated Board member holds Board level responsibility for safeguarding. Every three years, an independent safeguarding audit of all Welcare's services is carried out (in line with recommendations in Section 11 of the Children Act 2004) to ensure that standards are maintained throughout Welcare and that any safeguarding risks are addressed. The last audit took place in July 2020.

Relationships

Welcare has worked closely with statutory bodies involved in the delivery of services to children. Welcare has a contract with Surrey County Council to provide services at the Redhill Family Centre and delivers Early Help work in partnership with East Surrey YMCA. Welcare is building future services around local needs and local support. Welcare works within the legislative framework of the Children Acts of 1989 and 2004 and the Children and Families Act 2014.

Welcare is in regular contact with other charities serving children and families through active membership of Children England.

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

Key Management Personnel Remuneration Policy

The salary of the Chief Executive is set by the Chair in consultation with the Vice-Chair following annual appraisals. The organisation uses the NJC pay scales for benchmarking salaries of other staff.

Statement of Trustees' Responsibilities

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

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

In preparing these accounts the trustees are required to:

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles in the Charities SORP;
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- Prepare the accounts on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

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

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

Auditor

The Board of Trustees appointed TC Group to undertake the audit for the financial year ending in 2022 and will consider the appointment of the auditor for 2022-23 at the next scheduled Board meeting.

On behalf of the Board of Trustees



Christopher Elliott, Chair

25 July 2022

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

Opinion

We have audited the financial statements of Southwark Diocesan Welcare (the 'charitable company') for the year ended 31 March 2022. 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 2022 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent

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

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

We have nothing to report in this regard.

The financial statements for Southwark Diocesan Welcare for the prior period were audited by the predecessor auditors Haysmacintyre LLP who issued an unqualified opinion on 8 July 2021.

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

Auditor's responsibilities for the audit of the financial statements

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

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

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

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

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

Our approach was as follows:

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

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

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

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

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

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

TC Group

Jonathan Aikens FCA DChA (Senior Statutory Auditor)

for and on behalf of TC Group

Statutory Auditors

Office: Sussex

1 August 2022

Statement of Financial Activities

(including income and expenditure account)
For the year ended 31 March 2022

	Note	Unrestricted funds £	Restricted funds £	2022 Total £	2021 Total £
INCOME					
<i>Donations and legacies</i>					
Individual Giving		30,224	27,339	57,563	34,288
<i>Other Trading Activities</i>					
Fundraising Activities		67,738	-	67,738	80,018
<i>Income From Investments</i>					
Investment income		12,056	-	12,056	11,475
Rents received		123,266	-	123,266	126,441
<i>Income From Charitable Activities</i>					
Child & Family Support Services		177,283	109,216	286,499	446,655
Groups & Workshops		-	16,800	16,800	17,185
Early Help		-	30,993	30,993	30,993
Family Centre		-	257,056	257,056	279,335
Family Centre transition		-	-	-	3,832
<i>Other income</i>		4,969	1,666	6,635	40,070
Total income	2	415,536	443,070	858,606	1,070,292
EXPENDITURE					
<i>Expenditure on Raising Funds</i>					
Fundraising & Marketing		49,401	-	49,401	43,859
<i>Expenditure on Charitable Activities</i>					
Child & Family Support Services		248,110	123,599	371,709	458,420
Groups & Workshops		2,898	16,800	19,698	20,004
Early Help		2,832	30,041	32,873	37,659
Family Centre		28,156	292,791	320,947	288,646
Family Centre transition		-	-	-	2,400
Total Expenditure	3	331,397	463,231	794,628	850,988
Net income/(expenditure) before investments gains/(losses)		84,139	(20,161)	63,978	219,304
Net (losses)/gains on investments		30,896	-	30,896	294,911
Net income/(expenditure) after investments gains		115,035	(20,161)	94,874	514,215
Net movement in funds		115,035	(20,161)	94,874	514,215
Fund balances brought forward at 1 April 2021		2,593,867	122,514	2,716,381	2,202,166
Funds balances carried forward at 31 March 2022		2,708,902	102,353	2,811,255	2,716,381

There were no recognised gains or losses other than those shown in the Statement of Financial Activities.

All income and expenditure derive from continuing activities.

The accompanying notes form part of those financial statements.

Details of comparative figures by fund are given in note 12.

Balance Sheet

As at 31 March 2022

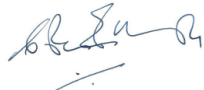
Registered company number 05275749

	Note	2022 £	2022 £	2021 £	2021 £
Operational Fixed Assets	6		433,852		450,549
Fixed Asset Investments	7		2,015,562		1,995,432
Current assets					
Debtors	8	30,104		55,062	
Short term investments		138,528		127,762	
Cash at bank & in hand		535,912		360,488	
Current assets			704,544		543,312
Creditors: amounts falling due within one year	9	(275,146)		(154,075)	
Net current assets			429,398		389,237
Creditors: amounts falling due after one year	9		(67,557)		(118,837)
Net assets	10		2,811,255		2,716,381
Funds of the Charity					
Restricted funds	10		102,353		122,514
Designated funds	10				
Operational fixed assets			433,852		450,549
Fixed assets investments			2,015,562		1,995,432
Covid Recovery			93,783		153,783
Pension liability			(34,181)		(159,098)
General funds			199,886		153,201
Total funds			2,811,255		2,716,381

The financial statements were approved by the Board and authorised for issue on 25 July 2022 and signed on its behalf by:



Christopher Taylor, Honorary Treasurer



Christopher Elliott, Chair

The accompanying notes form part of these financial statements.

Statement of Cash Flows

For the year ended 31 March 2022

	2022 £	2022 £	2021 £	2021 £
Cash flows from operating activities:				
Net income for the year	94,874		514,215	
Adjustments for:				
Depreciation charges	16,697		16,702	
Gains on revaluation of investments	(30,896)		(294,911)	
Dividends, interest & rents from investments	(135,322)		(137,916)	
(Increase)/decrease in debtors	24,958		7,072	
Increase/(decrease) in creditors	69,791		(59,962)	
Net cash provided by operating activities		40,102		45,200
Cash flows from investing activities:				
Dividends, interest & rents from investments	135,322		137,916	
Net cash used in investing activities		135,322		137,916
Change in cash and cash equivalents in the year		175,424		183,116
Cash and cash equivalents at the beginning of the year		360,488		177,372
Cash and cash equivalents at the end of the year		535,912		360,488
		01 April 2021 £	Cash flow £	31 March 2022 £
Cash at bank and in hand		360,488	175,424	535,912

Notes to the Accounts

For the year ended 31 March 2021

1. ACCOUNTING POLICIES

(a) Statutory information

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

(b) Basis of Accounting

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

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

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

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

(c) Operational Fixed Assets

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

Freehold buildings	2% of cost p.a. straight line
Office furniture and equipment	20% of cost p.a. straight line
Computer equipment	33⅓% of cost p.a. straight line

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

(d) Investments

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

(e) Cash Management

Cash not required for day to day operation, but for the medium term, is held in an instant access savings account. Where it is deemed that cash can be held for the longer term this is transferred into the investment portfolio.

Notes to the Accounts (continued)

For the year ended 31 March 2022

1. ACCOUNTING POLICIES (continued)

(f) **Critical accounting judgements and key sources of estimation uncertainty**

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

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

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

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

(g) **Debtors**

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

(h) **Creditors and provisions**

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

(i) **Gifts in kind**

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

(j) **General funds – unrestricted**

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

(k) **Designated funds – unrestricted**

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

(l) **Restricted funds**

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

Notes to the Accounts (continued)

For the year ended 31 March 2022

1. ACCOUNTING POLICIES (continued)

(m) **Income**

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

Income is recognised when the charity is considered to be entitled to apply the resource, the amount may be estimated with reasonable accuracy and the likelihood of receipt is considered probable.

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

(n) **Expenditure**

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

(o) **Charitable activities**

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

(p) **Fundraising, publicity, communication and events expenditure**

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

(q) **Support costs**

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

(r) **Governance**

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

(s) **Pension costs**

Southwark Diocesan Welcare participates in the defined contribution scheme offered by The Pensions Trust. The Pensions Trust is an occupational pension scheme provider for organisations involved in social, educational, charitable, voluntary or similar work. The financial position and the income and expenditure of The Pensions Trust are disclosed in its annual financial statements. Although The Pensions Trust is a defined contribution scheme a shortfall has occurred and each contributor is required to make good their share of the shortfall. The liability is reduced when payments are made to The Pension Trust.

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

(t) **Operating leases**

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

Notes to the Accounts (continued)

For the year ended 31 March 2022

2. ANALYSIS OF INCOME

	Unrestricted funds £	Restricted funds £	Total 2022 £
Donations			
Donations and fundraising	97,962	27,339	125,301
Grants			
South London Church Fund	157,772	-	157,772
Surrey County Council:			
- Early Help	-	30,993	30,993
- Family Centre	-	257,056	256,056
BBC Children in Need	-	41,635	41,635
Netherby Trust	17,476	-	17,476
Grants of under £20,000	2,035	84,381	86,416
Total Grants	177,283	414,065	591,348
Investment income & rent receivable	135,322	-	135,322
Other income	4,969	1,666	6,635
Total income	415,536	443,070	858,606

	Unrestricted funds £	Restricted funds £	Total 2021 £
Donations			
Donations and fundraising	105,838	8,468	114,306
Grants			
South London Church Fund	185,583	-	185,583
Surrey County Council:			
- Early Help	-	30,993	30,993
- Family Centre	-	279,177	279,177
- Transition to Family Centre	-	3,832	3,832
National Lottery Fund	-	71,125	71,125
BBC Children in Need	-	46,720	46,720
Netherby Trust	35,000	-	35,000
Mercers	-	25,837	25,837
Grants of under £20,000	46,649	52,926	99,575
Total Grants	267,232	510,610	777,842
Investment income & rent receivable	137,916	-	137,916
Other income	31,061	9,167	40,228
Total income	542,047	528,245	1,070,292

Notes to the Accounts (continued)

For the year ended 31 March 2022

3. ANALYSIS OF TOTAL EXPENDITURE

	Direct Staff Costs £	Direct Other Costs £	Support Costs Allocated £	2022 Total £
<i>Expenditure on Raising Funds</i>				
Fundraising & Marketing	24,920	19,621	4,860	49,401
<i>Expenditure on Charitable Activities</i>				
Child & Family Support Services	272,409	67,836	29,554	369,799
Groups & Workshops	19,493	-	2,115	21,608
Early Help	26,103	3,938	2,832	32,873
Family Centre	259,521	33,270	28,156	320,947
Total Expenditure	602,446	124,665	67,517	794,628

	Direct Staff Costs £	Direct Other Costs £	Support Costs Allocated £	2021 Total £
<i>Expenditure on Raising Funds</i>				
Fundraising & Marketing	24,535	10,278	9,046	43,859
<i>Expenditure on Charitable Activities</i>				
Child & Family Support Services	274,948	110,222	73,250	458,420
Groups & Workshops	15,795	-	4,209	20,004
Early Help	26,577	4,001	7,081	37,659
Family Centre	197,323	38,753	52,570	288,646
Family Centre transition	-	2,400	-	2,400
Total Expenditure	539,178	165,654	146,156	850,988

ANALYSIS OF SUPPORT COSTS

Support costs can be analysed as follows:

	2022 £	2021 £
<i>Governance</i>		
Audit fee	9,300	7,620
Trustee and other meeting costs	76	663
Staff costs allocated to Governance	6,904	6,795
	16,280	15,078
<i>Other Support costs</i>		
Other Support costs	81,724	61,929
Movement in accrued pension liability	(84,656)	-
Staff costs allocated to Support	54,169	69,149
Total support costs	67,517	146,156

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

Notes to the Accounts (continued)

For the year ended 31 March 2022

4. RESULTS FOR THE YEAR

Expenditure includes:	2022	2021
	£	£
Auditors' remuneration:	9,300	7,620
Depreciation	16,697	16,702

5. STAFF COSTS AND NUMBERS

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

The total amounts paid in respect of the key management personnel of the Charity were £78,860 (2021: £78,977).

Staff costs were as follows:	2022	2021
	£	£
Salaries and wages	586,344	549,600
Social Security costs	40,636	43,628
Pension contributions	36,539	21,894
	663,519	615,122

One employee earned between £60,000 and £70,000 during the year (2021: one).

Pension contributions in the year for this employee amounted to £4,011 (2021: £4,011)

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

	2022	2021
	No.	No.
Fundraising and publicity	0.60	0.75
Charitable activities	17.07	16.35
	17.67	17.1

The total number of staff employed at year end was 22 (2021: 22).

No member of the Board of Trustees received remuneration for their services during the year (2021: £nil). 1 trustee was reimbursed for out of pocket expenses for £76 (2021: £nil).

Notes to the Accounts (continued)

For the year ended 31 March 2022

6. OPERATIONAL FIXED ASSETS

	Operational freehold land and buildings in use £	Office furniture & equipment £	Computer equipment £	Total 2022 £
<i>Cost or Valuation</i>				
As at 1 April 2021	582,221	6,021	19,865	608,107
At 31 March 2022	582,221	6,021	19,865	608,107
<i>Accumulated depreciation</i>				
As at 1 April 2021	143,012	6,021	8,525	157,558
Charge for the year	10,513	-	6,184	16,697
At 31 March 2022	153,525	6,021	14,709	174,255
<i>Net book value</i>				
At 31 March 2022	428,696	-	5,156	433,852
At 31 March 2021	439,209	-	11,340	450,549

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

7. FIXED ASSET INVESTMENTS

	Investment properties £	Other investments £	Total 2022 £	Total 2021 £
Balance at 1 April 2021	1,750,000	245,432	1,995,432	1,722,472
Gains on revaluation	-	20,130	20,130	272,960
Balance as at 31 March 2022	1,750,000	265,562	2,015,562	1,995,432

The investment properties were revalued at 31 March 2021 in accordance with the RICS Valuation – Professional Standards 2014 (The Red Book) by William Bradley BSc (Hons) MRICS of Bradley Harris Ltd, Chartered Surveyors, 368 Croydon Road, Beckenham, Kent BR3 4EX. The trustees believe that the commercial property market has remained relatively static over the last 12 months and, therefore, do not consider the investment properties to have materially altered in value over that period. In line with their policy to undertake a formal revaluation of investment properties every five years, the next formal revaluation will take place in March 2026.

Notes to the Accounts (continued)

For the year ended 31 March 2022

8. DEBTORS

	Total 2022 £	Total 2021 £
Prepayments	9,967	4,675
Accrued income	20,137	50,387
	30,104	55,062

9. CREDITORS

	Total 2022 £	Total 2021 £
Accounts falling due within one year:		
Trade creditors	14,903	12,638
Deferred income and accruals	221,084	69,451
Other taxes & social security	20,341	30,740
Other creditors	6,365	985
Pension provision	12,453	40,261
Total Creditors	275,146	154,075

Deferred grant income

Balance brought forward	45,981	83,663
Amount released to grant income	(45,981)	(83,663)
Amount deferred in the year	219,184	45,981
	219,184	45,981

	Total 2022 £	Total 2021 £
Accounts falling due after more than one year:		
Deferred income	45,829	-
Pension provision	21,728	118,837
	67,557	118,837

Notes to the Accounts (continued)

For the year ended 31 March 2022

10. MOVEMENT IN FUNDS

	Balance at 1 April 2021 £	Income £	Expenditure £	Transfers and gains/(losses) on investments £	As at 31 March 2022 £
Restricted funds:					
East Surrey	104,775	329,243	(342,560)	-	91,458
South West London	1,528	55,092	(53,271)	-	3,349
South East London	16,211	58,735	(67,400)	-	7,546
Total restricted funds	122,514	443,070	(463,231)	-	102,353
Designated funds:					
Operational fixed assets fund	450,549	-	-	(16,697)	433,852
Fixed asset investment fund	1,995,432	-	-	20,130	2,015,562
Covid Recovery	153,783	-	-	(60,000)	93,783
Pension liability fund	(159,098)	-	-	124,917	(34,181)
Total unrestricted designated funds:	2,440,666	-	-	68,350	2,509,016
Total unrestricted general funds:	153,201	415,536	(331,397)	(37,454)	199,886
Total funds	2,716,381	858,606	(794,628)	30,896	2,811,255

	Balance at 1 April 2020 £	Income £	Expenditure £	Transfers and gains/(losses) on investments £	As at 31 March 2021 £
Restricted funds:					
East Surrey	54,871	330,947	(281,043)	-	104,775
South West London	1,426	128,087	(127,985)	-	1,528
South East London	696	69,211	(53,696)	-	16,211
Total restricted funds	56,993	528,245	(462,724)	-	122,514
Designated funds:					
Operational fixed assets fund	467,251	-	-	(16,702)	450,549
Fixed asset investment fund	1,722,472	-	-	272,960	1,995,432
Covid Recovery	-	-	-	153,783	153,783
Pension liability fund	(188,509)	-	-	29,411	(159,098)
Total unrestricted designated funds:	2,001,214	-	-	439,452	2,440,666
Total unrestricted general funds:	143,959	542,047	(388,264)	(144,541)	153,201
Total funds	2,202,166	1,070,292	(850,988)	294,911	2,716,381

Notes to the Accounts (continued)

For the year ended 31 March 2022

10. MOVEMENT IN FUNDS (continued)

Restricted Funds

East Surrey – these funds represent income from Surrey County Council to provide Early Help, family support and a Family Centre. They also receive some small grants and donations restricted to specific uses.

South West London – these funds represent specific grants from Youth Endowment Fund, The Charity of Sir Richard Whittington and other specific grant funding to deliver child and family support services and income received to provide grants to clients.

South East London – these funds represent BBC Children in Need, Leathersellers, Girdlers and other specific grant funding to deliver child and family support services and income received to provide grants to clients.

Designated Funds

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

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

Welcare has met the needs of its beneficiaries by continuing to offer practical and emotional family support throughout the pandemic. Trustees have focused on securing the future well-being of the charity and the surplus from 2021 was designated to a recovery fund to deliver pilot projects aimed at forging a stronger charity able to withstand a more challenging funding environment in the future. Welcare has rationalised its office accommodation requirements and during the year has moved to a flexible way of working whilst co-locating service delivery in schools. During 2022-2023 we plan to complete the rationalisation of our office service delivery accommodation including the location of our Central Office to enable us to work more closely with the Diocese of Southwark and with schools.

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

Transfers in funds represent programmes funded from unrestricted income.

Notes to the Accounts (continued)

For the year ended 31 March 2022

11. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Operational Fixed Assets £	Investments £	Short term investment and cash at bank £	Other Net Assets / (Liabilities) £	Total 2022 £
Restricted funds	-	-	102,353	-	102,353
Unrestricted general funds	-	-	572,087	(372,201)	199,886
Unrestricted designated funds	433,852	2,015,562	-	59,602	2,509,016
Net assets at 31 March 2022	433,852	2,015,562	674,440	(312,599)	2,811,255

PRIOR YEAR ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Operational Fixed Assets £	Investments £	Short term investment and cash at bank £	Other Net Assets / (Liabilities) £	Total 2021 £
Restricted funds	-	-	122,514	-	122,514
Unrestricted general funds	-	-	365,736	(212,535)	153,201
Unrestricted designated funds	450,549	1,995,432	-	(5,315)	2,440,666
Net assets at 31 March 2021	450,549	1,995,432	488,250	(217,850)	2,716,381

Notes to the Accounts (continued)

For the year ended 31 March 2022

12. PRIOR YEAR STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted funds £	2021 Total £
INCOME			
<i>Donations and legacies</i>			
Individual Giving	31,302	2,986	34,288
<i>Other Trading Activities</i>			
Fundraising Activities	80,018	-	80,018
<i>Income From Investments</i>			
Investment income	11,475	-	11,475
Rents received	126,441	-	126,441
<i>Income From Charitable Activities</i>			
Child & Family Support Services	248,981	197,674	446,655
Groups & Workshops	3,760	13,425	17,185
Early Help	-	30,993	30,993
Family Centre	-	279,335	279,335
Family Centre transition	-	3,832	3,832
<i>Other income</i>	40,070	-	40,070
Total income	542,047	528,245	1,070,292
EXPENDITURE			
<i>Expenditure on Raising Funds</i>			
Fundraising & Marketing	43,859	-	43,859
<i>Expenditure on Charitable Activities</i>			
Child & Family Support Services	278,479	179,941	458,420
Groups & Workshops	6,579	13,425	20,004
Early Help	7,081	30,578	37,659
Family Centre	52,266	236,380	288,646
Family Centre transition	-	2,400	2,400
Total Expenditure	388,264	462,724	850,988
Net income (expenditure) before investments gains	153,783	65,521	219,304
Net gains on investments	294,911	-	294,911
Net income (expenditure) after investments gains	448,694	65,521	514,215
Net movement in funds	448,694	65,521	514,215
Fund balances brought forward at 1 April 2020	2,145,173	56,993	2,202,166
Funds balances carried forward at 31 March 2021	2,593,867	122,514	2,716,381

Notes to the Accounts (continued)

For the year ended 31 March 2022

13. RELATED PARTIES

During the year Southwark Diocesan Welcare received a grant of £157,772 (2021: £185,583) from Southwark Diocesan Board of Finance. Under the Articles of Association of the charity, the Anglican Bishop of Southwark has the right to nominate up to two Trustees and to approve the appointment of the Chair from among the Trustees. The Bishop's nominees are Christopher Elliott and Nicola Thomas.

Aggregated donations to the charity from trustees during the year amounted to £nil (2021: £550). There have been no other related party transactions and all trustees and key management personnel have signed related party declarations

14. PENSION ARRANGEMENTS

Pensions Trust Growth Plan

The company participates in the scheme, a multi-employer scheme which provides benefits to some 950 non-associated participating employers. The scheme is a defined benefit scheme in the UK. It is not possible for the company to obtain sufficient information to enable it to account for the scheme as a defined benefit scheme. Therefore, it accounts for the scheme as a defined contribution scheme.

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

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

A full actuarial valuation for the scheme was carried out at 30 September 2017. This valuation showed assets of £794.9m, liabilities of £926.4m and a deficit of £131.5m. To eliminate this funding shortfall, the Trustee has asked the participating employers to pay additional contributions to the scheme as follows

DEFICIT CONTRIBUTIONS

From 1 April 2016 to 30 September 2025:	£12,945,440 per annum	(payable monthly and increasing by 3% each on 1st April)
From 1 April 2016 to 30 September 2028:	£54,560 per annum	(payable monthly and increasing by 3% each on 1st April)

Unless a concession has been agreed with the Trustees the term to 31 January 2025 applies.

Notes to the Accounts (continued)

For the year ended 31 March 2022

14. PENSION ARRANGEMENTS (continued)

Pensions Trust Growth Plan (continued)

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

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

A pension provision has been included in the accounts of £34,181 in respect of the above liability to the scheme as at 31 March 2022 (2021: £159,098).

15. CAPITAL COMMITMENTS

There were no capital commitments at year end (2021: £nil).

16. OPERATING LEASE COMMITMENT

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

	2022 £	2021 £
Less than 1 year	5,840	4,664
1 – 2 years	11,680	9,328
3 – 5 years	2,434	11,766
Total	19,954	25,758

17. POST BALANCE SHEET EVENTS

There are no post balance sheet events to report.

The trustees recognise that the future impact of the war in Ukraine is unknown, and it has already contributed to an increase in the cost of living and energy.

The impact of increased utility costs for the charity will be mitigated by staff working more flexibly from serviced office accommodation.

18. TAXATION

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

19. CONTROL

Throughout the year the charity was controlled by its trustees.

Notes to the Accounts (continued)

For the year ended 31 March 2022

20. SHARE CAPITAL

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

Accounts

welcare

strengthening families since 1894

TRUSTEES' REPORT & ACCOUNTS

FOR THE YEAR ENDED 31 MARCH 2021

*Working alongside parents in South London
and East Surrey to give children secure and
confident childhoods*

Legal & Administrative Information

Trustees	Christopher Elliott (from 15 February 2021) Cherry Murdoch (Trustee and Chair until 31 March 2021) Sarah Harty (Honorary Treasurer) The Ven Moira Astin (Vice-Chair, Interim Chair from 1 April 2021) Debbie Haith Anne Coates (until 15 February 2021) Rachel Phillips Angela Blackwood (until 31 July 2020) Elizabeth Rackow (until 10 May 2021) Paulette Tajah-Bell Revd Davy Nyirongo Ruth Martin	
Chief Executive Officer	Anna Khan	
Management Team	Lynn James Barbara Wilson	Fay Morris Diane Taylor
Charity Number	1107859	
Company Number	5275749	
Registered Name	Southwark Diocesan Welcare	
Principal Address & Registered Office	19 Frederick Crescent London SW9 6XN	
Auditor	Haysmacintyre LLP 10 Queen Street Place London EC4R 1AG	
Banker	National Westminster Bank plc London Bridge Branch PO Box 35 10 Southwark Street London SE1 1TJ	
Solicitors	Bates Wells & Braithwaite 10 Queen Street Place London EC4R 1BE	

Our Centres

Registered Office

Central Office
19 Frederick Crescent
London SW9 6XN

Tel: 020 7820 7910

Email: info@welcare.org

South-East London:

Bromley Centre

Community House
South Street
Bromley
BR1 1RH

Tel: 020 8466 0399

Email: Bromley@welcare.org

Greenwich Centre

248-250 Nightingale Vale
Woolwich Common
London
SE18 4HN

Tel: 020 8854 3865

Email: Greenwich@welcare.org

South-West London

Parkway House
Sheen Lane
East Sheen
London SW14 8LS

Tel: 020 8893 9123

Email: swlondon@welcare.org

Inner London

19 Frederick Crescent
London
SW9 6XN

Tel: 020 7820 7913

Email: innerlondon@welcare.org

East Surrey

Welcare House
24 Warwick Road
Redhill
RH1 1BU

Tel: 01737 780884

Email: Redhill@welcare.org

welcare.org



[@welcareuk](https://twitter.com/welcareuk)



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[@welcare_uk](https://www.instagram.com/welcare_uk)



FUNDRAISING
REGULATOR

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Welcome from the Chair

On behalf of the Board of Trustees of Welcare, I am pleased to introduce our annual report and accounts.

Every week Welcare staff are working alongside families helping them change their lives for the better. This has been an extremely challenging year for us all but particularly so for the families facing financial hardship, deprivation, mental ill health, family breakdown and domestic abuse. School closures and, in many cases, inadequate accommodation have exacerbated these difficulties. Welcare's services have been needed more than ever. Our staff quickly adapted service delivery so they could continue to provide emotional and practical support for children and families online and over the telephone. Our strong connections in the community enabled us to respond quickly to address families' immediate needs; our appeals for crisis funds raised over £8,000 from our supporters. We distributed over £14,000 in client grants. Although working remotely and for much of the year unable to meet with families in our centres, their schools, or their homes, we have been able to offer support to 344 individual children and parents.

I would especially like to thank our staff team for their excellent work in rising to the challenges, embracing significant change, adopting new methods of working and continuing to support the children and families we serve despite their own personal challenges including home-schooling and concern for family members.

We are grateful to those individuals, churches, and trusts who fund and support our work including the Diocese of Southwark, Surrey County Council, National Lottery, BBC Children in Need, the Youth Endowment Fund, the Netherby Trust, Sisters of the Holy Cross, the Leathersellers' Company Charitable Fund, Richmond Parish Lands Charity, and others listed on page 10.

I would like to take this opportunity to thank all our friends and supporters not least our local Friends' Groups and Parish Representatives, and trustees who have come to the end of their term of office this year: Angela Blackwood, Anne Coates, Elizabeth Rackow and especially Cherry Murdoch who stood down after 4 years as Chair of the charity. Our thanks to Cherry for leading the charity through turbulent times.

Welcare has been supporting families since 1894. Our flexible approach to service, as demonstrated during this "Covid" year, ensures that we can continue to serve those in need.



Moira Astin
Vice Chair and Interim Chair

Trustees' Report

Introduction

The trustees, who are also directors of Southwark Diocesan Welcare for the purposes of the Companies Act 2006, are pleased to submit their annual report and audited financial statements for the year ended 31 March 2021. The trustees have adopted the provisions of the Statement of Recommended Practice "Accounting and Reporting by Charities" issued in 2015 – Second

Edition effective 1 January 2019, the Companies Act 2006 and applicable UK accounting standards in preparing the annual report and financial statements of the organisation.

Public Benefit

The trustees confirm that they have complied with their duty under Section 17 of the Charities Act 2011 to have due regard to the Charity Commission's general guidance on public benefit.

Objectives and Activities

Objects of the Charity

Welcare is governed by the articles of association and memorandum dated 2 November 2004 and amended 29 September 2010 and 23 September 2015. The objects of the charity are:

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

Aims of the Charity

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

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

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

Welcare staff and volunteers aim to intervene early to provide practical and emotional help and support to strengthen families who are experiencing difficulties. Our aim is to enable a parent to become the very best parent they can be to their children, to engage with their available networks and to improve the outcomes for vulnerable children and their families. We believe that by working together we can create a society where parents and children have the confidence to recognise and seize every opportunity to flourish.

Activities of the Charity

Identifying the need

We work across South London and East Surrey with children and their families facing the following challenges:

For children aged between 8 and 13

- Absence from school
- Previous experience of trauma, including exposure to domestic abuse
- Risky behaviour
- Poor self esteem
- Social exclusion
- Difficult transition to secondary education
- Impact of gang culture and the risk of serious youth crime

Parents with children up to the age of 13

- Poor parent/child relationships
- Poor housing or home environment impacting children's health
- Experience of domestic abuse and violence
- Stepping down from specialist Children's Services
- Inappropriate chastisement
- Relationship breakdown
- Low income and long-term unemployment
- Poor social networks and contacts
- Mental health challenges
- Substance misuse
- Children with special needs or challenging behaviour

Activities addressing the need

Many families have experienced unprecedented challenges over the last twelve months of the Covid-19 crisis. Families who have never faced financial difficulties before have found themselves at breaking point and have been impacted by job losses and illness and have been left unable to feed their children or provide warm clothing. Welcare staff and supporters responded to these challenges by launching our Families in Crisis and Crowdfunding campaigns to supplement the local food banks and emergency grants and funds we are able to access from local grant making trusts. Welcare purchased supermarket vouchers, sourced laptops for children being home-schooled and worked closely with voluntary sector partners to ensure we were targeting support where it was most needed. The practical and financial support by Welcare has been much appreciated, and needed, by many families and provided a financial lifeline at a time of great need.

The most prevalent issues that families have turned to us for support with since April 2020 include:

- An increase in mental health/emotional well-being challenges in both parents and children/young people. This is in part due to anxieties arising from Covid-19 itself and to the practical consequences of the lockdown.
- An increase in the incidence of domestic abuse and parental conflict.

- Parental support for children out of school and the challenges of home-schooling. While some children appear to have managed well while out of school for others it has been extremely challenging with the rupture in routines resulting in challenging behaviour and reduced access to academic support (often related to no IT or broadband being available), anxiety about being isolated and not having access to friends and about returning to school after lockdown.
- For children with special educational needs this has been a particularly difficult time with accessing appropriate specialist advice and resources a key issue. Families living in overcrowded conditions has made it difficult for children to keep up with schoolwork and has placed additional pressures on family life.
- Social Isolation – especially for first-time parents, those experiencing post-natal depression or social isolation due to the special needs of their child.

To address the need, our dedicated, professional staff work with individual children and their parents; we work to build on the positive elements of family lives and to prevent problems happening by intervening early and breaking the cycles that may become entrenched. The Covid-19 pandemic began to impact the charity's activities from the beginning of March 2020 and has continued to do so throughout the year. Fortunately, the charity had a robust business continuity plan in place and staff were able quickly to move to home-working and continue to serve children and families. We adapted our programmes to deliver support more flexibly whilst focussing on those for whom social distancing and the closure of schools exacerbated existing tensions and hardship. Our work with individual children and families which had previously taken place in families' homes, our Welcare centres and other community settings including churches and schools also moved to online, delivered using video platforms or telephone support. As the various lockdowns over the previous 12 months eased, we have held meetings with families in open spaces, parks and gardens and re-opened our centres for face-to-face appointments always in line with the government's advice on social distancing.

Achievements and Performance

Performance against objectives

We have continued to build our Child and Family Support Service to enable delivery of a consistent community-based service throughout South London boroughs and extending into East Surrey. This service has been provided alongside services delivered at our Family Centre in Redhill in partnership with Surrey County Council. Our most significant achievements of the last year included:

- Providing individual support for 344 children and parents despite not being able to meet in person for much of the year and providing a range of practical assistance and financial grants for struggling families.
- Adapting the Strengthening Families Strengthening Communities Parenting Programme to be delivered online.
- Continuing to deliver our group work programmes, MySpace and With Respect, to individual children.
- Working to prevent the cycle of youth crime and enable children to improve their futures by working in partnership with the Youth Offending Service to support siblings of those involved with the criminal justice service.
- Continuing our partnership with East Surrey YMCA to deliver Early Help family support in Reigate and Banstead by delivering telephone and online support for families.

- Delivering a range of playworker led courses including Mummy & Me and Every Child a Talker from our centre in Redhill to support isolated new mothers and those with English as a second language.
- Maintaining strong connections with local schools and churches ready to re-launch our #CapeAbility campaign when circumstances permit. The campaign was disrupted by the closure of schools and churches by the pandemic.
- Accessing training for our social workers and family support workers through our partnerships with Kingston University School of Social Work and the South-West London and Surrey Social Work Teaching Partnership. The partnerships also enable us to offer final year social work student placements which provide an additional temporary resource for our work with families.
- Investing in essential new IT to enable staff to work with agility and continue to support vulnerable children and their parents throughout the Covid-19 crisis.
- Implementing new systems, including a Client Management System to record in a cloud-based relational database all our work with individual children and families and integrate the Outcomes Star tool to demonstrate how we measure the difference we make. We have also reviewed our administrative business processes to enable the charity to operate more flexibly in the future.
- Relocation to Community House in Bromley to enable closer working with other voluntary and community groups in the borough.

Welcare made effective use of the financial measures announced by the government including successful applications for Covid-19 related funding.

Although Welcare lost income because of the cancellation of fundraising events and community activities our supporters continued to inspire us by finding new innovative ways to connect including our first zoom lent lunch, zoom fitness classes and a crowdfunding campaign to raise funds to support families in crisis.

We have been heartened that despite their own challenges over the year 60 individual churches supported our work in the last financial year.

Despite the constraints on fundraising activities during the year, our loyal supporters raised in excess of £100,400.

Total income from Trusts and Foundations amounted to £268,257.

Outcomes

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

- Support children and families to have nurturing relationships free from harm
- Support children and families to feel connected to their local community
- Increase family resilience and improve parenting skills and capacity to enable children to experience effective parenting
- Support young people and parents to increase their health and emotional development
- Encourage participation in our group work programmes to promote self-care skills, independence, self-esteem and resilience
- Support children and parents to recover from domestic abuse and develop strategies to prevent abuse in future relationships

- Provide practical support and access to emergency funding to meet immediate needs and improve family well-being

Welcare Child and Family Support Services – Practical and Emotional Support for Individual Families

South-east London (Bromley and Greenwich)	79 cases of support
South-west London (Inner London, Richmond and Wandsworth)	148 cases of support
East Surrey	117 cases of support
Total	344 individual cases

From the 344 cases which received support, 117 received practical support and grants. In addition, the East Surrey centre distributed food bags to 108 families.

Welcare uses the Family Outcomes Star+ an evidence-based tool which places the beneficiary at the centre of their own journey of change. Each scale on the star is more than just a set of numbers from 1 to 10, they are underpinned by the Journey of Change for that Star. The Journey of Change is a theory of change that sets out the stages people go through when making sustainable changes in their lives, meaning the attitude and behaviour expected at each of the points on each scale are clearly defined. Each Journey of Change is specific to the individual Star that it describes in order to more effectively engage with and capture service users' change.

We use these insights to ensure we're making a lasting difference to the children and families we support. During the last twelve months, using Outcomes Star tools we demonstrated that through support from our staff we enabled progress to be made in the following areas:

- Meeting Emotional Needs 74%
- Your Wellbeing 71%
- Maintaining Boundaries and Behaviour 70%

We aim to achieve a positive change for over 80% of the children and parents we work with, although in common with other family support organisations we have found achieving change more challenging in this year dominated by the Covid-19 global pandemic.

Plans for the Future

Welcare identified five strategic objectives for 2018-2021 each of which is underpinned by a number of specific delivery targets:

- **Service Development:** To develop the core service model of emotional and practical support to meet the identified needs.
- **Impact:** To develop further systems for measuring impact and the evolving needs of the children and families we work with.
- **Partnerships:** To work collaboratively with schools, churches and other voluntary organisations to raise awareness and maximise the impact of our services.
- **Income:** To maintain a balanced budget and seek to grow by 20% by 2021.

- **Support organisational delivery:** To review and develop the resources and infrastructure needed to enable our services to function effectively and efficiently, including provision of office accommodation.

Welcare has continued to focus support on families exposed to domestic abuse and violence and staff have adapted services to meet the changing needs of service users during the coronavirus pandemic, especially digital exclusion and support with children's behaviour at home. We received a number of Covid-19 related grants which enabled us to trial new ways of working remotely.

Throughout the year, the Board of Trustees has focussed on refining our service model and developing a closer working relationship with the Diocese of Southwark delivering its social mission with children and families, mindful of the global pandemic, its impact on vulnerable families, how service delivery has changed over recent months and Welcare's 127 year history of adapting services to meet local need. The faith base of Welcare is seen as an integral part of the identity of the charity and its future.

A strategic review of the future business model of Welcare's charitably funded services, including our office accommodation, began in 2020. Due to challenges created by the Covid-19 crisis this review is ongoing. A pilot project working in partnership with the Southwark Diocesan Board of Education to become the family support provider of choice will be the first focussed activity of this strategy.

Contributions from Volunteers

Our volunteers have always been a key, valued part of the charity. However, during the last year face-to-face support from volunteers has been suspended. In October 2020 we worked with The Cranfield Trust who provided an experienced consultant who worked with us on a pro-bono basis. The consultant worked with trustees to establish the principles and frameworks for future strategic discussions.

We also benefitted from the support of 6 local volunteers who continued to provide administrative support for staff; and husband and wife volunteers who provided practical help by packing food parcels and gardening while keeping to social distancing guidelines.

During the financial year, these local volunteers provided 79 hours of support for our East Surrey and Greenwich services.

Financial Review

Income for the year of £1,070k shows a decrease of £53k compared with the previous year's total of £1,123k.

Donations amounting to £34k were received from individual supporters (2020: £26k) and £80k from fundraising (2020: £88k). Investment income amounted to £11k (2020: £12k) and rental income of £126k was derived from properties (2020: £120k).

The principal funding sources of the charity were the Diocese of Southwark, Surrey County Council, National Lottery Fund, BBC Children in Need, Youth Endowment Fund, Netherby Trust, Sisters of the Holy Cross, Leathersellers' Company Charitable Fund, Richmond Parish Lands Charity, Lambeth CLIPs, Community Links Bromley, Girdlers' Company Charitable Trust, London Response Fund, John Lewis Partnership Fund, Cicely Northcote Trust and Richmond Charities. The charity also receives funding from churches and individuals.

Expenditure in the year was £851k (2020: £1,045k) including £463k of expenditure from restricted funds (2020: £593k).

The decrease in income and expenditure has resulted in a surplus of £219k before gains on investments (2020: surplus of £79k).

It is the aim of the Charity to maintain a stable operating surplus over the coming years with the aid of strengthened financial processes, reallocation of resources, service reviews and new income streams to ensure that Welcare truly is *Here now, Here always* to serve the most vulnerable children and their families in South London and East Surrey for generations to come.

Reserves Policy

Reserves as at 31 March 2021 totalled £2,716k (2020: £2,202k) including £123k of restricted reserves and £2,440k of designated funds.

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

The Board considers that free reserves (defined as total reserves less designated and restricted funds) should be maintained at an amount equivalent to three to four months of the current year's expenditure. This gives a minimum level of £304k. The Board considers that the minimum level is adequate to support current and anticipated levels of activity, to enable it to respond to opportunities and to provide for emergencies. The target level of three to four months' reserves reflects realistic commitments on salaries, rent and other expenditure.

Free reserves are currently £153k. This is below the target level. In order to build up free reserves to the target level the charity aims to expand sources of income and to continue to monitor and control costs.

Investment Policy

As at 31 March 2021 fixed asset investments were valued at £1,995k including £1,750k of investment properties. There were net gains on investments of £273k in the year compared with a £16k loss in the year ended 31 March 2020. A full revaluation of all investment properties took place on 28 April 2021. It is the policy of the Board of Trustees to undertake a formal revaluation of investment properties every five years. The next revaluation will be undertaken in 2026.

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

A sub-committee of the Board, the Finance and Development Committee, keeps investment matters under review and reports to quarterly Board meetings.

The Board of Trustees holds investment properties. Welcare relies on income from property investments to finance service delivery and to provide a level of protection when grant funding comes to an end. Rental income from the properties is used for the furtherance of the aims and

objectives of the charity. These assets provide essential income streams for our service delivery.

Fundraising Policy

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

We commit to fundraising ethically, responsibly and with our donors in mind. We care about our supporters, what they think about our fundraising and always promise to be transparent, fair and legally compliant. We will always respect the privacy and contact preferences of our donors. We will respond promptly to requests to cease contact or to complaints and act as best we can to address their concerns. Any enquiries regarding fundraising can be directed to fundraising@welcare.org, while complaints should be made in writing to: Welcare Fundraising, 19 Frederick Crescent, London, SW9 6XN. We have not received any complaints about our fundraising practices. We do not use the services of commercial fundraisers.

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

Our fundraising strategy is approved by our Finance and Development Committee, consisting of five trustees and the CEO. This committee has responsibility for overseeing all aspects of quality assurance and compliance relating to fundraising and makes recommendations to the Board of Trustees.

Principle Risks and Uncertainties

Welcare is committed to active management of risk. Risk management is incorporated into governance and management structures, planning processes and all aspects of service delivery. The Chief Executive is responsible for ensuring that this policy is implemented throughout Welcare.

Welcare produces a risk register which identifies risk and allocates responsibility for managing areas of risk to named individuals.

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

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

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

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

The Board Committees have oversight of the management of each risk falling within their particular terms of reference. Both committees review the risks during the year.

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

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

- Communication and feedback
- Business planning
- Staff appraisals

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

Welcare's ability to respond to and withstand the risks presented by a global pandemic was assessed by trustees and a number of mitigations were identified. These included the ability for all staff to access remote working and to move quickly to offer family support by telephone and on-line. Welcare already had a business continuity plan which is reviewed annually. A Standing Committee of the Board was established to enable a rapid Board level response to the crisis. Welcare responded quickly to emergency needs of service users by launching an appeal to raise money for supermarket vouchers and continued to receive donations from individuals and local churches.

Welcare's income from its regular donors, supporting churches and principal funders remained stable throughout the financial year with the exception of the grant from the Diocese of Southwark which was reduced in the final quarter reflecting a reduction in income to the diocese. Several trust funding applications submitted before the Covid-19 lockdown in March 2020 remain outstanding possibly as a result of ongoing uncertainty about levels of investment income available to trust funders. In mitigation, Welcare received additional Covid-19 related emergency grant funding from the National Lottery Fund, BBC Children in Need, the Youth Endowment Fund, Richmond Parish Lands Charity, Lambeth CLIPs, London Response Fund and Richmond Charities. Welcare also placed some staff on furlough under the government's Coronavirus Job Retention Scheme.

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

Category	Risk	Mitigation
Financial	Inability to deliver services and fund projects due to lack of funding for any reason including termination of contracts and over-reliance on particular supporters and funders.	• Diversify funding streams and develop new supporters. • Promote regular giving scheme. • Improve communications between the charity and supporters by producing regular newsletters.

		• Develop sustainable services independent of local authority contracts. • Appointment of Trusts and Foundations Fundraising Officer. • Maintain a good local profile. • Review Central Office costs and staffing structure • Make use of Government and local authority Covid-19 related support (e.g., furlough) when appropriate
Operational	Unanticipated long-term absence of key member of staff resulting in additional costs to cover the post or overload on existing staff required to cover the post; or reduced output (contact with families). Failure to recruit and retain professional, skilled and experienced staff to work in south London and East Surrey, endangering service delivery.	• Employee Assistance programme to mitigate stress and resolve the risk of long-term sickness absence. • Senior staff required to provide 3 months' notice • Succession business continuity planning. • Professional HR advice and support from HRSP • Emphasise the advantages of working for Welcare • Review salary levels and role descriptions
Governance	Failure to maintain a skilled and dynamic trustee board with the skills and enthusiasm required to assist and oversee the delivery of the strategic aims. Failure to recruit a trustee with a professional social work background.	• Strengthen and use professional networks to encourage Board membership • Maintain a balance between Diocesan representatives and trustees with specific professional skills. • Annual review of Board skills, organisational focus on Christian distinctiveness
Compliance	Incident involving child protection or safeguarding issue involving staff member or volunteer resulting in harm to the child and reputational damage.	• External Safeguarding Supervisor. • Independent Safeguarding Audit every three years. • Rigorous application and annual review of Safeguarding policy. • Safer recruitment processes. • Mandatory safeguarding training for all staff and volunteers. • DBS checks carried out for all eligible staff, volunteers and trustees. • Robust supervision, complaints and referral processes.
Environmental/External	Inadequate response to and failure to withstand the global pandemic and continue "business as usual". (excluding potential impact on future funding)	• All staff have access to Windows 10 and SharePoint to enable homeworking • Use of video conferencing using a variety of platforms for both

		staff meetings and group-work with service users • Board Standing Committee created as a rapid response Board committee • Disaster Management Plan reviewed annually and regularly updated • Ability to offer on-line and telephone support for service users
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Structure, Governance and Management

Governing Document

Southwark Diocesan Welcare is a charitable company limited by guarantee. It was established under a Memorandum of Association and is governed under its Articles of Association. Revised Articles of Association were adopted by a special resolution passed at the charity's AGM on 23 September 2015. The members of the organisation are limited to the trustees for the time being who may serve two terms of three years which, in exceptional circumstances and with the agreement of the Board, can be extended for one additional three-year term. In the event of the company being wound up, members are required to contribute an amount not exceeding £1.

Trustees

The directors of the company are also the charity trustees. Trustees serve fixed terms of office. The Anglican Bishop of Southwark has the right to nominate up to two trustees. The Bishop's nominees were Anne Coates (until 15 February 2021) and Christopher Elliott (from 15 February 2021) and Ruth Martin.

The trustees do not receive any benefit but may be reimbursed for reasonable expenses properly incurred when acting on behalf of the charity. No such reimbursements were made to trustees in 2020-2021.

An induction process and pack provides new trustees with the detailed information about the charity required for their role. Following an independent review of Board effectiveness in May 2019, the Board has held a number of facilitated planning sessions to inform development of the 2021-2024 Strategic Plan: in November 2019, and July and November 2020. Trustees are encouraged to attend appropriate external training courses, conferences and forums. All trustees have received Charity Commission guidance on The Essential Trustee and the Charity Governance Code and receive briefings from Welcare's professional advisers. Welcare is a member of the NCVO and trustees are able to access a wide range of online training and resources to support them in their role.

Organisational Structure

The Board currently has eight members who meet at least four times a year and are responsible for the strategic direction and policy of Welcare.

Two sub-committees report regularly to the Board: The Finance and Development Committee and the Services Committee.

- The Finance and Development committee monitors the finance, fundraising, properties, resources and risk responsibilities of the Board. The Finance and Development Committee has five trustee members and is attended by the CEO.
- The Services Committee provides Board level oversight of all Welcare's services and operations. The committee has four trustee members and monitors professional practice, service delivery, service development and HR matters. Each of Welcare's service managers reports to the committee annually on rotation. Welcare's independent freelance social work and safeguarding supervisor reports to the committee annually and meets regularly with the CEO.

In addition, a Standing Committee of the Board consisting of the Chair, Vice-Chair and Chairs of the Services and Finance and Development Committees was established as a rapid response committee of the Board during the pandemic. The Standing Committee has delegated authority to conduct business of the Board between the Board meetings and reports regularly to the Board.

Overall responsibility for the delivery of Welcare's services lies with the CEO. Welcare is structured into three separate regional service delivery areas (South-East London, South-West London and East Surrey) each headed by a senior social worker or experienced centre manager. The Child and Family Support Service Managers and the Family Centre Manager have been brought into the senior management structure of the organisation. An independent freelance social work and safeguarding supervisor provides service managers with regular individual and group social work supervision, opportunities for reflective practice and facilitates group supervision and mandatory CPD for all front-line staff. The next all staff training day is scheduled for July 2021.

Welcare employs a part-time Fundraising Officer responsible for submitting funding applications to Trusts and Foundations.

The continued integration of eTapestry, our supporter database, into the organisation, has enabled improved communication with donors and supporters and better data collection, management and protection.

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

Safeguarding Policy

Our safeguarding policy is available on our website. The policy is reviewed annually by senior managers and an independent senior social worker who also provides professional supervision for Welcare's social workers. The policy has been updated in line with recommendations for maintaining safeguarding standards while using digital platforms to deliver individual and groupwork. The safeguarding policy is approved by the Services Committee of the Board of Trustees. Welcare has a named Service Manager with responsibility for and oversight of all safeguarding matters within Welcare. The Chair of the Services Committee holds Board level responsibility for safeguarding. During the year, an independent safeguarding consultant carried out an audit of all Welcare's services in line with recommendations in Section 11 of the Children Act 2004. The safeguarding audit takes place every three years to ensure that standards are maintained throughout Welcare and that any safeguarding risks are addressed.

Relationships

Welcare has worked closely with statutory bodies involved in the delivery of services to children. Welcare has a contract with Surrey County Council to provide services at the Redhill Family Centre and delivers Early Help work in partnership with East Surrey YMCA. Welcare is building future services around local needs and local support. Welcare works within the legislative framework of the Children Acts of 1989 and 2004 and the Children and Families Act 2014. Welcare is in regular contact with other charities serving children and families through active membership of Children England.

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

Key Management Personnel Remuneration Policy

The salary of the Chief Executive is set by the Chair in consultation with the Vice-Chair following annual appraisals. The organisation uses the NJC pay scales for benchmarking salaries of other staff.

Statement of Trustees' Responsibilities

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

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

In preparing these accounts the trustees are required to:

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles in the Charities SORP;
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- Prepare the accounts on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

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

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

the auditor is aware of that information.

Auditor

Haysmacintyre LLP have signified their willingness to continue as our auditor and the Board of Trustees will consider the matter at the next scheduled Board meeting.

On behalf of the Board of Trustees

Maira Astin

Maira Astin, Vice-Chair and Interim Chair

8 July 2021

Opinion

We have audited the financial statements of Southwark Diocesan Welcare for the year ended 31 March 2021 which comprise the Statement of Financial Activities, the Balance Sheet, 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, 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 2021 and of the charitable company's net movement in funds, including the 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 2011.

Basis for opinion

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder. 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 trustee's 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 directors with respect to going concern are described in the relevant sections of this report.

Other information

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

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

financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- adequate accounting records have not been kept by the charity; or
- the charity's 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;

Responsibilities of trustees for the financial statements

As explained more fully in the trustees' responsibilities statement set out on page 17, the trustee 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 charity 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.

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:

Based on our understanding of the charity and the sector in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to regulatory requirements of the Charity Commission, safeguarding regulations, data protection, health and safety regulations and employment law and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Charities Act 2011, the Charity SORP and payroll taxes.

We evaluated management's opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries and management bias in certain accounting estimates and judgements such as the income recognition policy applied to donation and legacies income. Audit procedures performed by the engagement team included:

- Inspecting correspondence with appropriate regulators and tax authorities;
- Discussions with management including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Evaluating management's controls designed to prevent and detect irregularities;
- Review of minutes of meetings to identify instances of fraud
- Identifying and testing journals, in particular journal entries posted with unusual account combinations, postings by unusual users or with unusual descriptions; and
- Challenging assumptions and judgements made by management in their critical accounting estimates, including review of how donation or legacies income has been recognised at the year end.

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 auditor's report.

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.



Lee Stokes (Senior Statutory Auditor)
For and on behalf of Haysmacintyre LLP, Statutory Auditors
8 July 2021

10 Queen Street Place
London
EC4R 1AG

Statement of Financial Activities

For the year ended 31 March 2021

	Note	Unrestricted funds £	Restricted funds £	2021 Total £	2020 Total £
INCOME					
<i>Donations and legacies</i>					
Individual Giving		31,302	2,986	34,288	25,846
<i>Other Trading Activities</i>					
Fundraising Activities		80,018	-	80,018	87,568
<i>Income From Investments</i>					
Investment income		11,475	-	11,475	12,195
Rents received		126,441	-	126,441	119,799
<i>Income From Charitable Activities</i>					
Child & Family Support Services		248,981	197,674	446,655	434,768
Volunteer Programme		-	-	-	-
Community Social Work		-	-	-	48,871
Groups & Workshops		3,760	13,425	17,185	46,208
Redhill Children's Centre		-	-	-	116,400
Early Help		-	30,993	30,993	7,152
Family Centre		-	279,335	279,335	139,588
Family Centre transition		-	3,832	3,832	80,157
<i>Other income</i>		40,070	-	40,070	4,877
Total income	2	542,047	528,245	1,070,292	1,123,429
EXPENDITURE					
<i>Expenditure on Raising Funds</i>					
Fundraising & Marketing		43,859	-	43,859	66,516
<i>Expenditure on Charitable Activities</i>					
Child & Family Support Services		278,479	179,941	458,420	468,225
Volunteer Programme		-	-	-	9,103
Community Social Work		-	-	-	61,805
Groups & Workshops		6,579	13,425	20,004	75,997
Redhill Children's Centre		-	-	-	150,247
Early Help		7,081	30,578	37,659	8,258
Family Centre		52,266	236,380	288,646	86,395
Family Centre transition		-	2,400	2,400	118,073
Total Expenditure	3	388,264	462,724	850,988	1,044,613
Net income (expenditure) before investments gains/(losses)		153,783	65,521	219,304	78,816
Net (losses)/gains on investments		294,911	-	294,911	(16,060)
Net income (expenditure) after investments gains		448,694	65,521	514,215	62,756
Net movement in funds		448,694	65,521	514,215	62,756
Fund balances brought forward at 1 April 2020		2,145,173	56,993	2,202,166	2,139,410
Funds balances carried forward at 31 March 2021		2,593,867	122,514	2,716,381	2,202,166

There were no recognised gains or losses other than those shown in the Statement of Financial Activities.

All income and expenditure derive from continuing activities.

The accompanying notes form part of those financial statements.

Details of comparative figures by fund are given in note 12.

Balance Sheet

As at 31 March 2021

Registered company number 05275749

	Note	2021 £	2021 £	2020 £	2020 £
Operational Fixed Assets	6		450,549		467,251
Fixed Asset Investments	7		1,995,432		1,722,472
Current assets					
Debtors	8	55,062		62,134	
Short term investments		127,762		105,811	
Cash at bank & in hand		360,488		177,372	
Current assets		543,312		345,317	
Creditors: amounts falling due within one year	9	(154,075)		(183,453)	
Net current assets			389,237		161,864
Creditors: amounts falling due after one year	9		(118,837)		(149,421)
Net assets	10		2,716,381		2,202,166
Restricted funds	10		122,514		56,993
Designated funds	10				
Operational fixed assets			450,549		467,251
Fixed assets investments			1,995,432		1,722,472
Covid Recovery			153,783		-
Pension liability			(159,098)		(188,509)
General funds			153,201		143,959
Total funds			2,716,381		2,202,166

The financial statements were approved by the Board and authorised for issue on 08 July 2021 and signed on its behalf by:



Sarah Harty, Honorary Treasurer



Moira Astin, Vice Chair and Interim Chair

The accompanying notes form part of these financial statements.

Statement of Cash Flows

For the year ended 31 March 2021

	2021 £	2021 £	2020 £	2020 £
Cash flows from operating activities:				
Net income for the year	514,215		62,756	
Adjustments for:				
Depreciation charges	16,702		11,714	
Gains on revaluation of investments	(294,911)		16,060	
Dividends, interest & rents from investments	(137,916)		(131,994)	
Increase/(decrease) in debtors	7,072		(41,189)	
Decrease in creditors	(59,962)		(56,297)	
Net cash provided by operating activities		45,200		(138,950)
Cash flows from investing activities:				
Purchase of tangible fixed assets	-		(18,553)	
Dividends, interest & rents from investments	137,916		131,994	
Net cash used in investing activities		137,916		113,441
Change in cash and cash equivalents in the year		183,116		(25,509)
Cash and cash equivalents at the beginning of the year		177,372		202,881
Cash and cash equivalents at the end of the year		360,488		177,372

The accompanying notes form part of these financial statements.

1. ACCOUNTING POLICIES

(a) Basis of Accounting

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

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

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

(b) Operational Fixed Assets

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

Freehold buildings	2% of cost p.a. straight line
Office furniture and equipment	20% of cost p.a. straight line
Computer equipment	33⅓% of cost p.a. straight line

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

(c) Investments

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

(d) Cash Management

Cash not required for day to day operation, but for the medium term, is held in an instant access savings account. Where it is deemed that cash can be held for the longer term this is transferred into the investment portfolio.

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

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

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if

the revision affects only that period, or in the period of the revision and future periods if the revision affected current and future periods.

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

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

(f) Debtors

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

(g) Creditors and provisions

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

(h) Gifts in kind

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

(i) General funds – unrestricted

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

(j) Designated funds – unrestricted

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

(k) Restricted funds

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

(l) Income

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

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

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

(m) Expenditure

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to that category. Where costs cannot be

directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

(n) Charitable activities

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

(o) Fundraising, publicity, communication and events expenditure

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

(p) Support costs

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

(q) Governance

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

(r) Pension costs

Southwark Diocesan Welcare participates in the defined contribution scheme offered by The Pensions Trust. The Pensions Trust is an occupational pension scheme provider for organisations involved in social, educational, charitable, voluntary or similar work. The financial position and the income and expenditure of The Pensions Trust are disclosed in its annual financial statements. Although The Pensions Trust is a defined contribution scheme a shortfall has occurred and each contributor is required to make good their share of the shortfall. The liability is reduced when payments are made to The Pension Trust.

As a result of the transfer of 2 members of staff to the Family Centre, Welcare is in the process of obtaining admitted body status to the Local Government Pension Scheme (LGPS). Welcare will enter into a side agreement to restrict the charity's exposure to the LGPS liabilities.

Notes to the Accounts

For the year ended 31 March 2021

2. ANALYSIS OF INCOME

	Unrestricted funds £	Restricted funds £	Total 2021 £
Donations			
Donations and fundraising	105,838	8,468	114,306
Grants			
South London Church Fund	185,583	-	185,583
Surrey County Council:			
- Early Help	-	30,993	30,993
- Family Centre	-	279,177	279,177
- Transition to Family Centre	-	3,832	3,832
National Lottery Fund	-	71,125	71,125
BBC Children in Need	-	46,720	46,720
Netherby Trust	35,000	-	35,000
Mercers	-	25,837	25,837
Grants of under £20,000	46,649	52,926	99,575
Total Grants	267,232	510,610	777,842
Investment income & rent receivable	137,916	-	137,916
Other income	31,061	9,167	40,228
Total income	542,047	528,245	1,070,292

	Unrestricted funds £	Restricted funds £	Total 2020 £
Donations			
Donations and fundraising	113,159	255	113,414
Grants			
South London Church Fund	192,433	-	192,433
Surrey County Council:			
- Redhill Children's Centre	-	116,400	116,400
- Children's social care	-	48,871	48,871
- Early Help	-	7,152	7,152
- Family Centre	-	139,588	139,588
- Transition to Family Centre	-	80,157	80,157
Big Lottery	-	79,930	79,930
BBC Children in Need	-	36,528	36,528
Netherby Trust	35,000	-	35,000
Mercers	-	47,471	47,471
Grants of under £20,000	9,850	79,494	89,344
Total Grants	237,283	635,861	873,144
Investment income & rent receivable	131,994	-	131,994
Other income	2,642	2,236	4,877
Total income	485,078	638,351	1,123,429

Notes to the Accounts

For the year ended 31 March 2021

3. ANALYSIS OF TOTAL EXPENDITURE

	Direct Staff Costs £	Direct Other Costs £	Support Costs Allocated £	2021 Total £
<i>Expenditure on Raising Funds</i>				
Fundraising & Marketing	24,535	10,278	9,046	43,859
<i>Expenditure on Charitable Activities</i>				
Child & Family Support Services	274,948	110,222	73,250	458,420
Volunteer Programme	-	-	-	-
Community Social Work	-	-	-	-
Groups & Workshops	15,795	-	4,209	20,004
Redhill Children's Centre	-	-	-	-
Early Help	26,577	4,001	7,081	37,659
Family Centre	197,323	38,753	52,570	288,646
Family Centre transition	-	2,400	-	2,400
Total Expenditure	539,178	165,654	146,156	850,988
	Direct Staff Costs £	Direct Other Costs £	Support Costs Allocated £	2020 Total £
<i>Expenditure on Raising Funds</i>				
Fundraising & Marketing	22,287	32,273	11,956	66,516
<i>Expenditure on Charitable Activities</i>				
Child & Family Support Services	288,372	100,786	79,066	468,225
Volunteer Programme	5,642	1,914	1,547	9,103
Community Social Work	44,130	5,575	12,100	61,805
Groups & Workshops	56,989	3,382	15,626	75,997
Redhill Children's Centre	90,448	34,994	24,799	150,241
Early Help	6,115	466	1,677	8,258
Family Centre	58,401	11,981	16,013	86,395
Family Centre transition	59,593	42,140	16,340	118,073
Total Expenditure	631,977	233,511	179,125	1,044,613

Notes to the Accounts

For the year ended 31 March 2021

ANALYSIS OF SUPPORT COSTS

Support costs can be analysed as follows:

	2021 £	2020 £
<i>Governance</i>		
Audit fee	7,620	7,710
Trustee and other meeting costs	663	13
AGM and other	-	5,685
Staff costs allocated to Governance	6,795	6,846
	15,078	20,254
Other Support costs	61,929	61,797
Staff costs allocated to Support	69,149	97,073
	146,156	179,124

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

4. RESULTS FOR THE YEAR

Expenditure includes:

	Year ended 31 March 2021 £	Year ended 31 March 2020 £
Auditors' remuneration:	7,620	7,470
Depreciation	16,702	11,714

Notes to the Accounts

For the year ended 31 March 2021

5. STAFF COSTS AND NUMBERS

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

The total amounts paid in respect of the key management personnel of the charity were £78,977 (2020: £79,597).

Staff costs were as follows:

	Year ended 31 March 2021 £	Year ended 31 March 2020 £
Salaries and wages	549,600	659,816
Social Security costs	43,628	52,981
Pension contributions	21,894	23,071
Redundancy	-	35,930
	615,122	771,798

One employee earned between £60,000 and £70,000 during the year (2020: one). No redundancy payments were made during the year (2020: £35,787).

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

	2021 No.	2020 No.
Fundraising and publicity	0.75	1.6
Charitable activities	16.35	17.8
	17.1	19.4

The average number of staff employed during the year was 22 (2020: 22).

No member of the Board of Trustees received remuneration for their services during the year (2020: £nil). No trustees were reimbursed for out-of-pocket expenses (2020: £nil).

Notes to the Accounts

For the year ended 31 March 2021

6. OPERATIONAL FIXED ASSETS

	Operational freehold land and buildings in use £	Office furniture & equipment £	Computer equipment £	Total 2021 £
<i>Cost or Valuation</i>				
As at 1 April 2020	582,221	6,021	27,206	615,448
Disposals	-	-	(7,341)	(7,341)
At 31 March 2021	582,221	6,021	19,865	608,107
<i>Accumulated depreciation</i>				
As at 1 April 2020	132,499	6,021	9,677	148,197
Charge for the year	10,513	-	6,189	16,702
Disposals	-	-	(7,341)	(7,341)
At 31 March 2021	143,012	6,021	8,525	157,558
<i>Net book value</i>				
At 31 March 2021	439,209	-	11,340	450,549
At 31 March 2020	449,722	-	17,529	467,251

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

7. FIXED ASSET INVESTMENTS

	Investment properties £	Other investments £	Total 2021 £	Total 2020 £
Balance at 1 April 2020	1,520,000	202,472	1,722,472	1,722,764
Gains on revaluation	230,000	42,960	272,960	13,917
Balance as at 31 March 2021	1,750,000	245,432	1,995,432	1,736,681

The investment properties were revalued at 31 March 2021 in accordance with the RICS Valuation – Professional Standards 2014 (The Red Book) by William Bradley BSc (Hons) MRICS of Bradley Harris Ltd, Chartered Surveyors, 368 Croydon Road, Beckenham, Kent BR3 4EX. In line with their policy to undertake a formal revaluation of investment properties every five years, the next formal revaluation will take place in March 2026.

Notes to the Accounts

For the year ended 31 March 2021

8. DEBTORS

	Total 2021 £	Total 2020 £
Prepayments	4,675	2,936
Accrued income	50,387	59,198
	55,062	62,134

9. CREDITORS

	Total 2021 £	Total 2020 £
Accounts falling due within one year:		
Trade creditors	12,638	5,919
Deferred income and accruals	69,451	114,679
Other taxes & social security	30,740	23,290
Other creditors	985	477
Pension provision	40,261	39,088
Total Creditors	154,075	183,453

Deferred grant income

Balance brought forward	83,663	120,015
Amount released to grant income	(83,663)	(120,015)
Amount deferred in the year	45,981	83,663
	45,981	83,663

	Total 2021 £	Total 2020 £
Accounts falling due after more than one year:		
Pension provision	118,837	149,421

Notes to the Accounts

For the year ended 31 March 2021

10. MOVEMENT IN FUNDS

	Balance at 1 April 2020 £	Income £	Expenditure £	Transfers and gains/(losses) on investments £	As at 31 March 2021 £
Restricted funds:					
East Surrey	54,871	330,947	(281,043)	-	104,775
South West London	1426	128,087	(127,985)	-	1,528
South East London	696	69,211	(53,696)	-	16,211
Total restricted funds	56,993	528,245	(462,724)	-	122,514
Designated funds:					
Operational fixed assets fund	467,251	-	-	(16,702)	450,549
Fixed asset investment fund	1,722,472	-	-	272,960	1,995,432
Covid Recovery	-	-	-	153,783	153,783
Pension liability fund	(188,509)	-	-	29,411	(159,098)
Total unrestricted designated funds:	2,001,214	-	-	439,452	2,440,666
Total unrestricted general funds:	143,959	542,047	(388,264)	(144,541)	153,201
Total funds	2,202,166	1,070,292	(850,988)	294,911	2,716,381

Restricted Funds

East Surrey – these funds represent income from Surrey County Council to provide Early Help, family support and a Family Centre. They also receive some small grants and donations restricted to specific uses.

South West London – these funds represent specific grants from National Lottery, Youth Endowment Fund, Mercers and other specific grant funding to deliver child and family support services and income received to provide grants to clients.

South East London – these funds represent BBC Children in Need, Leathersellers, Girdlers and other specific grant funding to deliver child and family support services and income received to provide grants to clients.

Designated Funds

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

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

Welcare met the needs of its beneficiaries by continuing to offer practical and emotional family support throughout the pandemic. Trustees focused on securing the future well-being of the charity and the surplus from this year has been designated to our recovery fund to forge a stronger charity able to withstand a more challenging funding environment in the future. Trustees are considering accommodation needs and a more flexible model of service delivery.

Notes to the Accounts

For the year ended 31 March 2021

10. MOVEMENT IN FUNDS (continued)

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

	Balance at 1 April 2019 £	Income £	Expenditure £	Transfers and gains/(losses) on investments £	As at 31 March 2020 £
Restricted funds:					
East Surrey	11,322	401,588	(358,039)	-	54,871
South West London	-	136,096	(134,670)	-	1,426
South East London	493	100,667	(100,464)	-	696
Total restricted funds	11,815	638,351	(593,173)	-	56,993
Designated funds:					
Operational fixed assets fund	460,412	-	-	6,839	467,251
Fixed asset investment fund	1,736,681	-	-	(14,209)	1,722,472
Pension liability fund	(229,000)	-	-	40,491	(188,509)
Total unrestricted designated funds:	1,968,093	-	-	33,121	2,001,214
Total unrestricted general funds:	159,502	485,077	(451,439)	(49,181)	143,959
Total funds	2,139,410	1,123,428	(1,044,612)	(16,060)	2,202,166

Transfers in funds represent programmes funded from unrestricted income.

Notes to the Accounts

For the year ended 31 March 2021

11. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Operational Fixed Assets £	Investments £	Short term investment and cash at bank £	Other Net Assets / (Liabilities) £	Total 2021 £
Restricted funds	-	-	122,514	-	122,514
Unrestricted general funds	-	-	365,736	(212,535)	153,201
Unrestricted designated funds	450,549	1,995,432	-	(5,315)	2,440,666
Net assets at 31 March 2021	450,549	1,995,432	488,250	(217,850)	2,716,381

PRIOR YEAR ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Operational Fixed Assets £	Investments £	Short term investment and cash at bank £	Other Net Assets / (Liabilities) £	Total 2020 £
Restricted funds	-	-	56,993	-	56,993
Unrestricted general funds	-	-	226,190	(82,231)	143,959
Unrestricted designated funds	467,251	1,722,472	-	(188,509)	2,001,214
Net assets at 31 March 2020	467,251	1,722,472	283,183	(270,740)	2,202,166

Notes to the Accounts

For the year ended 31 March 2021

12. PRIOR YEAR STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted funds £	2020 Total £
INCOME			
<i>Donations and legacies</i>			
Individual Giving	25,591	255	25,846
<i>Other Trading Activities</i>			
Fundraising Activities	87,568	-	87,568
<i>Income From Investments</i>			
Investment income	12,195	-	12,195
Rents received	119,799	-	119,799
<i>Income From Charitable Activities</i>			
Child & Family Support Services	237,033	197,735	434,768
Volunteer Programme	-	-	-
Community Social Work	-	48,871	48,871
Groups & Workshops	250	45,958	46,208
Redhill Children's Centre	-	116,400	116,400
Early Help	-	7,152	7,152
Family Centre	-	139,588	139,588
Family Centre transition	-	80,157	80,157
<i>Other income</i>	2,641	2,236	4,877
Total income	485,077	638,352	1,123,429
EXPENDITURE			
<i>Expenditure on Raising Funds</i>			
Fundraising & Marketing	66,516	-	66,516
<i>Expenditure on Charitable Activities</i>			
Child & Family Support Services	287,002	181,223	468,225
Volunteer Programme	9,056	47	9,103
Community Social Work	12,100	49,705	61,805
Groups & Workshops	15,967	60,030	75,997
Redhill Children's Centre	26,484	123,757	150,241
Early Help	1,677	6,581	8,258
Family Centre	16,297	70,098	86,395
Family Centre transition	16,340	101,733	118,073
Total Expenditure	451,439	593,174	1,044,613
Net income (expenditure) before investments gains	33,638	45,178	78,816
Net gains on investments	(16,060)	-	(16,060)
Net income (expenditure) after investments gains	17,578	45,178	62,756
Net movement in funds	17,578	45,178	62,756
Fund balances brought forward at 1 April 2019	2,127,595	11,815	2,139,410
Funds balances carried forward at 31 March 2020	2,145,173	56,993	2,202,166

13. RELATED PARTIES

During the year Southwark Diocesan Welcare received a grant of £185,583 (2020: £192,433) from Southwark Diocesan Board of Finance. Under the Articles of Association of the charity, the Anglican Bishop of Southwark has the right to nominate up to two Trustees and to approve the appointment of the Chair from among the Trustees. The Bishop's nominees are Ruth Martin, the Diocesan Secretary, and Christopher Elliott.

Aggregated donations to the charity from trustees during the year amounted to £550 (2020: £440). There have been no other related party transactions and all trustees and key management personnel have signed related party declarations.

14. PENSION ARRANGEMENTS

Pensions Trust Growth Plan

The company participates in the scheme, a multi-employer scheme which provides benefits to some 950 non-associated participating employers. The scheme is a defined benefit scheme in the UK. It is not possible for the company to obtain sufficient information to enable it to account for the scheme as a defined benefit scheme. Therefore, it accounts for the scheme as a defined contribution scheme.

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

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

A full actuarial valuation for the scheme was carried out at 30 September 2017. This valuation showed assets of £794.9m, liabilities of £926.4m and a deficit of £131.5m. To eliminate this funding shortfall, the Trustee has asked the participating employers to pay additional contributions to the scheme as follows

DEFICIT CONTRIBUTIONS

From 1 April 2016 to 30 September 2025:	£12,945,440 per annum	(payable monthly and increasing by 3% each on 1st April)
From 1 April 2016 to 30 September 2028:	£54,560 per annum	(payable monthly and increasing by 3% each on 1st April)

Unless a concession has been agreed with the Trustees the term to 31 January 2025 applies.

14. PENSION ARRANGEMENTS (continued)

Pensions Trust Growth Plan (continued)

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

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

A pension provision has been included in the accounts of £159,098 in respect of the above liability to the scheme as at 31 March 2021 (2020: £188,509).

15. CAPITAL COMMITMENTS

There were no capital commitments at year end (2020: £nil).

16. OPERATING LEASE COMMITMENT

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

	2021 £	2020 £
Less than 1 year	5,950	2,316
1 – 2 years	18,521	1,544
Total	24,471	3,860

17. POST BALANCE SHEET EVENTS

Since March 2020, the worldwide outbreak of the coronavirus pandemic (Covid-19) has caused extensive disruptions to organisations globally with major implications for operations as well as finances. The trustees acknowledge and recognise, as set out in the trustees' report, the impact of the Covid-19 pandemic on the operations of the charity, its beneficiaries, partners, stakeholders and on the wider society, and have ensured that both resources and processes are in place to mitigate any disruption to the operations.

Our communications with current supporters and trusts have been very positive and our supporters remain motivated to continue to support our work with children and families although we are aware that many individual parish churches will have significantly fewer funds to distribute to other charitable organisations including our own. Welcare has successfully applied for short-term Covid-19 related funding during 2020-2021 although the medium to long-term impact on grant-making trusts including their available funds and future priorities are uncertain.