

The Welcoming Association

Report and Financial Statements
For the Year Ended 31st March 2014

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

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Company Number: SC398913

Charity Number: SC041952

The Welcoming Association

Report and Financial Statements For the Year Ended 31st March 2014

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The Welcoming Association

Reference and Administrative Information

Company registration: SC398913

Charity registration: SC041952

Registered office and principal office address: Forest Centre Plus
38 Castle Terrace
Edinburgh
EH3 9SJ

Management Committee:

The current members of the Management Committee (directors of the company) are:

Kostas Stratis	
Mariana White	(appointed 21.11.13)
Conor Smyth	(appointed 1.2.14)
Lewis Ritchie	(appointed 8.4.14)
Tete Da Silva	(appointed 14.5.14)
Katarzyna Musiuk	(appointed 14.5.14)
Valeria Efremova	(appointed 9.7.14)

Also serving during the year were:

Ian Perry	(resigned 18.9.13)
Dagmar Schilling	(resigned 16.10.13)
Kathryn Blaikie	(resigned 6.11.13)
Martha Mballah	(resigned 23.1.14)
Dave Hewitt	(resigned 28.2.14)
Hazel Lyons	(resigned 14.5.14)

The Welcoming Association

Report of the Management Committee (Directors' Report) For the Year Ended 31 March 2014

The members of the Management Committee (who are the directors of the company) are pleased to present their report and the financial statements for the year to 31st March 2014.

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 Management Committee 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 Management Committee members retire from office but are eligible for re-election.

The names of those who served as members of the Management Committee 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

The Welcoming works to manage and integrate the increasing flow of migrants that are arriving in Edinburgh through its 'Scotland for Newcomers' programme; originally the 'Edinburgh Migrants Employability Programme'.

It provides an all-year round open-access, drop-in and free service to migrants and refugees wishing to improve their employability, to gain English language skills, to develop their knowledge of Scottish culture and heritage and to gain independence and self-sufficiency in order to enhance their social integration with the Scottish communities living in Edinburgh.

During the period 1 April 2013 to 31 March 2014 the Welcoming Association registered nearly 1,000 migrants onto its programme from over 60 different nationalities. The 'Scotland for Newcomers' programme averaged 289 people per week over a 48 week, Monday to Friday programme. A further 650 people attended a range of cultural and social celebrations, as part of the social integration and befriending process, and socialised and networked with local Scottish and minority ethnic communities and organisations. A total of 450 users attended Welcoming events for that year. There were 22 new enquiries per week for places in the Welcoming's 12 English classes and 4 capacity-building social integration programmes. All of the English intermediate classes were regularly over-subscribed with up to 15+ students turned away daily.

The programme enabled 49 users to satisfactorily pass the Welcoming's equivalent to the Cambridge First Certificate examination, at English intermediate level. The volunteering programme had 22 users gaining UK work experience in a range of opportunities including becoming members of the Welcoming's management committee, administration support, catering, art tutoring, event promotions, English language teaching, sound engineering, health and wellbeing, cultural learning and cinema club workshop facilitating. In total, a combined number of 1,017 users enrolled and regularly attended the Welcoming's beginners, elementary and intermediate English language programmes for that period.

Plans for 2014/2015:

Although we recently moved in new premises, that is only a temporary solution until we find a more appropriate venue for the projects' needs. There is, therefore, an urgent need to identify vacant city-centre venues for possible new premises. This could be as part of a consortium of like-minded voluntary sector organisations sharing the costs and responsibilities of a joint location. This could enable the

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Report of the Management Committee For the Year Ended 31 March 2014

Welcoming Association to deliver a seven-day-per-week service to accommodate the large increase in numbers of migrants needing Beginners, Elementary and Intermediate English classes and social integration and capacity building activities.

To explore collaborations and possible partnerships with the Volunteer Centre Edinburgh and Linknet Mentoring to provide volunteering and mentoring opportunities, respectively, to Welcoming users.

To work with the City of Edinburgh Council ESOL providers network to develop systems of quality assurance and good practices in ESOL teaching.

To further develop the work of the Edinburgh Migrant Forum with the aims to involve refugee and migrant communities, on a political level, on local strategies and policies that impact upon the health and well-being of these communities living in Edinburgh.

Financial Review

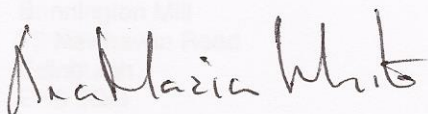
Income for the year was £102,193, an increase of around 60% on the previous year and expenditure was correspondingly higher at £89,655 giving a surplus for the year of £12,538. The Association had increased success in attracting grant funding this year and details of this are included in note 1 of the accounts. A full breakdown of the income and expenditure is given on the Statement of Financial Activities on page 7.

Unrestricted reserves, which represent those funds that are readily available to the charity, stood at the year end at £4,020. The Management Committee considers that the charity should have reserves of approximately three months running costs and they are looking into how this can be achieved.

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.

Signed on behalf of the Management Committee:



Mariana White

Date 20-10-14

Independent Examiner's report to the Members of the Management Committee of The Welcoming Association

I report on the accounts of the charity for the year ended 31 March 2014 which are set out on pages 6 to 10.

Respective responsibilities of management committee and examiner

The charity's management committee is 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 management committee considers 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 Management Committee 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 22/10/14

Stanley Wynd ACIS FCIE
Bonnington Mill
72 Newhaven Road
Edinburgh
EH6 5QG

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Accounting Policies

Basis of accounting

The financial statements have been prepared under the historical cost convention, and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2008) and the Statement of Recommended Practice *Accounting and Reporting by Charities*, issued in March 2005.

Grants and donations

Income from annual grants is recognised in the period to which the grant relates. Any annual grants received in advance are included as deferred grants in creditors. Income from other grants and donations is recognised on receipt.

Where a grant or donation is received for a specific purpose, it is included in restricted income and any unexpended portion carried forward as a restricted fund.

Resources expended

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

- Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities for its beneficiaries.
- Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity and include the independent examiner's fees and costs linked to the strategic management of the charity.

Taxation

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

The company is not registered for VAT and expenditure includes VAT where relevant.

Fund Accounting

Restricted funds may only be used for particular purposes within the objects of the charity as specified by the donor or by the terms of an application for the funds.

Designated funds are set aside by the Trustees out of unrestricted funds for specific purposes or projects.

The *Unrestricted general fund* is available to be used for any of the charitable objects at the discretion of the Trustees.

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Statement of Financial Activities (including Income & Expenditure Account)

For the Year Ended 31 March 2014

	Note	Unrestricted Funds £	Restricted Funds £	Total 2014 £	Total 2013 £
Incoming resources:					
<i>Incoming resources from generated funds</i>					
<i>Voluntary income</i>					
Donations		7,183	-	7,183	2,824
<i>Activities for generating funds:</i>					
Fundraising		-	-	-	2,155
<i>Incoming resources from charitable activities</i>					
Grants	1	65,880	28,930	94,810	53,092
Fees		200	-	200	5,000
Total incoming resources		73,263	28,930	102,193	63,071
Resources expended:					
<i>Costs of generating funds</i>					
Fundraising costs		-	-	-	378
<i>Charitable activities</i>					
Staff costs	2	58,088	9,743	67,831	52,175
Tutor fees		4,521	6,589	11,110	10,554
Materials and consumables		243	850	1,093	1,092
Catering and hospitality costs		1,773	-	1,773	1,609
Office costs		1,860	-	1,860	974
Equipment costs		872	-	872	-
Premises costs		2,590	-	2,590	1,505
Travel costs		-	223	223	-
Volunteers' expenses		-	969	969	1,037
Insurance		369	-	369	528
Subscriptions		-	-	-	175
Miscellaneous		125	-	125	244
<i>Governance costs</i>					
Accountancy and Independent Examination		840	-	840	600
Total resources expended		71,281	18,374	89,655	70,871
Net incoming / (outgoing) resources					
- Net income / (expenditure) for year		1,982	10,556	12,538	(7,800)
Transfers		-	-	-	-
Net movement in funds		1,982	10,556	12,538	(7,800)
Funds brought forward		2,038	-	2,038	9,838
Funds carried forward		4,020	10,556	14,576	2,038

The notes on pages 9 to 10 and the accounting policies on page 6 form part of these financial statements.

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Balance Sheet at 31 March 2014

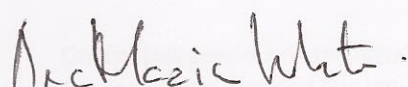
	Note	2014 £	2013 £
Current Assets			
Cash at bank and in hand		<u>22,855</u>	<u>11,473</u>
		22,855	11,473
Creditors:			
<i>Amounts due within one year</i>	4	<u>8,279</u>	<u>9,435</u>
Net Current Assets		<u>14,576</u>	<u>2,038</u>
Net Assets		14,576	2,038
Funds			
Restricted funds	5	10,556	-
Unrestricted funds	5	<u>4,020</u>	<u>2,038</u>
Total Funds	6	14,576	2,038

For the year ending 31st March 2014 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 period 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 and the Financial Reporting Standard for Smaller Entities (effective April 2008).

The financial statements on pages 6 to 10 were approved by the Management Committee and signed on their behalf by:


Mariana White

Date 20-10-14

The notes on pages 9 to 10 and the accounting policies on page 6 form part of these financial statements.

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**Notes to the Financial Statements
For the Year Ended 31 March 2014**

1. Grants Receivable	Unrestricted	Restricted	Total	Total
	Funds	Funds	2014	2013
	£	£	£	£
City of Edinburgh Council	15,000	-	15,000	13,000
Robertson Trust	15,000	-	15,000	15,312
Scottish Government	30,880	-	30,880	24,380
Sectarianism Grant	5,000	-	5,000	-
Scotmid Art Grant	-	300	300	-
Volunteer Action Fund	-	9,922	9,922	-
Awards for All	-	9,924	9,924	-
Migrant Festival	-	1,000	1,000	-
Community Jobs Scotland	-	4,007	4,007	-
E & L Health Foundation	-	2,000	2,000	-
ESOL	-	800	800	-
Edinburgh Voluntary Organisations' Trust	-	977	977	1,000
Scottish Refugee Council	-	-	-	400
Total grants receivable	65,880	28,930	94,810	54,092

2. Staff costs	2014	2013
	£	£
Wages & salaries	62,148	47,660
Social security costs	5,008	4,068
Payroll costs	675	447
Total staff costs	67,831	52,175

The full-time equivalent number of employees in the year was 3 (2013: 2)
There were no employees with emoluments above £60,000.

3. Remuneration of independent examiner	2014	2013
	£	£
Cost of independent examination (inc vat)	252	180
Other services provided (inc vat)	588	420
	840	600

4. Creditors	2014	2013
<i>Amounts falling due within one year:</i>	£	£
Tax & social security	3,108	2,009
Other creditors and accruals	5,171	7,426
	8,279	9,435

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Notes to the Accounts (continued)

5. Movement on Funds

	Note	At 01/04/13 £	Incoming Resources £	Outgoing Resources £	Transfers £	At 31/3/14 £
Restricted funds:						
Voluntary Action Fund	a)	-	9,922	(6,117)	-	3,805
Scotmid Art	b)	-	300	(235)	-	65
Awards for All	c)	-	9,924	(5,201)	-	4,723
Migrant Festival	d)	-	1,000	-	-	1,000
Community Jobs Scotland	e)	-	4,007	(3,838)	-	169
E & L Health Foundation	f)	-	2,000	(1,484)	-	516
ESOL	g)	-	800	(800)	-	-
EVOT	h)	-	977	(699)	-	278
Total restricted funds		-	28,930	(18,374)	-	10,556
Unrestricted funds:						
General fund		2,038	73,263	(71,281)	-	4,020
Total unrestricted funds		2,038	73,263	(71,281)	-	4,020
Total funds		2,038	102,193	(89,655)	-	14,576

Notes on Funds

- a) Funds received from the Voluntary Action Fund towards the salary of the Volunteer Coordinator.
- b) The SCOTMID fund provides funds for Welcoming Association's art project and outdoor art exhibition.
- c) The Awards for All award funds the tuition fees, art materials and venue costs the charity's Art Escape project.
- d) Edinburgh City Council funding to support the organisation's activities as part of the Migrant Festival.
- e) Funding received via Community Jobs Scotland to support employment for those with long-term health conditions.
- f) Funding received from Edinburgh & Lothians Health Foundation to support the charity's Wellbeing Project.
- g) Edinburgh City Council funding to meet the costs of ESOL tutoring.
- h) Edinburgh Voluntary Organisations' Trust funds the reimbursement of travel expenses incurred by the Welcoming Association's volunteer tutors and workshop facilitators.

6. Analysis of Net Assets Between Funds

	Restricted Funds £	Unrestricted Funds £	Total Funds £
Current assets	11,375	11,480	22,855
Current liabilities	(819)	(7,460)	(8,279)
Net assets at 31 March 2014	10,556	4,020	14,576

7. Related party transactions

One payment of £615 was made to D Schilling, a member of the Management Committee for tutoring services. This is provided for in the Articles of Association. No remuneration was paid to other members of the Management Committee during the year. Travel expenses totalling £7 were reimbursed to one trustee (2013 - nil).