

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

**Report and Financial Statements**

**For the Year Ended**

**31 March 2015**

**Company Number: SC398913**

**Charity Number: SC041952**

# **The Welcoming Association**

## **Report and Financial Statements For the Year Ended 31st March 2015**

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## **The Welcoming Association**

### **Reference and Administrative Information**

**Company registration:** SC398913

**Charity registration:** SC041952

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

### **Management Committee:**

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

Mariana White	
Katarzyna Musiuk	(appointed 14.5.14)
Valeria Efremova	(appointed 9.7.14)
Mark Keane	(appointed 20.1.15)
David Thompson	(appointed 17.2.15)
Daniel Prince	(appointed 4.6.15)

Also serving during the year were:

Hazel Lyons	(resigned 14.5.14)
Ariane Loening	(appointed 16.12.14, resigned 18.2.15)
Lewis Ritchie	(appointed 8.4.14, resigned 21.9.15)
Kostas Stratis	(resigned 15.9.14)
Conor Smyth	(resigned 20.10.14)
Tete Da Silva	(appointed 14.5.14, resigned 18.6.15)

## **The Welcoming Association**

### **Report of the Management Committee (Directors' Report) For the Year Ended 31 March 2015**

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 2015.

#### ***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 Mission Statement 2015 to 2020**

The Welcoming works to identify and engage with the migrants and refugees that are moving to the City of Edinburgh to ensure that they are provided with access and opportunity to:

- Easily accessible and up to date information on local support services available to them.
- 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.
- Opportunities to gain a better understanding of their new home through learning about and experiencing Scotland's music, food, history and culture.
- Employability training that allows them to effectively present their skills to potential employers, increasing the likelihood of securing a job which makes the most of their talents.
- Opportunities to meet and develop connections with other foreign nationals in a similar position in order to build their social and support networks.
- Volunteering and work experience opportunities in ESOL teaching, community development, migrant research, and tackling climate change projects in the community,
- Training and advice to make behavioural changes to use more efficient technologies to reduce their carbon emissions and to educate other migrant communities in energy saving.

#### **The Migrant and Refugee Living and Working in Scotland 2014 to 2015 programme**

This programme has provided an all-year round (48 week) open-access, drop-in and free service to migrants and refugees that have needed 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.



## **The Welcoming Association**

### **Report of the Management Committee For the Year Ended 31 March 2015**

During the period from April 1<sup>st</sup> 2014 to 31st March 2015 the Welcoming Association ran a total of 15 weekly English classes covering; beginners, elementary, lower, upper intermediate and conversational English and a range of all-year round programmes covering; employability advice and guidance, creative art, volunteering, anti-sectarianism, cultural learning and social integration.

#### **Programme Outcomes for 2014 to 2015**

The Welcoming registered 1,062 migrants onto its programme from over 55 different nationalities and the average attendance is 13 classes per person per year (With the highest individual's attendance being 132 classes over the year and the lowest just one class). Participants usually engage with The Welcoming for an average of 3 months before moving on to paid work, volunteering, higher education or going back to their country of origin.

The Migrant and Refugee Living and Working in Scotland programme averaged 253 people per week over a 48 week, Monday to Friday programme. 240 people attended a range of cultural celebrations, as part of the social integration and befriending process, and socialised and networked with local Scottish and minority ethnic communities and organisations. There were around 20 new enquiries per week for places in the Welcoming's 12 English classes and 4 capacity-building social integration programme's weekly activities. All of the English intermediate classes were regularly over-subscribed with up to 5+ students turned away daily.

The programme enabled 42 users to satisfactorily pass the Welcoming's equivalent to the Cambridge First Certificate examination, at English intermediate level. 195 users were assisted to progress through the Welcoming's employability programme to secure full-time, part-time or sessional paid employment.

The volunteering programme had 15 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, sound engineering, health and wellbeing, cultural learning and cinema club workshop facilitating. In addition, the Welcoming also recruited and enabled 25 qualified volunteer ESOL teachers to gain teaching experience and assist the organisation in delivering its extensive English language programmes.

#### **Further achievements for the financial year from April 2014 to March 2015.**

##### **1. New Premises**

The Welcoming Association moved to new premises, owned by the Dunedin and Canmore Group, in Westfield Avenue, Edinburgh EH11 in late December 2014 and started its new Spring Programme on Monday 5<sup>th</sup> January 2015. Acknowledgement and thanks to the Dunedin & Canmore Group for their support of the Welcoming by kindly offering a rent reduction for the first six months let whilst it secured core grant funding.

##### **2. Grant Funding**

The Welcoming Association received core funding from the City of Edinburgh Council, the Scottish Government and The Robertson Trust. Project funding was also received from various sources. Further details can be found on page 10.

Funding has also been secured for the 2015-16 year:

- The Keep Scotland Beautiful 'Climate Challenge Fund' awarded the Welcoming £145,613.00 to deliver a tackling climate change programme for 2015/2016. Acknowledgement and thanks is given to CEMVO Glasgow who gave the Welcoming ongoing time and support and encouragement throughout the grant application stages to enable the Welcoming to successfully secure this grant award.
- The City of Edinburgh Council's 'Reducing Health Inequalities' programme awarded the Welcoming £4,960 to develop its Skills for Living and Working in Scotland' programme 2015/2016.



## **The Welcoming Association**

### **Report of the Management Committee For the Year Ended 31 March 2015**

- The Tudor Trust awarded the Welcoming £36,000 to develop its Migrant and Refugee Living and Working in Scotland programme for 2015/2016.

#### **3. Support in kind**

- St. John's Church, Princes Street, Edinburgh supported and generously waived all its hall rental charges over the past year to enable the Welcoming to run its English for Employability programme and Welcoming A Greener Future events free of charge.
- The Kaplan English Language School very kindly donated over 650 English language course books and packs to the Welcoming in February 2015.
- The Bright Green Initiative donated re-cycled office furniture to enable the Welcoming to furnish its office floor and classroom.
- The City of Edinburgh Council donated office furniture.
- The Forest Centre Plus had supported and enabled the Welcoming to deliver its full programme of activities by providing affordable rent of its premises and facilities.

#### **4. Projects**

- The Welcoming sponsored and worked with the Spanish 'K314 Theatre Company' to enable them to present their latest production 'Kitchen Porters' at the Just Festival at St. John's Church during the Edinburgh Fringe festival 2014. The company recruited and trained Welcoming participants as actors and technicians for this production.
- The Welcoming worked with the newly independent 'Art Escape' project to stage its first migrant and Scottish women's public art exhibition at St. John's Church in July 2014.
- The Welcoming worked with Disability History Scotland's latest project 'All Together Now – World War One a catalyst for social change' on a series of exhibitions, workshops and a premiere at the City Chambers of their year's work in December 2014

#### **Financial Review**

Income for the year was £76,541, a decrease of around 25% on the previous year and expenditure was £90,337 giving a deficit for the year of £13,796, mainly due to restricted funds carried forward spent in this year. A full breakdown of the income and expenditure is given on the Statement of Financial Activities on page 8.

The balance of general funds (see page 11) was in deficit by £1,754 at the year end, however the Association has been successful in securing new funding for 2015/16 as detailed above, which will cover this amount. 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:**



**Mark Keane**

Date 

## **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 2015 which are set out on pages 7 to 12.

### **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 22/10/15

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



## **The Welcoming Association**

### **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.

Gifts in kind and donated services and facilities are included in the Statement of Financial Activities based on a reasonable estimate of the amount the charity would have to pay in the open market for an equivalent item, service or facility.

#### ***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.

#### ***Tangible fixed assets***

Equipment costing £500 or more is included in the Balance Sheet under tangible fixed assets and is 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 at the following rates:

Equipment:	20% per annum
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#### ***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.



**The Welcoming Association**

**Statement of Financial Activities ( including Income & Expenditure Account )**

**For the Year Ended 31 March 2015**

	Note	Unrestricted Funds £	Restricted Funds £	Total 2015 £	Total 2014 £
<b>Incoming resources:</b>					
<i><b>Incoming resources from generated funds</b></i>					
<i>Voluntary income</i>					
Donations		15,878	-	15,878	7,183
<i>Activities for generating funds:</i>					
Fundraising		300	-	300	-
<i><b>Incoming resources from charitable activities</b></i>					
Grants	1	50,000	9,973	59,973	94,810
Fees		390	-	390	200
<b>Total incoming resources</b>		<b>66,568</b>	<b>9,973</b>	<b>76,541</b>	<b>102,193</b>
<b>Resources expended:</b>					
<i><b>Charitable activities</b></i>					
Staff costs	2	53,105	8,244	61,349	67,831
Tutor fees		4,192	8,498	12,690	11,110
Materials and consumables		1,466	1,070	2,536	1,093
Catering and hospitality costs		1,975	-	1,975	1,773
Office costs		2,820	350	3,170	1,860
Equipment costs		444	-	444	872
Premises costs		4,440	440	4,880	2,590
Travel costs		173	242	415	223
Volunteers' expenses		-	294	294	969
Insurance		337	-	337	369
Subscriptions		286	-	286	-
Training		-	395	395	-
Depreciation		592	-	592	-
Miscellaneous		45	77	122	125
<i><b>Governance costs</b></i>					
Accountancy and Independent Examination		852	-	852	840
<b>Total resources expended</b>		<b>70,727</b>	<b>19,610</b>	<b>90,337</b>	<b>89,655</b>
<b>Net incoming / (outgoing) resources</b>					
- Net income / (expenditure) for year		(4,159)	(9,637)	(13,796)	12,538
<b>Transfers</b>		<b>753</b>	<b>(753)</b>	<b>-</b>	<b>-</b>
<b>Net movement in funds</b>		<b>(3,406)</b>	<b>(10,390)</b>	<b>(13,796)</b>	<b>12,538</b>
<b>Funds brought forward</b>		<b>4,020</b>	<b>10,556</b>	<b>14,576</b>	<b>2,038</b>
<b>Funds carried forward</b>		<b>614</b>	<b>166</b>	<b>780</b>	<b>14,576</b>

The notes on pages 10 to 12 and the accounting policies on page 7 form part of these financial statements.

**The Welcoming Association**  
**Balance Sheet at 31 March 2015**

	Note	2015 £	2014 £
<b>Fixed Assets</b>			
Tangible assets	6	2,368	-
<b>Current Assets</b>			
Debtors	4	1,061	-
Cash at bank and in hand		<u>1,621</u>	<u>22,855</u>
		2,682	22,855
<b>Creditors:</b>			
<i>Amounts due within one year</i>	5	<u>4,270</u>	<u>8,279</u>
<b>Net Current Assets</b>		<u>(1,588)</u>	<u>14,576</u>
<b>Net Assets</b>		780	14,576
<b>Funds</b>			
Restricted funds	7	166	10,556
Unrestricted funds	7	<u>614</u>	<u>4,020</u>
<b>Total Funds</b>	8	780	14,576

For the year ending 31st March 2015 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 8 to 12 were approved by the Management Committee and signed on their behalf by:



**Mark Keane**

Date 25/05/15

The notes on pages 10 to 12 and the accounting policies on page 7 form part of these financial statements.

**The Welcoming Association**

**Notes to the Financial Statements  
For the Year Ended 31 March 2015**

<b>1. Grants Receivable</b>	<b>Unrestricted Funds £</b>	<b>Restricted Funds £</b>	<b>Total 2015 £</b>	<b>Total 2014 £</b>
City of Edinburgh Council	15,000	-	15,000	15,000
Robertson Trust	15,000	-	15,000	15,000
Scottish Government	15,000	-	15,000	30,880
Sectarianism Grant	5,000	-	5,000	5,000
Scotmid Art Grant	-	-	-	300
Volunteer Action Fund	-	-	-	9,922
Awards for All	-	-	-	9,924
Migrant Festival	-	-	-	1,000
Community Jobs Scotland	-	4,712	4,712	4,007
E& L Health Foundation	-	3,000	3,000	2,000
ESOL	-	1,561	1,561	800
Edinburgh Voluntary Organisations' Trust	-	-	-	977
Multi-cultural Family Base	-	700	700	-
<b>Total grants receivable</b>	<b>50,000</b>	<b>9,973</b>	<b>59,973</b>	<b>94,810</b>

<b>2. Staff costs</b>	<b>2015 £</b>	<b>2014 £</b>
Wages & salaries	58,316	62,148
Social security costs	2,394	5,008
Payroll costs	639	675
<b>Total staff costs</b>	<b>61,349</b>	<b>67,831</b>

The full-time equivalent number of employees in the year was 3 (2014: 3)  
There were no employees with emoluments above £60,000.

<b>3. Remuneration of independent examiner</b>	<b>2015 £</b>	<b>2014 £</b>
Cost of independent examination (inc vat)	300	252
Other services provided (inc vat)	552	588
	<b>852</b>	<b>840</b>

<b>4. Debtors</b>	<b>2015 £</b>	<b>2014 £</b>
Prepayments and accrued income	821	-
Other debtors	240	-
	<b>1,061</b>	<b>-</b>

<b>5. Creditors</b>	<b>2015 £</b>	<b>2014 £</b>
<i>Amounts falling due within one year:</i>		
Tax & social security	2,074	3,108
Other creditors and accruals	2,196	5,171
	<b>4,270</b>	<b>8,279</b>



# The Welcoming Association

## Notes to the Accounts (continued)

### 6. Tangible Fixed Assets

	<i>Equipment</i>
	£
<i>Cost or valuation:</i>	
At 1 April 2014	-
Additions in year	2,960
At 31 March 2015	<u>2,960</u>
<i>Depreciation:</i>	
At 1 April 2014	-
Charge for year	592
At 31 March 2015	<u>592</u>
<i>Net Book Value:</i>	
At 31 March 2015	<u>2,368</u>
At 31 March 2014	<u>-</u>

### 7. Movement on Funds

	Note	At 31/03/14 £	Incoming Resources £	Outgoing Resources £	Transfers £	At 31/3/15 £
<b>Restricted funds:</b>						
Voluntary Action Fund	a)	3,805	-	(3,805)	-	-
Scotmid Art	b)	65	-	(65)	-	-
Awards for All	c)	4,723	-	(4,723)	-	-
Migrant Festival	d)	1,000	-	-	(1,000)	-
Community Jobs Scotland	e)	169	4,712	(5,128)	247	-
E & L Health Foundation	f)	516	3,000	(3,453)	-	63
ESOL	g)	-	1,561	(1,561)	-	-
EVOT	h)	278	-	(225)	-	53
Multi-Cultural Family Base	i)	-	700	(650)	-	50
<b>Total restricted funds</b>		<u>10,556</u>	<u>9,973</u>	<u>(19,610)</u>	<u>(753)</u>	<u>166</u>
<b>Unrestricted funds:</b>						
General fund		4,020	66,568	(70,135)	(2,207)	(1,754)
Fixed assets fund	j)	-	-	(592)	2,960	2,368
<b>Total unrestricted funds</b>		<u>4,020</u>	<u>66,568</u>	<u>(70,727)</u>	<u>753</u>	<u>614</u>
<b>Total funds</b>		<u>14,576</u>	<u>76,541</u>	<u>(90,337)</u>	<u>-</u>	<u>780</u>

#### 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. Transferred to unrestricted funds with agreement with the funder.
- e) Funding received via Community Jobs Scotland to support employment for those with long-term health conditions. The transfer from unrestricted funds represents costs in excess of the grant.

## The Welcoming Association

### Notes to the Accounts (continued)

#### Notes on Funds (continued)

- 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.
- i) Edinburgh City Council funding to deliver Multi Cultural Family Base ESOL classes to Chinese parents group.
- j) The Fixed Asset fund represents the net book value of tangible fixed assets. The cost of assets purchased is transferred into the fund and annual depreciation is charged to the fund.

#### 8. Analysis of Net Assets Between Funds

	Restricted Funds	Unrestricted Funds	Total Funds
	£	£	£
Fixed assets	-	2,368	2,368
Current assets	915	1,767	2,682
Current liabilities	(749)	(3,521)	(4,270)
<b>Net assets at 31 March 2015</b>	<b>166</b>	<b>614</b>	<b>780</b>

#### 9. Donated facilities

The charity received room hire facilities free of charge in the year to the value of £2,400.

#### 10. Related party transactions

One payment of £189 was made to H Lyons, 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. No travel or other expenses were reimbursed (2014 - £7).

#### 11. Lease commitments

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

	2015 £	2014 £
Operating leases which expire: within one year	600	-