

Charity registration number 1087511

Company registration number 04241324 (England and Wales)

WELCOME
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

WELCOME

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Mr Adam Darkes Mr John Elsegood Mr Mark Lewis Dr L Williams Mr Cairo Nickolls
Charity number	1087511
Company number	04241324
Registered office	2 Highlands Court Cranmore Avenue Shirley Solihull England B90 4LE
Auditor	BK Plus Audit Limited Azzurri House Walsall Road Aldridge Walsall England WS9 0RB
CEO	Sally Edwards

WELCOME

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WELCOME

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2024

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 2024. 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).

Welcome is a charitable company limited by guarantee, incorporated on 26 June 2001 and registered as a charity on 13 July 2001. The company was established under a constitution, the governing document, which underlines the company objectives, membership, activities, meetings, and how the constitution may be changed. In the event of the company being wound up members are required to contribute an amount not exceeding £10 each.

Objectives and activities

The charity's objectives are:

- a) to provide open access and a single point of contact to a range of drug and alcohol services in Solihull for those individuals whose lives are adversely affected by substance misuse. These services include not only those who use substances, but also their friends and family (who are often also indirectly affected);
- b) to work in partnership to ensure a seamless service is provided for those accessing treatment pathways in the borough of Solihull;
- c) to enable individuals to change their lives in a positive way through the provision of support, advice, counselling and care co-ordination services.

Significant activities

The charity's stakeholders have continued to benefit from Welcome's provision of services as a member of the SIAS (Solihull Integrated Addiction Services) Partnership.

Welcome employs the Single Point of Engagement (SPOE) team, which plays a critical role in welcoming and engaging clients into the service, carrying out triage assessments before allocating clients to their Practitioner. The charity also employs a small team of Adult Treatment Practitioners, one of whom has Additional Responsibility across the SIAS Partnership for leading on Harm Reduction and Needle Exchange Services.

Welcome charity is the SIAS Partnership lead in the provision of young persons' services, including early intervention and prevention, treatment, and support for children affected by a family member's substance misuse (known as Hidden Harm). We employ two YP treatment Practitioners and two Hidden Harm Practitioners as well as a Hidden Harm Counsellor.

Welcome also continues to act as Marketing Lead on behalf of the SIAS Partnership, adding content to its website and social media platforms, planning campaigns, networking and delivering awareness sessions in the community. This work is crucial in ensuring everyone in Solihull who might benefit from the service is aware of it and that the service is able to fully meet drug & alcohol treatment and recovery support needs in the Borough.

In the final quarter of the financial year, Welcome took on responsibility for managing the recovery services commissioned within the SIAS Partnership after another partner, Changes UK, which had delivered them previously declared itself insolvent.

WELCOME

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

Welcome Change CIC

Welcome Change CIC, a subsidiary undertaking of Welcome charity, has continued to provide opportunities for people who have received treatment and support through SIAS, as well as others with mental health issues or disadvantaged in society, to volunteer, build skills and confidence and make positive contributions in the community. The CIC's current enterprises include a Community Centre, a Community Garden and two Community Hubs. Aiming to 'Encourage Enterprise and Support Communities', our work through Welcome Change CIC continues to support communities across East Birmingham including Shard End, Kitts Green/Lea Village, Tile Cross and Glebe Farm.

Public benefit

The Trustees are aware of the obligations of the charity, which are set out in the Guidance issued by The Charities Commission under the Companies Act 2006. They are confident that the work of the charity in pursuit of its objects is delivering Public Benefit. The Trustees will comply with the future reporting requirements in this regard.

Achievements and performance

Financial position

The charity generated a net surplus of £7,771 (2023: deficit £4,340) for the year ended 31 March 2024. The results for the year are shown on page 9. The charity has total funds of £423,378 (2023: £415,607) at the year end. The Financial position at the year end is shown on page 10.

Principal funding sources

The principal funding source during the year ended 31 March 2024 continued to be from our programme delivery as a SIAS Partner which ensures our charitable activities are met.

Reserves policy

Welcome is committed to maintaining a level of reserves that is prudent to meet ongoing liabilities, sufficient to ensure that all service delivery commitments can be met and to protect the long term future of its operations. The policy seeks to balance these priorities by holding a level of reserves sufficient to:

- ensure the availability of sufficient working funds in hand to ensure that spending commitments can be met and to provide a breathing space in case of unexpected loss of income;
- provide sufficient funds for an orderly wind down in the event of a need to cease our activities.

The charity has total funds of £423,378 (2023: £415,607) at the year end, of which £14,319 is restricted (2023: £14,725).

Plans for future periods

The Board is confident that Welcome remains a strong organisation, with good reserves and resilience derived from its skilled and loyal staff team.

WELCOME

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

Structure, governance and management

Governing document

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

The trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

Mr Adam Darkes

Mr John Elsegood

Mr Mark Lewis

Dr L Williams

Mr Cairo Nickolls

Recruitment and appointment of new trustees

Under the governing document members of the Board are elected to serve for three years after which they must be re-elected at the next Annual General Meeting.

We regularly review the skills of our current Board to ensure the charity has the appropriate level of skill and expertise required to ensure it is effectively directed. If any skill gaps are identified we seek to recruit new Trustees from the communities we serve, with the necessary skills to join the board.

None of the trustees has any beneficial interest in the company. All of the trustees are members of the company and guarantee to contribute £1 in the event of a winding up.

Organisational structure

Welcome has a Board of Trustees which meets six weekly. Day-to-day responsibility rests with the CEO who is responsible for ensuring that the charity delivers the services specified and that service level agreements are achieved. The CEO along with the Service Manager and Senior Practitioner have responsibility for the operational management of the charity, staff supervision and ensuring the staff continue to develop their skills and working practices in line with good practice.

Induction and training of new trustees

Any potential new Trustees are invited to visit the charity and its trading arm and experience its full range of activities in operation. Additionally, Trustees are kept abreast of ongoing work through a short presentation at each Board meeting by a member of the Welcome team.

Members of our existing Board and any new Trustees undertake governance training and are involved in an annual Away Day to facilitate discussions surrounding strategic direction for the charity and CIC.

Key management remuneration

The remuneration paid to the Charity's employees is reviewed annually. The pay is benchmarked against pay levels for other roles with similar responsibilities elsewhere within the sector.

National Drug Strategy

Welcome is guided by both local and national drugs and alcohol policies. The Government has a published Drugs Strategy and an Alcohol Strategy, but the lead responsibility for commissioning drug and alcohol services rests with local authorities.

Risk management

The trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

Throughout the year, effective control over expenditure has been maintained so that our cash balance at the year end remains healthy. As part of our charity's overall risk management, possible dangers to assets and future cash flows have been assessed and deemed to be under satisfactory control.

WELCOME

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

Statement of trustees' responsibilities

The trustees, who are also the directors of Welcome for the purpose of company law, are responsible for preparing the Trustees' Report 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 charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity 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.

Auditor

The auditors, BK Plus Audit Limited, will be proposed for re-appointment at the forthcoming Annual General Meeting.

Disclosure of information to auditor

Each of the trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

The trustees' report was approved by the Board of Trustees.

Mr Adam Darkes
Trustee

3 October 2024

WELCOME

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF WELCOME

Opinion

We have audited the financial statements of Welcome (the 'charity') for the year ended 31 March 2024 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2024 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the 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 charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information

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

- the information given in the trustees' report for the financial year for which the financial statements are prepared, which includes the directors' report prepared for the purposes of company law, is consistent with the financial statements; and
- the directors' report included within the trustees' report has been prepared in accordance with applicable legal requirements.

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INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF WELCOME

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the trustees' report.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of 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 prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the trustees' report and from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees, who are also the directors of the charity for the purpose 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 charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

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

- Enquiry of management, those charged with governance around actual and potential litigation and claims;
- Enquiry of entity staff to identify any instances of non-compliance with laws and regulations;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.
- Performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias.
- Performing audit work over the risk of understatement of income including substantive testing and obtaining corroborated explanations from Management.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

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INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF WELCOME

Use of our report

This report is made solely to the company's members, as a body, in accordance with section 391 of the Companies Act 2014. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Paul Mannion FCCA, FCA (Senior Statutory Auditor)
for and on behalf of BK Plus Audit Limited

3 October 2024

Chartered Certified Accountants
Statutory Auditor

Azzurri House
Walsall Road
Aldridge
Walsall
England
WS9 0RB

WELCOME

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2024

		Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £
	Notes						
Income from:							
Donations and legacies	3	10	-	10	150	-	150
Charitable activities	4	604,933	8,890	613,823	541,215	36,518	577,733
Other trading activities	5	-	-	-	97,079	-	97,079
Investments	6	1,986	-	1,986	1	-	1
Total income		<u>606,929</u>	<u>8,890</u>	<u>615,819</u>	<u>638,445</u>	<u>36,518</u>	<u>674,963</u>
Expenditure on:							
Raising funds	7	-	-	-	113,353	-	113,353
Charitable activities	8	598,752	9,296	608,048	524,450	41,500	565,950
Total expenditure		<u>598,752</u>	<u>9,296</u>	<u>608,048</u>	<u>637,803</u>	<u>41,500</u>	<u>679,303</u>
Net income/(expenditure) and movement in funds		8,177	(406)	7,771	642	(4,982)	(4,340)
Reconciliation of funds:							
Fund balances at 1 April 2023		<u>400,882</u>	<u>14,725</u>	<u>415,607</u>	<u>400,240</u>	<u>19,707</u>	<u>419,947</u>
Fund balances at 31 March 2024		<u>409,059</u>	<u>14,319</u>	<u>423,378</u>	<u>400,882</u>	<u>14,725</u>	<u>415,607</u>

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

WELCOME

BALANCE SHEET

AS AT 31 MARCH 2024

	Notes	2024		2023	
		£	£	£	£
Fixed assets					
Tangible assets	15		10,213		18,371
Current assets					
Debtors	16	12,368		25,635	
Cash at bank and in hand		485,598		456,334	
		<u>497,966</u>		<u>481,969</u>	
Creditors: amounts falling due within one year	17	<u>(84,801)</u>		<u>(84,733)</u>	
Net current assets			<u>413,165</u>		<u>397,236</u>
Total assets less current liabilities			<u>423,378</u>		<u>415,607</u>
The funds of the charity					
Restricted income funds	20		14,319		14,725
Unrestricted funds			409,059		400,882
			<u>423,378</u>		<u>415,607</u>

The financial statements were approved by the trustees on 3 October 2024

Mr Mark Lewis
Trustee

Company registration number 04241324 (England and Wales)

WELCOME

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2024

	Notes	2024 £	£	2023 £	£
Cash flows from operating activities					
Cash generated from operations	26		27,951		35,967
Investing activities					
Proceeds from disposal of tangible fixed assets		-		1,000	
Investment income received		1,986		1	
		<u>1,986</u>		<u>1</u>	
Net cash generated from investing activities			1,986		1,001
Financing activities					
Subsidiary Loan		(673)		(12,757)	
		<u>(673)</u>		<u>(12,757)</u>	
Net cash used in financing activities			(673)		(12,757)
Net increase in cash and cash equivalents			29,264		24,211
Cash and cash equivalents at beginning of year			456,334		432,123
			<u>456,334</u>		<u>432,123</u>
Cash and cash equivalents at end of year			<u>485,598</u>		<u>456,334</u>

WELCOME

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024

1 Accounting policies

Charity information

Welcome is a private company limited by guarantee incorporated in England and Wales. The registered office is 2 Highlands Court, Cranmore Avenue, Shirley, Solihull, B90 4LE, England.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's [governing document], the Companies Act 2006, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "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). The charity is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

Preparation of consolidated financial statements

The financial statements contain information about Welcome as an individual company and do not contain consolidated financial information as the parent of a group. The charity is exempt under Section 399(2A) of the Companies Act 2006 from the requirements to prepare consolidated financial statements.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors or grantors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

1.4 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

Retail income including income from clothing and other items donated for resale through the charity shops are included in income from other trading activities when the sale takes place.

WELCOME

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

1 Accounting policies

(Continued)

1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, 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 classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Fixtures and fittings	15% straight line
Furniture and Computer equipment	20% straight line
Motor vehicles	25% on reducing balance

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

1.7 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.9 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

WELCOME

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

1 Accounting policies

(Continued)

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

1.10 Taxation

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

1.11 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.12 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.13 Grants

Grants are credited to deferred income. Grants towards capital expenditure are released to the profit and loss account over the expected useful life of the asset. Grants towards revenue expenditure are released to the profit and loss account as the related expenditure is incurred.

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees 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 experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

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

WELCOME

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

3 Income from donations and legacies

	Unrestricted funds 2024 £	Unrestricted funds 2023 £
Donations and gifts	10	150

4 Income from charitable activities

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £
SIAS						
Charitable income	604,933	-	604,933	541,215	-	541,215
BBC Children in Need						
Charitable income	-	-	-	-	9,950	9,950
Aquarius						
Charitable income	-	-	-	-	24,677	24,677
Angling trust						
Charitable income	-	847	847	-	1,891	1,891
William A Cadbury Trust						
Charitable income	-	8,043	8,043	-	-	-
	<u>604,933</u>	<u>8,890</u>	<u>613,823</u>	<u>541,215</u>	<u>36,518</u>	<u>577,733</u>

5 Income from other trading activities

	Unrestricted funds 2024 £	Unrestricted funds 2023 £
Shop income	-	97,079

WELCOME

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

6 Income from investments

	Unrestricted funds 2024 £	Unrestricted funds 2023 £
Interest receivable	1,986	1

7 Expenditure on raising funds

	Unrestricted funds 2024 £	Unrestricted funds 2023 £
Trading costs		
Other trading activities	-	26,477
Staff costs	-	86,876
	-	113,353

WELCOME

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

8 Expenditure on charitable activities

	SIAS	Active Citizens	Angling Trust	William A Cadbury Trust	Total
	2024	2024	2024	2024	2024
	£	£	£	£	£
Direct costs					
Staff costs	381,116	-	-	7,666	388,782
Depreciation and impairment	6,699	405	-	-	7,104
Insurance	7,665	-	-	-	7,665
Advertising	14,843	-	-	-	14,843
SIAS direct costs	8,975	-	369	-	9,344
Womens/ family group/ activities	3,029	-	-	-	3,029
Needle exchange	12,726	-	-	-	12,726
Repairs and renewals	2,830	-	-	-	2,830
Travelling	5,442	-	114	197	5,753
Motor expenses	4,668	-	-	-	4,668
Legal and professional	3,595	-	-	-	3,595
Telephone	5,241	-	-	-	5,241
Computer costs	12,753	-	-	-	12,753
Equipment rental	1,596	-	-	-	1,596
Post and stationary	1,242	-	-	-	1,242
Subscriptions	3,819	-	365	180	4,364
Other charitable expenditure	11,212	-	-	-	11,212
	<u>487,451</u>	<u>405</u>	<u>848</u>	<u>8,043</u>	<u>496,747</u>
Share of support and governance costs (see note 10)					
Support	103,201	-	-	-	103,201
Governance	8,100	-	-	-	8,100
	<u>598,752</u>	<u>405</u>	<u>848</u>	<u>8,043</u>	<u>608,048</u>
Analysis by fund					
Unrestricted funds	598,752	-	-	-	598,752
Restricted funds	-	405	848	8,043	9,296
	<u>598,752</u>	<u>405</u>	<u>848</u>	<u>8,043</u>	<u>608,048</u>

WELCOME

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

8 Expenditure on charitable activities

(Continued)

Previous year:	SIAS	BBC children in Need	Active Citizens	Aquarius	Total
	2023	2023	2023	2023	2023
	£	£	£	£	£
Direct costs					
Staff costs	295,499	8,608	-	6,378	310,485
Depreciation and impairment	7,694	-	540	-	8,234
Insurance	6,629	-	-	-	6,629
Advertising	44,040	-	-	15,588	59,628
SIAS direct costs	4,825	-	-	-	4,825
Womens/ family group/ activities	4,363	-	-	-	4,363
Needle exchange	7,500	-	-	10,386	17,886
Repairs and renewals	2,312	-	-	-	2,312
Travelling	7,416	-	-	-	7,416
Motor expenses	130	-	-	-	130
Legal and professional	309	-	-	-	309
Telephone	5,669	-	-	-	5,669
Computer costs	9,579	-	-	-	9,579
Equipment rental	1,454	-	-	-	1,454
Post and stationary	272	-	-	-	272
Subscriptions	4,426	-	-	-	4,426
Other charitable expenditure	14,633	-	-	-	14,633
	<u>416,750</u>	<u>8,608</u>	<u>540</u>	<u>32,352</u>	<u>458,250</u>
Share of support and governance costs (see note 10)					
Support	100,950	-	-	-	100,950
Governance	6,750	-	-	-	6,750
	<u>524,450</u>	<u>8,608</u>	<u>540</u>	<u>32,352</u>	<u>565,950</u>
Analysis by fund					
Unrestricted funds	524,450	-	-	-	524,450
Restricted funds	-	8,608	540	32,352	41,500
	<u>524,450</u>	<u>8,608</u>	<u>540</u>	<u>32,352</u>	<u>565,950</u>

WELCOME

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

9 Description of charitable activities

SIAS

Solihull Integrated Addiction Service

Welcome remains the SIAS Partnership lead in the provision of young persons' services, including early intervention and prevention, treatment, and support for children affected by a family member's substance misuse (known as Hidden Harm). We employ two Young Person treatment Practitioners and a Hidden Harm Practitioner as well as a Hidden Harm Counsellor.

BBC Children in Need Grant

Funding to provide support to young people affected by parental drug and alcohol misuse. Through taking part in various activities the young people will be more confident, resilient and able to make more informed life choices.

Active Citizens

Funding towards supporting a mobile platform from which the charity can provide support to young people affected by parental drug and alcohol misuse. Through engaging with the mobile platform in various activities, the young people will become more confident in engaging with the charity.

Aquarius Grant

Funding to provide support to young people affected by parental drug and alcohol misuse through young people workers. Through taking part in various activities the young people will be more confident, resilient and able to make more informed life choices.

Angling Trust Grant

Funding to provide angling facilities to increase opportunities for mental health, addictions, women's sport and disability sport.

William A Cadbury Trust

Funding to employ the services of a counsellor

10 Support costs allocated to activities

	2024	2023
	£	£
Staff costs	90,592	88,380
Depreciation	1,053	1,900
Insurance	1,798	1,529
Repairs and renewals	565	533
Travelling and motor	2,021	1,741
Training and recruitment	1,795	1,044
Telephone	1,048	1,308
Computer costs	2,551	2,210
Equipment rental	319	336
Post and stationery	248	63
Subscriptions, sundy and bank charges	1,211	1,906
Governance costs	8,100	6,750
	<u>111,301</u>	<u>107,700</u>
Analysed between:		
SIAS	<u>111,301</u>	<u>107,700</u>

WELCOME

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

11 Net movement in funds	2024	2023
	£	£
The net movement in funds is stated after charging/(crediting):		
Fees payable for the audit of the charity's financial statements	8,100	6,750
Depreciation of owned tangible fixed assets	8,157	10,134
	<u>8,157</u>	<u>10,134</u>

12 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year.

13 Employees

The average monthly number of employees during the year was:

	2024	2023
	Number	Number
Counselling staff	15	13
Administration	3	3
Charity Shops	-	5
	<u>18</u>	<u>21</u>
Total	<u>18</u>	<u>21</u>

Employment costs

	2024	2023
	£	£
Wages and salaries	429,272	429,827
Social security costs	25,984	30,258
Other pension costs	24,118	25,656
	<u>479,374</u>	<u>485,741</u>

There were no employees whose annual remuneration was more than £60,000.

Remuneration of key management personnel

The remuneration of key management personnel was as follows:

	2024	2023
	£	£
Aggregate compensation	51,782	50,632
	<u>51,782</u>	<u>50,632</u>

14 Taxation

The charity is exempt from taxation on its activities because all its income is applied for charitable purposes.

WELCOME

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

15 Tangible fixed assets

	Fixtures and fittings	Furniture and Computer equipment	Motor vehicles	Total
	£	£	£	£
Cost				
At 1 April 2023	9,418	89,481	9,225	108,124
At 31 March 2024	9,418	89,481	9,225	108,124
Depreciation and impairment				
At 1 April 2023	9,418	74,192	6,144	89,754
Depreciation charged in the year	-	7,385	772	8,157
At 31 March 2024	9,418	81,577	6,916	97,911
Carrying amount				
At 31 March 2024	-	7,904	2,309	10,213
At 31 March 2023	-	15,290	3,081	18,371

16 Debtors

	2024	2023
	£	£
Amounts falling due within one year:		
Trade debtors	-	19,678
Other debtors	3,555	3,555
Prepayments and accrued income	8,813	2,402
	12,368	25,635

17 Creditors: amounts falling due within one year

	Notes	2024	2023
		£	£
Other taxation and social security		15,522	6,628
Deferred income	18	26,597	28,435
Trade creditors		12,924	26,297
Amounts owed to fellow group undertakings		5,471	6,144
Other creditors		1,973	2,040
Accruals and deferred income		22,314	15,189
		84,801	84,733

WELCOME

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

18 Deferred income

	2024	2023
	£	£
Other deferred income	26,597	28,435
	<u>26,597</u>	<u>28,435</u>

Deferred income is included in the financial statements as follows:

	2024	2023
	£	£
Deferred income is included within:		
Current liabilities	26,597	28,435
	<u>26,597</u>	<u>28,435</u>
Movements in the year:		
Deferred income at 1 April 2023	28,435	14,944
Released from previous periods	(9,663)	-
Resources deferred in the year	7,825	13,491
	<u>7,825</u>	<u>13,491</u>
Deferred income at 31 March 2024	26,597	28,435
	<u>26,597</u>	<u>28,435</u>

19 Retirement benefit schemes

	2024	2023
	£	£
Defined contribution schemes		
Charge to profit or loss in respect of defined contribution schemes	14,440	20,876
	<u>14,440</u>	<u>20,876</u>

The charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the charity in an independently administered fund.

20 Restricted funds

The restricted funds of the charity comprise the unexpended balances of donations and grants held on trust subject to specific conditions by donors as to how they may be used.

	At 1 April 2023	Incoming resources	Resources expended	At 31 March 2024
	£	£	£	£
BBC Children In Need Grant	-	-	-	-
Active Citizens Award Grant	8,369	-	-	8,369
Angling Grant	4,465	-	(406)	4,059
William A Cadbury Trust	1,891	847	(847)	1,891
	-	8,043	(8,043)	-
	<u>14,725</u>	<u>8,890</u>	<u>(9,296)</u>	<u>14,319</u>

WELCOME

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

20 Restricted funds (Continued)

Previous year:	At 1 April 2022 £	Incoming resources £	Resources expended £	At 31 March 2023 £
BBC Children In Need Grant	7,027	9,950	(8,608)	8,369
Active Citizens Award Grant	5,005	-	(540)	4,465
Aquarius Grant	7,675	24,677	(32,352)	-
Angling Grant	-	1,891	-	1,891
	<u>19,707</u>	<u>36,518</u>	<u>(41,500)</u>	<u>14,725</u>

21 Unrestricted funds

The unrestricted funds of the charity comprise the unexpended balances of donations and grants which are not subject to specific conditions by donors and grantors as to how they may be used. These include designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes.

	At 1 April 2023 £	Incoming resources £	Resources expended £	At 31 March 2024 £
General funds	<u>400,882</u>	<u>606,929</u>	<u>(598,752)</u>	<u>409,059</u>
Previous year:	At 1 April 2022 £	Incoming resources £	Resources expended £	At 31 March 2023 £
General funds	<u>400,240</u>	<u>638,445</u>	<u>(637,803)</u>	<u>400,882</u>

22 Analysis of net assets between funds

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £
At 31 March 2024:			
Tangible assets	9,000	1,213	10,213
Current assets/(liabilities)	<u>400,059</u>	<u>13,106</u>	<u>413,165</u>
	<u>409,059</u>	<u>14,319</u>	<u>423,378</u>

WELCOME

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

22 Analysis of net assets between funds

(Continued)

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £
At 31 March 2023:			
Tangible assets	16,753	1,618	18,371
Current assets/(liabilities)	384,129	13,107	397,236
	<u>400,882</u>	<u>14,725</u>	<u>415,607</u>

23 Related party transactions

Transactions with related parties

During the year the charity entered into the following transactions with related parties:

During the year ended 31 March 2024 the Charity recharged expenses totalling £25,018 (2023: £58,681) to its subsidiary company, Welcome Change CIC.

As at 31 March 2024 the Charity owes £5,471 to Welcome Change CIC (2023: £6,144).

24 Subsidiaries

Details of the charity's subsidiaries at 31 March 2024 are as follows:

Welcome is a Corporate director of Welcome Change CIC, a company limited by guarantee, company number 07758208. Also the Board of Welcome has common board members with Welcome Change CIC. Therefore, the directors of Welcome consider Welcome Change CIC to be the charity's subsidiary.

Welcome Change CIC's principal activities are the provision of a variety of enterprises operated for the benefit of the community consisting of a community centre a community garden and two community hubs. These enterprises offer volunteering opportunities and work experience placements for people in recovery from substance misuse, or otherwise disadvantaged in the mainstream job market, helping to build their confidence and skills and enable them ultimately to find work.

Name of undertaking	Registered office
Welcome Change CIC	316, Kitts Green Road, Lea Village, Birmingham, West Midlands, B33 9SB

WELCOME

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

24 Subsidiaries

(Continued)

The aggregate capital and reserves and the result for the year of subsidiaries excluded from consolidation was as follows:

Name of undertaking	Profit/(Loss) £	Capital and Reserves £
Welcome Change CIC	(650)	16,813

25 Analysis of changes in net funds

The charity had no material debt during the year.

26 Cash generated from operations

	2024 £	2023 £
Surplus/(deficit) for the year	7,771	(4,340)
Adjustments for:		
Investment income recognised in statement of financial activities	(1,986)	(1)
(Gain)/loss on disposal of tangible fixed assets	-	5,179
Depreciation and impairment of tangible fixed assets	8,157	10,134
Movements in working capital:		
Decrease/(increase) in debtors	13,267	(15,768)
Increase in creditors	742	40,763
Cash generated from operations	27,951	35,967