

REGISTERED COMPANY NUMBER: SC398913 (Scotland)
REGISTERED CHARITY NUMBER: SC041952

Report of the Trustees and
Financial Statements For The Year Ended 31 March 2022
for
The Welcoming Association

Robb Ferguson
Chartered Accountants & Statutory Auditors
Regent Court
70 West Regent Street
Glasgow
G2 2QZ

The Welcoming Association

Contents of the Financial Statements
For The Year Ended 31 March 2022

	Page
Report of the Trustees	1 to 8
Report of the Independent Auditors	9 to 12
Statement of Financial Activities	13
Statement of Financial Position	14
Notes to the Financial Statements	15 to 24

The Welcoming Association (Registered number: SC398913)

Report of the Trustees
For The Year Ended 31 March 2022

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

Our vision is of a diverse and inclusive Scotland, where everyone feels welcome and can achieve their potential.

OBJECTIVES AND ACTIVITIES

Objectives

The charity's objectives as stated in the Articles of Association are:

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

We believe that through the above three main objectives, our participants will:

- Develop their English language skills, removing language as a barrier to employment, education or integration in Scotland
- Build their social and support networks by making connections and forming friendships with local people and other New Scots
- Learn to live more sustainably through home food growing, home energy saving, recycling, and environmental education
- Gain insight into their new home through experiencing Scotland's music, food, history and culture
- Improve their quality of life in Edinburgh by taking part in creative arts and health and wellbeing activities

Local people will:

- Have opportunities to welcome New Scots to Edinburgh through a range of meaningful and well-supported volunteering positions
- Experience and understand the social, economic and cultural value that migrants and refugees bring to Scotland

The Welcoming Association (Registered number: SC398913)

Report of the Trustees
For The Year Ended 31 March 2022

OBJECTIVES AND ACTIVITIES

Our service users

During the year ended 31 March 2022, we supported 902 service users from over 80 countries, including Ukraine, Afghanistan, Syria, Poland, China and Sudan. Since the end of the financial year, we have supported a further 611 service users. More than 60% of our service users are women, over 35% are men, and a small portion are non-binary or chose not to disclose their gender. Service users under the age of 35 make up over 40% of our membership.

Significant activities

We provided the following activities to our service users:

- English language classes
- Employment and business guidance
- Digital skills for Arabic speakers
- One-to-one befriending
- Friendship groups
- Home energy and recycling
- Home food growing
- Refugee Resettlement Programme

Highlights

- 210 English classes (in person and online)
- 2,174 attendances at English classes
- 46 New Scots English classes (for Arabic Speakers)
- 150 individuals accessed employability and business guidance support
- 270 individuals supported through the befriending programme
- 50 one-to-one befriending matches
- 64 volunteers and 1,695 hours of volunteering
- 61 households received home energy advice
- 108 tonnes of CO2e saved
- 23 households participated in home food growing (harvesting 407.95kg of produce)
- 70 climate change activities and events

English Language Classes

Our English language provision remains the core of our programme, reflecting the significance of language to integration and settlement and is the first entry point for most of our new participants before they begin to engage in other social and cultural activities.

English language is the major barrier to New Scots gaining employment that matches their skills and qualifications. In order to overcome this barrier, we provide classes throughout the week at all stages from complete beginners to advanced levels. All classes are taught by qualified and experienced ESOL teachers, all of them being volunteers.

This year we organised a small number of English courses in the following subjects: Current Affairs and Reading Comprehension and English Language for Climate Change. Our re-introduction of in-person classes, with all classes reaching capacity within three weeks, has been a success to build upon

Employment and Business Guidance

Our employment and business guidance focuses on aspects of employability that are particularly challenging for New Scots: Job applications, interview skills and confidence building.

This work is delivered through one-to-one tailored guidance sessions, weekly drop-in sessions (including advice on careers, benefits and starting a business), and monthly interview skills and CV writing workshops.

More than 75% of people who accessed the employability service this year achieved a positive destination (i.e. employment, volunteering, training or education).

One-to-One Befriending

Our one-to-one befriending programme connects local volunteers with service users to provide opportunities to practice and improve their English, get to know Edinburgh and meet new people.

The Welcoming Association (Registered number: SC398913)

Report of the Trustees
For The Year Ended 31 March 2022

OBJECTIVES AND ACTIVITIES

Through this programme we can support New Scots on an individual basis and focus on their needs and personal goals. With a maximum of 30 active befriending matches at any one time, our programme prioritises the most isolated New Scots who face multiple barriers to integration.

Every week our trained volunteers meet isolated newcomers to share experiences and discover the city together. Befrienders support New Scots to join activities, practise English, stay active and learn more about Edinburgh.

We enable New Scots to make friends for life: Around 80% of our matches develop into long-term friendships.

Friendship Groups

The Women's Conversation Space is a multi-cultural group for women to meet people from different cultures, build friendships, practise English and try new activities.

The Afghan Women's Group is a weekly group for women from Afghanistan to practise English and engage in activities including cooking, sewing and art.

The Big Ideas Group is an evening group for New Scots with intermediate to advanced levels of English to discuss interesting topics, make friends and refine English skills.

The Conversation Café is a weekly gathering for New Scots where participants can spend time in a friendly atmosphere, get to know new people and practise English.

Sustainability and Climate Literacy

Our climate change programme aims to empower New Scots to engage in positive climate action and help Scotland reduce carbon emissions. This year we diverted over 2,300kg of food and 429kg of second-hand items from landfill.

Our home energy and recycling project supports New Scots to understand home energy systems, suppliers and tariffs, and to understand local recycling practices. The aim is to help our service users to save money, reduce and recycle waste, and increase energy efficiency within their homes.

Our home food growing project supports New Scots to grow food at home. Through these activities, we aim to promote positive dietary and culinary behaviour to reduce Scotland's carbon emissions. This year, 23 households participated in home food growing and harvested 407.95 kg of usable produce.

The 3Ds Course: Digital Skills for Arabic speakers

The 3Ds course supports Arabic speakers to learn digital skills. This course started with 24 participants of which only 3 have left. The participant attendance rate is 83% which shows the commitment of the participants.

The Refugee Resettlement Programme

We offer a flexible programme of English language classes and cultural integration activities to support all the different communities arriving in Edinburgh through the UK Government's Refugee Resettlement Programme. We provide advice and support as well as information and signposting to other voluntary sector services.

Volunteers at The Welcoming

Volunteers are vital to our work, helping us to welcome New Scots by delivering many of our vital services from ESOL to friendship groups and one-to-one befriending. The 64 volunteers who supported us this year have offered an incredible 1,695 hours of volunteering online, offline, for one-off meetups, and to offer extra, such as when we welcomed Afghan families to Edinburgh.

Our volunteers assist across all activities of The Welcoming, in the office and as part of community events. They bring a wide range of skills, experiences and perspectives to our work and play a key role in delivering The Welcoming's activities both online and in person, as we move towards a hybrid delivery that should match to most participants' needs and availability.

Involving volunteers helps to ensure that The Welcoming is a diverse and flexible organisation that can respond effectively to the needs and interests of participants, and provides the sense of community and cultural mix that is at the core of what we do.

Collaborative and Partnership Working

Collaborative working is at the heart of The Welcoming. We signposted and helped New Scots connect with services and opportunities across Edinburgh and have strengthened our partnerships with many organisations

The Welcoming Association (Registered number: SC398913)

Report of the Trustees
For The Year Ended 31 March 2022

OBJECTIVES AND ACTIVITIES

Government and local authorities
City of Edinburgh Council
National Health Service
Lothian Maternity Voices Partnership (NHS)
Scottish Government
Department for Work and Pensions
New Scots Refugee Integration Delivery Project
Skills Development Scotland

Voluntary organisations
Amina Muslim Women's Resource Centre
Archaeology Scotland
Ashden
Bridge 8 Hub
Business Gateway
Changeworks
Citizens Advice Edinburgh
Community Renewal
Crisis
Eden Project Communities
Edinburgh and Lothians Regional Equality Council
Edinburgh City Mission
Edinburgh Printmakers
Edinburgh Remakery
Edinburgh Tool Library
FareShare
Fresh Start
Granton Goes Greener
Health All Round
Health In Mind
Home Energy Scotland
Interfaith Scotland
Multi Cultural Family Base
Open Book Edinburgh
People Know How
Pilton Community Health Project
Playlist for Life
Remode Collective
Royal Botanic Gardens Edinburgh
Sacro
Saheliya
Score Scotland
Scottish Refugee Council
Shakti Women's Aid
Shrub Coop
South Bridge Resource Centre
The Salisbury Centre
The Sudanese Community in Edinburgh
Volunteer Centre
Volunteer Scotland
Water of Leith Conservation Trust
Welcome Churches

The Welcoming Association (Registered number: SC398913)

Report of the Trustees
For The Year Ended 31 March 2022

OBJECTIVES AND ACTIVITIES

Educational establishments

Basil Paterson

Centre for English Studies

ESOL Providers Partnership

The Language Institute - Edinburgh

Businesses

Centre for Art and Spirituality

Edinburgh Festival Fringe Society

Operation Play Outdoors

University of Edinburgh

Widening Participation team

Edinburgh Pregnancy Research Team

More information on the organisation's activities can be found on our website: www.thewelcoming.org

The Impact of Covid-19

The Welcoming is an organisation that works with people who often live in areas of multiple deprivation and require significant financial, social and cultural support.

The disruption caused by the Covid-19 crisis has been difficult for many of the people we try to help. Restrictions on face-to-face interaction have been particularly challenging but The Welcoming has worked hard to ensure participants continue to receive support through our services.

Staff have adapted well to working remotely with the following services offered online during the financial year:

- English language classes
- Employment and business guidance
- Digital skills for Arabic speakers
- One-to-one befriending
- Friendship groups
- Home energy and recycling
- Home food growing

Our existing funders have been very understanding and supportive during this time and have provided us with additional funding to cope with the crisis. With financial help from the Scottish Government, we provided small hardship allowances for those most in need. With this support we have expanded our virtual befriending service, provided advice to help ease some of the anxiety, and provided financial support to households particularly exposed by the crisis.

The Impact of the Crises in Afghanistan and Ukraine

The crises in Hong Kong, Afghanistan, and Ukraine have created unprecedented pressure on our staff and limited resources. We have had 830 New Scots register for our services since the crises began. We are currently helping more than 200 New Scots in hotels in Edinburgh, many of them with children.

As an organisation established to support New Scots, The Welcoming Association does not have the privilege to turn away people who ended up in Edinburgh through no fault of their own. We are grateful for the positive response we received from the public during the past six months, especially towards the victims of Russia's aggression. The Welcoming supported 902 people from all over the world during the financial period, and most of them come from the following five countries: Afghanistan (43), Hong Kong/China (76), Syria (127), Spain (73) and Ukraine (4). In the first five months of the new financial year, we have supported a further 611 service users, including 255 people from Ukraine and 62 people from Afghanistan.

Our Funders

The Welcoming Association would like to extend its appreciation to our funders for their unwavering and continued support over the years:

- City of Edinburgh Council
- Climate Challenge Fund
- Edinburgh Integrated Joint Board

The Welcoming Association (Registered number: SC398913)

Report of the Trustees
For The Year Ended 31 March 2022

OBJECTIVES AND ACTIVITIES

- EVOC
- Folio Trust
- Henry Smith
- National Lottery Community Fund
- Robertson Trust
- Scottish Government's Equality Fund
- St Giles
- Tudor Trust
- Ashden Award

FINANCIAL REVIEW

Financial review

Income for the year was £402,286 and expenditure was £369,815 resulting in surplus for the year of £32,471. A full breakdown of the income and expenditure is given in the Statement of Financial Activities.

The Welcoming Board has concluded that the organisation should have unrestricted reserves of approximately three months' running costs (approximately £90,000) to provide for periods when there is a shortfall of funding and further funding is being sought. Unrestricted reserves as at 31st March 2022 of £112,929 are above this target figure. The directors' recognise the importance of sufficient reserves and have prioritised funding diversification and sustainability as part of the longer-term strategic plan.

The Welcoming employees are predominantly employed on fixed term contracts subject to the availability of funding.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Structure

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 of The Welcoming at the Annual General Meeting or appointed at any time by the Board. At each Annual General Meeting, Board members who have served for a continuous three-year period retire from office but may be eligible for re-election or re-appointment for a further period of three years, subject to a maximum six years in total.

New Board members receive an induction pack with background information about The Welcoming and OSCR Guidance and Good Practice for Charity Trustees. They also attend an orientation meeting at The Welcoming and are encouraged to join The Welcoming's activities and events in order to meet participants and become familiar with the work of the organisation.

The Board meets every two months and is responsible for the overall strategic management and development of the organisation. Moving forward the board have decided that meetings will be held at three month intervals. Day to day management of the charity is delegated to the Director, Tesfu Gessesse.

The names of those who served as members of the Welcoming Board during the year are shown on page 7.

Governance and Management

The Welcoming Association places great importance in having accountable, transparent and responsible governance that ensures the activities of the Association are in line with its vision and values.

The Welcoming Board focuses its work on providing oversight over financial performance, risk management and organisational performance and impact. The Board also provides recommendations for the strategic and operational direction of The Welcoming.

The Board of Directors is responsible for providing overall strategic direction but the 13 members of our multicultural and diverse workforce, led by a capable senior management team, and supported by a wide range of volunteers, are responsible for implementing the delivery of the strategic plan.

The Welcoming Association (Registered number: SC398913)

Report of the Trustees
For The Year Ended 31 March 2022

STRUCTURE, GOVERNANCE AND MANAGEMENT

The Purpose of The Welcoming Association

The Welcoming exists to welcome, orientate and assist migrants and refugees in Edinburgh so that they can build positive lives, have choices, contribute to their new communities and feel at home in Scotland.

Inward migration is crucial to Scotland's future prosperity. Scotland has demographic and geographical needs that are distinct from the rest of the UK, and it is essential that we are an attractive destination for migrants able to come here under prevailing UK immigration policy.

Our strategic aims are to:

- Encourage people from across the world to actively choose Scotland as their home
- Enable New Scots to quickly settle and contribute to their new country
- Engage established Scots of all ages in the process of welcoming new arrivals
- Ensure effective partnership working with other organisations sharing these aims
- Influence policy and practice to advance the integration and inclusion of our New Scots

The Welcoming provides opportunities to build confidence, socialise and develop English language skills which are essential for creating the ability to integrate, develop and share interests. The Welcoming further supports New Scots to utilise and develop their skills, find employment and access local services. The Welcoming offers numerous opportunities for friendship, creativity, health and wellbeing.

The Welcoming nurtures a diverse and inclusive society where all feel welcome and empowered to achieve their full potential, The Welcoming builds community by connecting locals and New Scots through social and cultural exchanges and in collaboration with numerous partners.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

SC398913 (Scotland)

Registered Charity number

SC041952

Registered office

Unit 1 20 Westfield Avenue
Edinburgh
EH11 2TT

Trustees

A Afzal (resigned 10.11.21)
N Croft
G Gibson
Ms C Hirst
A W Khan
Ms C Mance
Ms S E Miller
Ms M T Talensby (resigned 30.1.22)
A Thin (resigned 30.4.22)
K F Watson
Ms R Whitney (appointed 30.4.22)
Ms J Albert-Recht (appointed 30.4.22)

Company Secretary

A W Khan

The Welcoming Association (Registered number: SC398913)

Report of the Trustees
For The Year Ended 31 March 2022

REFERENCE AND ADMINISTRATIVE DETAILS

Auditors

Robb Ferguson
Chartered Accountants & Statutory Auditors
Regent Court
70 West Regent Street
Glasgow
G2 2QZ

STATEMENT OF TRUSTEES' RESPONSIBILITIES

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

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

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

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

In so far as the trustees are aware:

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

AUDITORS

The auditors, Robb Ferguson, will be proposed for re-appointment at the forthcoming Annual General Meeting.

28 November 2022

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

DocuSigned by:

Graeme Gibson

.....
D7EDFC50E05D4D1.....

G Gibson - Trustee

**Report of the Independent Auditors to the Members of
The Welcoming Association**

Opinion

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

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 Auditors' 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 the provisions available for small entities, in the circumstances set out in the non-audit services provided by auditor note and we have fulfilled our other ethical responsibilities in accordance with these requirements. Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors, including "APB Ethical Standard - Provisions available for Small Entities (Revised)", and we have fulfilled our ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

**Report of the Independent Auditors to the Members of
The Welcoming Association**

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees.

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

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

Responsibilities of trustees

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

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

**Report of the Independent Auditors to the Members of
The Welcoming Association**

Our responsibilities for the audit of the financial statements

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud.

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

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- The engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- We identified the laws and regulations applicable to the company through discussions with directors and other management, and from our wider knowledge and experience;
- We focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the company, including the The Charities Accounts (Scotland) Regulations 2006 and FRS 102 SORP.
- We assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- Identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- Making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- Considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations

Audit response to risks of irregularities identified

To address the risk of fraud through management bias and override of controls, we:

- Performed analytical procedures to identify any unusual or unexpected relationships;
- Tested journal entries to identify unusual transactions;
- Assessed whether judgements and assumptions made in determining the accounting estimates set out were indicative of potential bias; and
- Investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- Agreeing financial statement disclosures to underlying supporting documentation;
- Reading the minutes of meetings of those charged with governance;
- Enquiring of management as to actual and potential litigation and claims; and
- Requesting correspondence with HMRC, OSCR and the charity's legal advisors.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

**Report of the Independent Auditors to the Members of
The Welcoming Association**

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

Use of our report

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

DocuSigned by:

4A471C029C1444B...

Janice Alexander (Senior Statutory Auditor)
for and on behalf of Robb Ferguson
Chartered Accountants & Statutory Auditors
Regent Court
70 West Regent Street
Glasgow
G2 2QZ

01 December 2022

Date:

The Welcoming Association**Statement of Financial Activities**
For The Year Ended 31 March 2022

	Notes	Unrestricted funds £	Restricted funds £	2022 Total funds £	2021 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies		19,792	5,452	25,244	4,398
Charitable activities					
Charitable activities		10,000	367,042	377,042	480,032
Total		<u>29,792</u>	<u>372,494</u>	<u>402,286</u>	<u>484,430</u>
EXPENDITURE ON					
Charitable activities					
Charitable activities		10,660	359,155	369,815	440,335
NET INCOME		19,132	13,339	32,471	44,095
Transfers between funds	12	(6,095)	6,095	-	-
Net movement in funds		13,037	19,434	32,471	44,095
RECONCILIATION OF FUNDS					
Total funds brought forward		99,892	109,816	209,708	165,613
TOTAL FUNDS CARRIED FORWARD		<u>112,929</u>	<u>129,250</u>	<u>242,179</u>	<u>209,708</u>

The notes form part of these financial statements

The Welcoming Association (Registered number: SC398913)**Statement of Financial Position**
31 March 2022

	Notes	Unrestricted funds £	Restricted funds £	2022 Total funds £	2021 Total funds £
FIXED ASSETS					
Tangible assets	8	5,429	-	5,429	6,874
CURRENT ASSETS					
Debtors	9	156	28,786	28,942	59,284
Cash at bank and in hand		114,260	158,390	272,650	158,973
		<u>114,416</u>	<u>187,176</u>	<u>301,592</u>	<u>218,257</u>
CREDITORS					
Amounts falling due within one year	10	(6,917)	(57,925)	(64,842)	(15,423)
NET CURRENT ASSETS		<u>107,499</u>	<u>129,251</u>	<u>236,750</u>	<u>202,834</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>112,928</u>	<u>129,251</u>	<u>242,179</u>	<u>209,708</u>
NET ASSETS		<u>112,928</u>	<u>129,251</u>	<u>242,179</u>	<u>209,708</u>
FUNDS	12				
Unrestricted funds				112,928	99,892
Restricted funds				129,251	109,816
TOTAL FUNDS				<u>242,179</u>	<u>209,708</u>

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

28 November 2022

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

DocuSigned by:

Graeme Gibson

.....D7EDEF650E050A01.....

G Gibson - Trustee

The Welcoming Association

Notes to the Financial Statements
For The Year Ended 31 March 2022

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

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

Going concern

In accordance with their responsibilities as directors, the directors have considered the appropriateness of the going concern basis for the preparation of the financial statements.

In common with other charitable organisations, the challenge is to secure and maintain adequate unrestricted reserves to enable the charitable company to continue its activities in the event of a decrease in funding, and the directors recognise this uncertainty due to the ongoing high demand for funding support across the third sector.

Current and future financial information is regularly monitored at Board level, based on projections, funding in place, and the organisation's previous track record of securing funding and delivery on projects. In addition, if funding were to decrease, the directors are confident that there are adequate unrestricted reserves and sufficient flexibility built in to the cost base to ensure that this would not be to the detriment of the continuity of the charitable company.

Accordingly, the directors have assessed the charitable company's ability to continue as a going concern and have reasonable expectation that the charitable 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.

Income

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

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the 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.

Tangible fixed assets

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

Office equipment - 20% straight line

Taxation

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

Fund accounting

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

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

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

The Welcoming Association**Notes to the Financial Statements - continued**
For The Year Ended 31 March 2022**1. ACCOUNTING POLICIES - continued****Pensions**

The charity operates a defined contribution pension scheme. Contributions are charges to the income and expenditure account as they become payable in accordance with the rules of the scheme.

Debtors

Debtors are recognised at the settlement amount due.

Creditors

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.

Pensions

The charity operates a defined contribution pension scheme. Contributions are charges to the income and expenditure account as they become payable in accordance with the rules of the scheme.

2. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

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

The directors are of the opinion that there are no matters of significant judgement and estimation which are material to the financial statements.

3. NET INCOME/(EXPENDITURE)

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

	2022	2021
	£	£
Depreciation - owned assets	2,714	2,924
	<u> </u>	<u> </u>

4. AUDITORS' REMUNERATION

	2022	2021
	£	£
Fees payable to the charity's auditors for the audit of the charity's financial statements	3,500	3,420
	<u> </u>	<u> </u>

The Welcoming Association**Notes to the Financial Statements - continued**
For The Year Ended 31 March 2022**5. TRUSTEES' REMUNERATION AND BENEFITS**

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

Trustees' expenses

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

6. STAFF COSTS

	2022	2021
	£	£
Wages and salaries	264,806	288,946
Social security costs	16,143	19,159
Other pension costs	12,592	12,804
	<u>293,541</u>	<u>320,909</u>

The amount of employee benefits received by key management personnel was £41,617 (2021: £41,205). During the year The Welcoming was supported by volunteers in a variety of roles including teachers, befrienders, group facilitators and helpers, home energy advisors, events assistants and creative artists.

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

	2022	2021
	13	13
Employees	<u>13</u>	<u>13</u>

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

7. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	2,970	1,428	4,398
Charitable activities			
Charitable activities	20,545	459,487	480,032
Total	<u>23,515</u>	<u>460,915</u>	<u>484,430</u>
EXPENDITURE ON			
Charitable activities			
Charitable activities	25,085	415,250	440,335
NET INCOME/(EXPENDITURE)	(1,570)	45,665	44,095
Transfers between funds	9,011	(9,011)	-
Net movement in funds	<u>7,441</u>	<u>36,654</u>	<u>44,095</u>

The Welcoming Association**Notes to the Financial Statements - continued**
For The Year Ended 31 March 2022**7. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued**

	Unrestricted funds £	Restricted funds £	Total funds £
RECONCILIATION OF FUNDS			
Total funds brought forward	92,450	73,163	165,613
	<hr/>	<hr/>	<hr/>
TOTAL FUNDS CARRIED FORWARD	<u>99,891</u>	<u>109,817</u>	<u>209,708</u>

8. TANGIBLE FIXED ASSETS

	Office equipment £
COST	
At 1 April 2021	21,308
Additions	1,269
	<hr/>
At 31 March 2022	22,577
	<hr/>
DEPRECIATION	
At 1 April 2021	14,434
Charge for year	2,714
	<hr/>
At 31 March 2022	17,148
	<hr/>
NET BOOK VALUE	
At 31 March 2022	5,429
	<hr/>
At 31 March 2021	6,874
	<hr/>

9. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022 £	2021 £
Prepayments and accrued income	28,942	59,284
	<hr/>	<hr/>

The Welcoming Association**Notes to the Financial Statements - continued**
For The Year Ended 31 March 2022**10. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2022	2021
	£	£
Accruals and deferred income	<u>64,842</u>	<u>15,423</u>

In the year ended 31 March 2021 the charity deferred funds from The Health Inequalities Programme of £2,970. In the current year, the charity deferred funds of £200, £500 and £50,000 from St Giles, Scottish Refugee Council and Tudor Trust respectively.

11. LEASING AGREEMENTS

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

	2022	2021
	£	£
Within one year	<u>1,403</u>	<u>1,403</u>

12. MOVEMENT IN FUNDS

	At 1.4.21	Net movement in funds	Transfers between funds	At 31.3.22
	£	£	£	£
Unrestricted funds				
General fund	93,018	21,845	(7,364)	107,499
Fixed assets fund	6,874	(2,714)	1,269	5,429
	<u>99,892</u>	<u>19,131</u>	<u>(6,095)</u>	<u>112,928</u>
Restricted funds				
Tudor Trust	16,015	(5,116)	-	10,899
CEC Syrian Resettlement Programme	9,591	40,159	-	49,750
Health Inequalities Programme	13,306	8,888	-	22,194
Big Lottery	28,954	(15,718)	-	13,236
Henry Smith Charity	22,868	(139)	-	22,729
Scottish Refugee Council	46	-	-	46
Welcoming Choir	-	(300)	300	-
Equality Fund	3,077	(7,496)	4,419	-
Community Jobs Scotland	-	(5)	5	-
Climate Challenge Fund	8,512	(8,512)	-	-
Covid-19 Emergency Fund	-	(406)	406	-
Immediate Priorities Fund	-	(341)	341	-
Migrant Exchange	-	(230)	230	-
Robertson Trust	-	1,576	-	1,576
SRC Covid Response Fund	2,230	(2,230)	-	-
Welbeing Fund	4,417	(3,358)	341	1,400
St Giles	800	1,630	53	2,483
3Ds Project - Scottish Government	-	4,938	-	4,938
	<u>109,816</u>	<u>13,340</u>	<u>6,095</u>	<u>129,251</u>
TOTAL FUNDS	<u>209,708</u>	<u>32,471</u>	<u>-</u>	<u>242,179</u>

The Welcoming Association**Notes to the Financial Statements - continued**
For The Year Ended 31 March 2022**12. MOVEMENT IN FUNDS - continued**

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	29,792	(7,947)	21,845
Fixed assets fund	-	(2,714)	(2,714)
	<u>29,792</u>	<u>(10,661)</u>	<u>19,131</u>
Restricted funds			
Tudor Trust	33,331	(38,447)	(5,116)
CEC Syrian Resettlement Programme	61,199	(21,040)	40,159
Health Inequalities Programme	18,309	(9,421)	8,888
Big Lottery	39,980	(55,698)	(15,718)
Henry Smith Charity	39,600	(39,739)	(139)
Welcoming Choir	-	(300)	(300)
Equality Fund	60,000	(67,496)	(7,496)
Community Jobs Scotland	-	(5)	(5)
Climate Challenge Fund	98,249	(106,761)	(8,512)
Covid-19 Emergency Fund	-	(406)	(406)
Immediate Priorities Fund	-	(341)	(341)
Migrant Exchange	-	(230)	(230)
Robertson Trust	7,500	(5,924)	1,576
SRC Covid Response Fund	-	(2,230)	(2,230)
Welbeing Fund	-	(3,358)	(3,358)
St Giles	2,283	(653)	1,630
3Ds Project - Scottish Government	12,043	(7,105)	4,938
	<u>372,494</u>	<u>(359,154)</u>	<u>13,340</u>
TOTAL FUNDS	<u><u>402,286</u></u>	<u><u>(369,815)</u></u>	<u><u>32,471</u></u>

The Welcoming Association**Notes to the Financial Statements - continued**
For The Year Ended 31 March 2022**12. MOVEMENT IN FUNDS - continued****Comparatives for movement in funds**

	At 1.4.20	Net movement in funds	Transfers between funds	At 31.3.21
	£	£	£	£
Unrestricted funds				
General fund	86,297	1,355	5,366	93,018
Fixed assets fund	6,153	(2,924)	3,645	6,874
	<u>92,450</u>	<u>(1,569)</u>	<u>9,011</u>	<u>99,892</u>
Restricted funds				
Tudor Trust	6,723	9,292	-	16,015
CEC Syrian Resettlement Programme	2,035	7,556	-	9,591
Health Inequalities Programme	3,972	9,334	-	13,306
Big Lottery	16,848	12,106	-	28,954
Big Bike Revival	800	(674)	(126)	-
Corra Foundation	1,362	-	(1,362)	-
Edinburgh Lothian Greenspace	68	-	(68)	-
Edinburgh Airport Community	744	-	(744)	-
English UK Limited	1,480	-	(1,480)	-
Henry Smith Charity	35,307	(12,439)	-	22,868
Scottish Refugee Council	-	46	-	46
Welcoming Choir	3,824	(2,825)	(999)	-
Equality Fund	-	3,077	-	3,077
Community Jobs Scotland	-	(2,616)	2,616	-
Climate Challenge Fund	-	8,512	-	8,512
Covid-19 Emergency Fund	-	11,777	(11,777)	-
Immediate Priorities Fund	-	(1,997)	1,997	-
Robertson Trust	-	(2,932)	2,932	-
SRC Covid Response Fund	-	2,230	-	2,230
Welbeing Fund	-	4,417	-	4,417
St Giles	-	800	-	800
	<u>73,163</u>	<u>45,664</u>	<u>(9,011)</u>	<u>109,816</u>
TOTAL FUNDS	<u>165,613</u>	<u>44,095</u>	<u>-</u>	<u>209,708</u>

The Welcoming Association**Notes to the Financial Statements - continued**
For The Year Ended 31 March 2022**12. MOVEMENT IN FUNDS - continued**

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	23,515	(22,160)	1,355
Fixed assets fund	-	(2,924)	(2,924)
	<hr/>	<hr/>	<hr/>
	23,515	(25,084)	(1,569)
Restricted funds			
Tudor Trust	55,333	(46,041)	9,292
CEC Syrian Resettlement Programme	30,600	(23,044)	7,556
Health Inequalities Programme	15,169	(5,835)	9,334
Big Lottery	60,611	(48,505)	12,106
Big Bike Revival	-	(674)	(674)
Henry Smith Charity	19,350	(31,789)	(12,439)
Scottish Refugee Council	606	(560)	46
Welcoming Choir	-	(2,825)	(2,825)
Equality Fund	60,204	(57,127)	3,077
Community Jobs Scotland	4,395	(7,011)	(2,616)
CCAF	3,100	(3,100)	-
Climate Challenge Fund	93,941	(85,429)	8,512
Covid-19 Emergency Fund	38,500	(26,723)	11,777
Immediate Priorities Fund	36,156	(38,153)	(1,997)
Robertson Trust	7,500	(10,432)	(2,932)
SRC Covid Response Fund	4,812	(2,582)	2,230
Welbeing Fund	29,210	(24,793)	4,417
St Giles	1,428	(628)	800
	<hr/>	<hr/>	<hr/>
	460,915	(415,251)	45,664
	<hr/>	<hr/>	<hr/>
TOTAL FUNDS	484,430	(440,335)	44,095
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

The Welcoming Association

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

12. MOVEMENT IN FUNDS - continued

Notes to the funds:

The Fixed Assets fund - this corresponds to the net book value of the 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.

Tudor Trust - funding towards the costs of the Director.

CEC Syrian Resettlement Programme - 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.

Health Inequalities Programme - previously City of Edinburgh Council Health Inequalities Programme - now Edinburgh Integration Joint Board funding which covers the salary and costs of a part-time Health and Wellbeing Coordinator.

Big Lottery - Welcoming Friendship befriending programme to support the social integration of migrants and refugees in Edinburgh.

Henry Smith Charity - Welcoming Friendship befriending programme to support the social integration of migrants and refugees in Edinburgh.

Equality Fund - Scottish Government Grant from the Promoting Equality and Cohesion Fund to help newly arrived migrants and refugees in Edinburgh.

Climate Challenge Fund - grant awarded as part of their 'Welcoming a Greener Future' project for community Engagement and Integration, Home Energy Saving and Renewal programmes.

St Giles - Financial support provided to enable The Welcoming to have a Hardship Fund open to those members in greatest need of household items and clothing.

Robertson Trust - To support New Scots to access local services and engaging local mainstream organisations by providing examples of the living experiences of our users.

The Welcoming 3Ds Project funded by the Scottish Government - To provide IT equipment and teach digital skills to Arabic speakers, provide English classes and 1 to 1 support.

Transfers into restricted funds represent general funds used to further activity.

Transfers from restricted funds represent the cost of fixed assets purchased and contributions towards overhead costs.

The Welcoming Association

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

13. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 March 2022.

14. FRC ETHICAL STANDARD - PROVISIONS AVAILABLE FOR SMALL ENTITIES

In common with many other businesses of our size and nature we use our auditors to prepare and submit returns to the tax authorities and assist with the preparation of the financial statements.