

**The Welcoming Association
(A Company Limited by Guarantee)**

Report and Financial Statements

For the Year Ended

31 March 2017

Company Number: SC398913

Charity Number: SC041952

The Welcoming Association

Report and Financial Statements For the Year Ended 31st March 2017

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The Welcoming Association

Reference and Administrative Information

Company registration: SC398913
Registered in Scotland

Charity registration: SC041952
Scottish charity

**Registered office and
principal office address:** Unit 1
20 Westfield Avenue
Edinburgh
EH11 2TT

Board of Directors:

The current members of the Board are:

Mark Keane	
Valeria Luciani	
Carolyn Mance	(appointed 18.05.2017)
Alison McDonald	(appointed 21.08.2017)
David Nash	(appointed 24.08.2017)
Daniel Prince	
Keith Watson	(appointed 21.08.2017)

Also serving during the year were:

Mariana White	(resigned 27.04.2016)
Amadu Khan	(resigned 16.05.2017)
David Thompson	(resigned 18.08.2017)
Marita Fernandez	(resigned 18.08.2017)

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Directors' Report For the Year Ended 31 March 2017

The members of the Board of Directors (the 'Welcoming Board') are pleased to present their report and the financial statements for the year to 31st March 2017.

Structure, Governance and Management

The Welcoming Association, also known as "The Welcoming" is a company limited by guarantee, with the liability of members limited to £1 each. The company is governed by the terms of its Articles of Association and is a registered Scottish charity.

Members of the Welcoming Board are elected from the membership at the Annual General Meeting, or at any time by the Committee. At each Annual General Meeting, all of the Board members retire from office but are eligible for re-election.

The names of those who served as members of the Welcoming Board during the year are shown on page 2.

Objectives and Review of Activities

The Charity's objects as stated in the Articles of Association are:

- (1) The advancement of education
- (2) The advancement of citizenship or community development
- (3) The promotion of religious or racial harmony

Vision

Around 10,000 foreign nationals come to live in Edinburgh every year. We want them all to be welcomed and provided with the support they need in order to realise their economic and social potential, and become active members of our community. Through this, Edinburgh and Scotland, can unlock the talents they bring, expand our economy, enrich our cultural capital and become a welcoming new home.

Values

Equality, Diversity, Respect, Integrity, Accessibility, Innovation, Sustainability, Unity and Welcoming.

Objectives for 2016/17

To support foreign nationals new to Edinburgh with:

1. High quality and affordable English lessons that allow them to develop their English language skills to a point where lack of English language ability no longer acts as a barrier to employment, education or integration.
2. Opportunities to gain a better understanding of their new home through learning about and experiencing Scotland's music, food, history and culture.
3. Employability training that allows them to effectively present their skills to potential employers, increasing the likelihood of securing employment which makes the most of their talents.
4. Activities to develop knowledge and skills to save energy at home, reduce carbon emissions and tackle climate change
5. Opportunities to make connections and develop friendships with local people and other foreign nationals in a similar position in order to build their social and support networks.
6. Easily accessible and up to date information on local support services available to them.
7. Volunteering and work experience opportunities.

Review of Activities

Our free, drop-in programme of classes and activities for migrants and refugees in Edinburgh extended over 50 weeks of the year, and supported over 1200 people from 79 countries.

English for Speakers of Other Languages

Our ESOL programme grew to 20 classes per week, covering all levels from completed beginners to advanced.

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Directors' Report

For the Year Ended 31 March 2017

Skills for Living and Working

Through our Skills for Living and Working programme, we provided over 288 hours of one-to-one employability support, plus advice and information on everyday living in Edinburgh.

Syrian Resettlement Programme

We continued to work in partnership with the City of Edinburgh Council, Community Learning and Development and Saheliya to deliver the Syrian Resettlement Programme. The Welcoming provided English language classes, driving theory classes, computing and weekly family social activities as well as all kinds of advice, guidance and interpretation and translation to help the newly arrived Syrian families to settle and integrate into their local Edinburgh communities.

The Welcoming A Greener Future project

This project worked with our participants to tackle climate change by reducing carbon emissions associated with home energy use and waste. The Home Energy programme provided tailored advice through home energy visits to help people manage their home energy more efficiently and save money on bills. The Renewal Programme promoted re-use, re-new and re-cycling habits and explored creative ways to up-cycle waste materials. The project also offered classroom workshops, recycling fairs, outings, community events and volunteering opportunities.

Welcoming Friendship

Our new befriending programme launched in August 2016, offering a range of one-to-one befriending and group activities, including Conversation Café, Arabic Café and Friendship Club. A particular focus was on supporting the newly arrived Syrian families in Edinburgh by matching them with local befrienders. The programme also developed a lively and supportive training and peer learning programme for the local volunteers.

Social and cultural activities

Scotland for Newcomers, our weekly programme of outings, made over 45 visits to museums, galleries, parks, hills and other places of interest around the city. We were able to offer our participants a number of exciting creative and cultural activities, thanks to partnerships with other organisations. This included the Welcoming Photo Project with Edinburgh Napier University, 'Spaces of Belonging' Walking Poetry workshops with the University of Edinburgh, and the Open Book Reading Group.

Funding

We would like to thank all our funders who have supported and encouraged our work throughout the year.

- Big Lottery
- Castansa Trust
- City of Edinburgh Council
- Garfield Weston Foundation
- Robertson Trust
- Scottish Power Energy People's Trust
- Tudor Trust
- Woodward Charitable Trust

General Donations

The Welcoming Association wish to extend their thanks and appreciation to the people of Edinburgh who very kindly donated funds, furniture and equipment to support our work and enhance our classroom space.

Support in Kind

We also wish to thank the City of Edinburgh Council's Saughton Park, the Friends of Saughton Park, the King's Hall Community Church, Stockbridge Parish Church, St. Giles' Cathedral, the Saughtonhall Community Association Hall and the Art Complex for very kindly giving the organisation free or very low cost space, resources, and volunteer contributions over the past 12 months.

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Directors' Report

For the Year Ended 31 March 2017

Volunteering

The Welcoming wishes to thank the many skilled, experienced and committed volunteers who have given their time, enthusiasm and energies over the past year. These include members of the Welcoming Board, the ESOL teachers for delivering inspiring and rewarding English language classes to over 1100 participants, the befriending volunteers, the people who have assisted with the Welcoming a Greener Future programme and everyone who has helped with the Welcoming's social and cultural learning activities and events over the past year.

Student Placements

The organisation wishes to thank the students on final year placements from the University of Edinburgh and the University of Dundee, for their invaluable contributions towards our work.

The Welcoming Staff Team and Sessional Workers

Jon Busby - Director

Elaine Mowat - Deputy Director

Adil Ibrahim - Senior Community Development Practitioner

David Carpenter - ESOL Coordinator

Caitlin Rodgers - Befriending Coordinator

Chiara Puppi - Re-use, Renew, Recycle Coordinator

Victoria Lanata Briones - Re-use, Renew, Recycle Co-ordinator (maternity cover)

Lucy Theaker - Administrator (August 2016 to present)

Christina Rizou - Administrator (September 2012 to August 2016)

Leon Dalton - Employment Guidance Advisor

David Walton - ESOL Tutor sessional and Scotland for Newcomers Co-ordinator

Rachel Alvarado - Cultural Integration Facilitator

Abeer Darwish - Cultural Integration Facilitator (Feb 2017 to present)

Nadin Aktaa - Cultural Integration Facilitator (April 2016 to Feb 2017)

Financial Review

Income for the year was £359,201 and expenditure was £272,688 giving a surplus for the year of £86,513 including £60,571 of restricted funds carried forward to next financial year to be applied to the projects they fund. A full breakdown of the income and expenditure is given on the Statement of Financial Activities on page 8.

The Welcoming Board considers that the charity should have reserves of approximately three months core operating costs (approximately £78,000) to provide for periods when there is a shortfall in funding and whilst further funding is being sought. At the end of the year, general funds stood at £44,938 and the directors are looking into ways of achieving the target over a three period.

Small Companies Provisions

This report has been prepared in accordance with the provisions in Part 15 of the Companies Act 2006 applicable to companies subject to the small companies' regime.

Approved by the Directors on 11/10/2017 and signed on their behalf:



M Keane

Independent Examiner's report to the Members of the Board of Directors of The Welcoming Association

I report on the accounts of the charity for the year ended 31 March 2017 which are set out on pages 7 to 14.

Respective responsibilities of Directors and examiner

The charity's Directors are responsible for the preparation of the accounts in accordance with the terms of the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006.

The Directors consider that the audit requirement of Regulation 10(1) (a) to (c) of the Accounts Regulations does not apply. It is my responsibility to examine the accounts as required under section 44(1) (c) of the Act and to state whether particular matters have come to my attention.

Basis of independent examiner's statement

My examination is carried out in accordance with Regulation 11 of the Charities Accounts (Scotland) Regulations 2006. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeks explanations from the Directors concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently I do not express an audit opinion on the view given by the accounts.

Independent examiner's statement

In the course of my examination, no matter has come to my attention

1. which gives me reasonable cause to believe that in any material respect the requirements:

- to keep accounting records in accordance with Section 44(1) (a) of the 2005 Act and Regulation 4 of the 2006 Accounts Regulations, and
- to prepare accounts which accord with the accounting records and comply with Regulation 8 of the 2006 Accounts Regulations have not been met, or

2. to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Signed *Stanley Wynd* Date *23/10/17*

Stanley Wynd ACIS FCIE
122 Giles Street
Edinburgh
EH6 6BZ

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Statement of Financial Activities (including Income & Expenditure Account)

For the Year Ended 31 March 2017

Income from:	Note	Unrestricted Funds £	Restricted Funds £	Total 2017 £	Total 2016 £
<i>Donations and legacies</i>					
Grants	1	35,500	309,779	345,279	203,133
Donations		13,031	-	13,031	10,052
<i>Charitable activities</i>					
Fees		891	-	891	13,366
Total		49,422	309,779	359,201	226,551
Expenditure on:					
<i>Raising funds</i>					
		-	-	-	125
<i>Charitable activities</i>	2	23,480	249,208	272,688	172,493
Total		23,480	249,208	272,688	172,618
Net income / (expenditure)		25,942	60,571	86,513	53,933
Transfers between funds		(3,366)	3,366	-	-
Net movement in funds		22,576	63,937	86,513	53,933
Funds brought forward		27,807	26,906	54,713	780
Funds carried forward	9	50,383	90,843	141,226	54,713

The notes on pages 9 to 14 form part of these financial statements.

The Welcoming Association

Balance Sheet at 31 March 2017

	Note	2017 £	2016 £
Fixed Assets			
Tangible assets	5	5,445	3,238
Current Assets			
Debtors	6	46,537	18,544
Cash at bank and in hand		<u>97,908</u>	<u>35,370</u>
		<u>144,445</u>	<u>53,914</u>
Liabilities			
Creditors:			
Amounts due within one year	7	<u>8,664</u>	<u>2,439</u>
Net Current Assets		<u>135,781</u>	<u>51,475</u>
Net Assets		141,226	54,713
Funds			
Restricted funds	9	90,843	26,906
Unrestricted funds	9	<u>50,383</u>	<u>27,807</u>
Total Funds	10	141,226	54,713

For the year ending 31st March 2017 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- the members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476,
- the directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts,
- these accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

The financial statements on pages 7 to 14 were approved by the Directors on 11/10/2017 and are signed on their behalf by:

M Keane



The notes on pages 9 to 14 form part of these financial statements.

The Welcoming Association

Notes to the Accounts

For the Year Ended 31 March 2017

Accounting policies

Basis of accounting

The financial statements have been prepared under the historic cost convention and 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)' - (referred to as 'the Charities SORP'), the 'Financial Reporting Standard applicable in the UK and Republic of Ireland' (FRS 102), the Companies Act 2006 and UK Generally Accepted Practice as it applies from 1 January 2015. The charity constitutes a public benefit entity as defined by FRS 102.

The charity has applied the alternative structure for smaller charities allowed by paragraph 4.22 of the Charities SORP and has not reported on an activity basis. Similarly, as a smaller charity, a cash flow statement has not been prepared.

This is the first year in which the financial statements have been prepared under FRS 102 and the Charities SORP (FRS 102) and the directors have considered whether any restatement of comparative figures is required under those standards. In the event no restatement has been required.

Going concern

The financial statements have been prepared on a going concern basis. The directors have assessed the charitable company's ability to continue as a going concern and have reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing these financial statements.

Accounting estimates

The directors do not consider there are any areas of the financial statements where significant judgements are being carried out.

Income

Grants and donations are recognised in full in the Statement of Financial Activities in the period in which they are receivable, provided any conditions for use of the grant or donation have been fulfilled and the requirement of the charity SORP of probability, entitlement and measurement have been met. Where a grant or donation is received for a specific purpose, it is included within restricted income and any unexpended portion carried forward as a restricted fund.

Expenditure

All expenditure is accounted for on an accruals basis.

Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is calculated by the straight line method to write off the cost of fixed assets over their estimated useful lives, as follows:

Equipment & furniture 20% per annum

Debtors

Debtors are recognised at the settlement amount due.

Basic financial instruments

The charity accounts for basic financial instruments on initial recognition as per paragraph 11.7 FRS102 SORP. Subsequent measurement is as per paragraphs 11.17 to 11.19, FRS102 SORP.

Creditors and provisions

Creditors and provisions are recognised, at settlement amount, where the charity has a present obligation resulting from a past event, which is likely to result in the transfer of funds to a third party, and the amount due can be measured or estimated reliably.

Fund Accounting

Unrestricted funds arise from donations without a specified purpose and other income generated and are available to be used for any of the objects of the charity at the discretion of the directors. Restricted funds are to be used for specific purposes as laid down by the donor or funder. Expenditure which meets these criteria is charged to the fund, together with a fair allocation of management and support costs.

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Notes to the Accounts (continued)

1. Income	Unrestricted Funds	Restricted Funds	Total 2017	Total 2016
Grants:				
Robertson Trust	15,000	-	15,000	15,000
Climate Challenge Fund	-	106,240	106,240	145,612
City of Edinburgh Council	-	55,100	55,100	4,960
Tudor Trust	-	37,500	37,500	36,000
ESOL	-	1,560	1,560	1,561
Health Inequalities	-	9,590	9,590	-
Big Lottery	-	46,722	46,722	-
Awards for All	-	6,640	6,640	-
Scottish Power	-	44,997	44,997	-
Castansa Trust	5,000	-	5,000	-
Woodward Trust	500	-	500	-
Garfield Weston	15,000	-	15,000	-
Social Enterprise	-	1,000	1,000	-
Refugee Festival Fund	-	430	430	-
Total grants receivable	35,500	309,779	345,279	203,133

2. Expenditure	Unrestricted Funds	Restricted Funds	Total 2017	Total 2016
Charitable activities:	£	£	£	£
Staff costs	3 3,657	178,381	182,038	112,481
Training costs	205	1,698	1,903	1,266
Tutor fees	-	32,020	32,020	16,327
Materials and consumables	21	3,472	3,493	4,372
Catering and hospitality costs	1,111	9,553	10,664	5,533
Printing and publicity costs	358	2,020	2,378	4,568
Events	-	1,925	1,925	2,922
Office costs	2,951	3,796	6,747	6,285
Equipment costs	505	1,107	1,612	719
Premises costs	10,537	11,383	21,920	11,984
Professional fees	-	540	540	-
Travel costs	47	1,430	1,477	1,766
Volunteers' expenses	492	1,244	1,736	1,593
Insurance	371	-	371	384
Subscriptions	64	100	164	265
Accountancy and independent examination	1,074	-	1,074	900
Donations made	8 150	-	150	200
Depreciation	1,642	-	1,642	873
Miscellaneous	295	539	834	55
	23,480	249,208	272,688	172,493

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Notes to the Accounts (continued)

3. Staff costs	2017	2016
	£	£
Wages & salaries	168,415	104,957
Social security costs	12,750	6,950
Payroll costs	873	574
Total staff costs	182,038	112,481

The average number of employees in the year was 8 (2016: 5).

There were no employees with emoluments above £60,000.

The amount of employee benefits received by key personnel was £33,432.

Volunteers assisted staff with teaching, organising events and workshops, befriending migrants and refugees and administration duties.

4. Independent Examiner	2017	2016
	£	£
Remuneration of independent examiner (inc vat)	300	300
Accountancy and other services (inc vat)	1,020	924

5. Tangible Fixed Assets	Office equipment
Cost:	£
At 1 April 2016	4,363
Additions	3,849
At 31 March 2017	8,212
Depreciation:	
At 1 April 2016	1,125
Charge for period	1,642
At 31 March 2017	2,767
Net Book Value:	
At 31 March 2017	5,445
At 31 March 2016	3,238

6. Debtors	2017	2016
	£	£
Accrued income	46,537	18,544

7. Creditors	2017	2016
<i>Amounts falling due within one year:</i>	£	£
Trade creditors	1,749	1,456
Taxation and social security	5,707	-
Accruals & other creditors	1,208	983
	8,664	2,439

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Notes to the Accounts (continued)

8. Donations made

A donation of £150 was made to an individual to help with travel costs to refugee camps in Europe (2016: £200).

9. Movement on Funds

		At 01/04/16	Incoming Resources £	Outgoing Resources £	Transfers £	At 31/03/17
Restricted funds:						
Climate Challenge Fund	(a)	-	106,240	(111,495)	5,255	-
Tudor Trust	(b)	26,122	37,500	(24,092)	(880)	38,650
CEC Syrian Resettlement Programme	(c)	-	55,100	(69,638)	-	(14,538)
CEC Health Inequalities	(d)	784	9,590	(9,116)	-	1,258
ESOL programme	(e)	-	1,560	(840)	-	720
Big Lottery	(f)	-	46,722	(31,787)	(680)	14,255
Awards for All	(g)	-	6,640	(303)	(400)	5,937
Scottish Power	(h)	-	44,997	(1,305)	-	43,692
Social Enterprise	(i)	-	1,000	(131)	-	869
Refugee Festival Fund	(j)	-	430	(501)	71	-
Total restricted funds		<u>26,906</u>	<u>309,779</u>	<u>(249,208)</u>	<u>3,366</u>	<u>90,843</u>
Unrestricted funds:						
Fixed assets fund	(k)	3,238	-	(1,642)	3,849	5,445
General fund		<u>24,569</u>	<u>49,422</u>	<u>(21,838)</u>	<u>(7,215)</u>	<u>44,938</u>
Total unrestricted funds		<u>27,807</u>	<u>49,422</u>	<u>(23,480)</u>	<u>(3,366)</u>	<u>50,383</u>
Total funds		<u>54,713</u>	<u>359,201</u>	<u>(272,688)</u>	<u>-</u>	<u>141,226</u>

Notes to the funds:

- (a) Climate Challenge Fund grant award as part of their 'Welcoming a Greener Future' project for Community Engagement and Integration, Home Energy Saving and Renewal programmes. The transfer represents equipment purchased in the year put to the fixed assets fund.
- (b) Funding from Tudor Trust towards the costs of the Director and Deputy Director. The transfer represents equipment purchased in the year put to the fixed assets fund.
- (c) Funding from the City of Edinburgh Council to run and develop the Life Skills for Living and Working in Scotland programme and to develop and deliver a programme of cultural integration activities for the newly arrived Syrian refugee communities. The deficit represents expenditure in advance of further funding in 2017-18
- (d) City of Edinburgh Council Health Inequalities Programme - Employability and cultural integration activities designed to increase the social capital of newcomers to Edinburgh
- (e) Edinburgh City Council funding to meet the costs of ESOL tutoring.
- (f) Big Lottery Improving Lives - Welcoming Friendship' befriending programme to support the social integration of migrants and refugees in Edinburgh
- (g) Big Lottery Awards for All - Creative Space' project providing creative and social opportunities for Welcoming participants
- (h) Scottish Power Energy People's Trust - 'Welcoming a Warmer Home' project to support migrants and refugees at risk of fuel poverty

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Notes to the Accounts (continued)

Notes to the funds (continued):

- (i) Social Enterprise Award - Contribution to start-up costs for upcycling social enterprise
- (j) From the Scottish Refugee Council towards the refugee festival
- (k) The Fixed Assets fund corresponds to the net book value of tangible fixed assets. Depreciation and the cost of disposals is charged to the fund and the cost of fixed assets purchased is transferred into the fund.

10. Analysis of Net Assets Between Funds

	Restricted Funds £	Unrestricted Fund £	Total Funds £
Tangible fixed assets	-	5,445	5,445
Current assets	97,153	47,292	144,445
Liabilities	(6,310)	(2,354)	(8,664)
Net assets at 31 March 2017	90,843	50,383	141,226

11. Related party transactions

No remuneration was paid to the directors during the year (2016: nil).

Travel expenses totalling £124 were reimbursed in the year to two directors (2016: nil).

12. Lease commitments

At the end of the year the charity had annual commitments under non-cancellable operating leases as set out below:

	2017 £	2016 £
Operating leases which expire:		
not later than one year	16,834	9,315
later than one year and not later than five years	46,292	-

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Notes to the Accounts (continued)

13. Prior year comparative figures for the Statement of Financial Activities for the year ended 31 March 2016

The following provides an analysis by class of the comparative figures in the SOFA as required by paragraph 4.2 of the Statement of Recommended Practice for Charities.

Income from:	Unrestricted Funds £	Restricted Funds £	Total 2016 £
<i>Donations and legacies</i>			
Grants	15,000	188,133	203,133
Donations	10,052	-	10,052
<i>Charitable activities</i>			
Fees	13,366	-	13,366
Total	38,418	188,133	226,551
Expenditure on:			
<i>Raising funds</i>	125	-	125
<i>Charitable activities</i>	13,704	158,789	172,493
Total	13,829	158,789	172,618
Net income / (expenditure)	24,589	29,344	53,933
Transfers between funds	2,604	(2,604)	-
Net movement in funds	27,193	26,740	53,933
Funds brought forward	614	166	780
Funds carried forward	27,807	26,906	54,713