



Annual Report and Consolidated Financial  
Statements

31 March 2017

Charity Registration Number  
1149326

Company Registration Number  
07638065 (England and Wales)

## Contents

### Reports

Reference and administrative details of the charitable company, its Trustees and advisers	1
Trustees' report	2
Independent auditor's report	26

### Financial Statements

Consolidated statement of financial activities	28
Balance sheets	29
Consolidated statement of cash flows	30
Principal accounting policies	31
Notes to the financial statements	37

## Reference and administrative details of the Charitable Company, its Trustees and Advisers

<b>Trustees</b>	Sister Ellen T Flynn (Chair) Sister Mary T Bain Sister Margaret Bannerton Mr John Drury Sister Kathleen Fox Sister Eileen Glancy (resigned 15 March 2017) Sister Kay Harte Sister Kathleen Kennedy Sister Mary T O'Connor Mrs Leona Roche Father Paul Roche Sister Theresa Tighe
<b>Registered office</b>	Provincial House The Ridgeway London NW7 1RE
<b>Telephone:</b>	020 7931 8738
<b>Charity registration number</b>	1149326 (England and Wales)
<b>Company registration number</b>	07638065 (England and Wales)
<b>Auditor</b>	Buzzacott LLP 130 Wood Street London EC2V 6DL
<b>Bankers</b>	HSBC Bank plc Fenton House 85-89 New London Road Chelmsford Essex CM2 0PP
<b>Solicitors</b>	IBB Solicitors Capital Court 30 Windsor Street Uxbridge UB8 1AB
<b>Investment managers</b>	Kames Capital 4 <sup>th</sup> Floor 77 Gracechurch Street London EC3V 0AS

## Trustees' report Year to 31 March 2017

The Trustees present their statutory report together with the consolidated financial statements of The Daughters of Charity of St Vincent de Paul Services (DCSVP Services) and its subsidiaries, St Vincent's Family Project, Out There Supporting Families of Prisoners, Vincentian Care Plus and St Joseph's Services Limited, for the year to 31 March 2017.

This report has been prepared in accordance with Part 8 of the Charities Act 2011 and constitutes a directors' report for the purposes of company legislation.

The financial statements have been prepared in accordance with the accounting policies set out on pages 31 to 36 of the financial statements and comply with the charitable company's Memorandum and Articles of Association, applicable laws and 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 United Kingdom and Republic of Ireland (FRS 102), effective from accounting periods commencing 1 January 2015 or later.

### Principal aims

The Daughters of Charity of St Vincent De Paul (the 'Congregation' or the 'Daughters of Charity'), a Roman Catholic religious congregation, established DCSVP Services in order to create a new charity and company structure for services and projects the Congregation runs currently or with which it has a founding relationship. DCSVP Services will help ensure that the long term future of the subsidiaries is secure.

As appropriate, projects which already have limited company and/or charity status will be invited to become subsidiaries of DCSVP Services, thereby creating a group structure and allowing for greater co-operation and an enriched relationship between subsidiaries. The Trustees of each subsidiary are responsible for directing and controlling the operation of the subsidiary to fulfil its charitable objects.

It is intended that DCSVP Services will form an 'umbrella' to safeguard and deepen the Vincentian character and values of the Congregation's projects and services, assist in planning for long term sustainability, and assist with infrastructural needs and best practice in governance.

The objects of the charitable company as set out in the governing document are: *"in the spirit of St Vincent de Paul and are such charitable purposes as shall advance charitable work of the Congregation anywhere in the world as the Trustees with the approval of the Provincial shall from time to time think fit, provided that if at any time the Congregation shall cease to exist or shall cease to carry on any charitable work then for such other lawful purposes connected with the advancement of such similar charitable purposes as the Trustees shall determine"*.

## **Achievements and performance**

### ***Review of activities***

The Daughters of Charity of St Vincent de Paul Services (DCSVP Services) is an initiative of the Congregation which formally brings together charities founded by the Daughters of Charity, and still associated with them, into a family structure (the subsidiaries).

What all of these distinct charities and ministries share in common is a commitment to 'Vincentian Values', even though these may be interpreted and lived out in different ways within this broad Vincentian family. The Daughters of Charity are committed to maintaining their support and relationships with these charities and projects and want to ensure the longevity and future of these individual charities and projects and, crucially, to safeguard the Vincentian ethos and charism that collectively drives them. DCSVP Services is now into its fifth year of operation.

### ***Business Plan***

With the initial 2014-2017 DCSVP Services Business Plan due for renewal this year, it was agreed that a renewal of the broad strategic aims outlined in this previous plan would best serve the development of the roadmap for 2017-2020. These strategic aims are:

#### **1. Sustainable subsidiaries**

Supporting subsidiaries to establish a sound financial footing, effective data management, and robust policies and procedures, and fostering closer collaboration within the group

#### **2. Enshrining Our Values**

Building on progress made through the VIVAT programme, further expanding the offer of the Induction Course, developing a Foundation Course, and refocusing our efforts to ensure the consistent provision of Pastoral Care at all subsidiaries

#### **3. Readiness to Respond**

Evidence-based exploration of how we might best respond to emerging poverties, including the potential to establish new services if necessary and appropriate

#### **4. One Vincentian Voice**

Challenging structural injustice through drawing on our evidence base and speaking out for systemic change in partnership with other Vincentian organisations

### ***Resource hub***

Over the past year, the DCSVP Services team has, for the first time, become fully staffed. The team is now led by a Director of Mission, Sister Margaret Barrett, Daughter of Charity who has a wealth of experience of leadership within the Congregation both at Provincial (national) and global levels. Supporting the Director of Mission are: a full-time Operations Manager; a Finance Director, HR Manager, and Administrator who split their time between the Daughters of Charity of St Vincent de Paul Charitable Trust and DCSVP Services; and a part-time Fundraiser.

The team is now based across two offices: the original offices at Provincial House in Mill Hill, and new premises adjacent to The Passage resource centre in Carlisle Place, Victoria.

The addition of premises including a board-style meeting room in central London has already proved of significant benefit to two of the London-based subsidiaries whose own premises offer restricted options for Board or external meetings, as well as providing a more accessible location for the quarterly VIVAT Core Group meetings, which bring together those who have to travel from across the country.

DCSVP Services has been particularly keen to develop and fulfil its role as a resource hub from which subsidiary charities can seek support, assistance and advice. In addition to serving as a parent company, to help develop a group structure and safeguard the Vincentian ethos of each organisation, a fundamental purpose of the organisation is to provide access to a shared pool of resources which would not otherwise be available to each subsidiary.

With the growth of the team and the profile of the service, there has been a rapid uptake of these services by the subsidiaries, with particular demand for support on financial and HR matters. In reviewing the needs and requests for support from across the group, DCSVP Services is better able to identify further areas of work or focus which could be beneficial to all, whether in terms of a common area for policy review, or the opportunity to foster collaboration around a particular issue.

DCSVP Services has begun to coordinate meetings of the Directors / CEOs of each of subsidiaries, in order to develop a support network and a forum through which ideas, challenges and experiences can be shared. The benefit of such forums has already been seen, and the Trustees are hopeful that in making these forums more regular, they can continue to strengthen the bonds and shared learning between these services which each live out the charism in their own unique way.

#### *VIVAT*

Launched in 2014, the Vincentian Values Today (VIVAT) programme has been one of the most visible areas of work undertaken by DCSVP Services to date. Designed to help both celebrate and further enshrine the Vincentian ethos and charism within each subsidiary, along with several other organisations which have affiliated to the shared values identified through the programme, VIVAT combines storytelling of the heritage of the founders with an active exploration of the role of the charism in frontline services today.

In total, 15 organisations have subscribed to a set of shared Vincentian Values, which inform each of the services. These are:

- ◆ Serving people who are experiencing the effects of poverty
- ◆ Respecting each person's dignity
- ◆ Being compassionate and kind
- ◆ Enabling choice and change
- ◆ Acting in solidarity for justice

VIVAT: Induction Course

This past year, VIVAT has again grown from strength to strength, with a significant and widespread roll-out of the Induction Course across most subsidiaries. To date, more than 250 members of staff have now undertaken this training course, designed to introduce the Vincentian Values and family, and the changing role of the Daughters of Charity over time, to both new recruits and those who are already serving in participating organisations.

The feedback on this has been immensely positive: 99% of participants rated the course as 'excellent' or 'very good'; 92% believe that this course has helped them to better understand Vincentian Values; and 89% stated that this would be of practical use in their work. The course, which every employee of a subsidiary is expected to undertake, also serves as an opportunity to bring together people from all levels of an organisation in order to reflect upon and share with one another their experience of what makes their Vincentian service unique and best placed to serve vulnerable people.

VIVAT: Pastoral Care

A key development this year has been the focus on improving the quality and consistency of pastoral care available in each of the subsidiaries, and indeed with organisations affiliated to the VIVAT programme.

This work has been championed by a Daughter of Charity who, alongside serving as a Pastoral Care worker at one of the subsidiaries, is currently undertaking doctoral research into Vincentian Pastoral Care, and has joined the VIVAT Core Group in order to help guide and coordinate the development of a more consistent and coherent approach to this initiative. Pastoral Care, whilst in many ways synonymous with the work of the Daughters of Charity, has rarely enjoyed a clear definition, and in setting a group-wide standard for this, DCSVP Services will be able to ensure that both staff and clients are able to access appropriate support.

*Subsidiaries*

<b>Entity</b>	<b>Status of subsidiary</b>
<b>St Vincent's Family Project</b>	Joined DCSVP Services in 2011.
<b>Out There - Supporting Families of Prisoners</b>	Joined DCSVP Services on 1 December 2014.
<b>Vincentian Care Plus</b>	Joined DCSVP Services on 1 December 2014.
<b>St Joseph's Services</b>	Joined DCSVP Services on 1 April 2015.
<b>The Louise Project</b>	Became a subsidiary of DCSVP Services from 11 April 2017.

The Trustees were delighted to support The Space (now registered as a company under the name of The Louise Project Limited) with its transition from a service of the Daughters of Charity of St Vincent de Paul Charitable Trust to becoming an independent charity and a subsidiary of DCSVP Services as from 11 April 2017. See note 19 for further details.

### *Future plans*

Over the next twelve months, the focus will be on:

- ◆ Exploring the potential to expand the VIVAT Induction Course beyond subsidiaries, to organisations which have signed up to the shared VIVAT Values
- ◆ Further development and delivery of a VIVAT Foundation Course, providing a more in-depth insight into the lives, work and impact of St Vincent de Paul and St Louise de Marillac for those wishing to engage at a deeper level
- ◆ Working to ensure that every subsidiary has a Pastoral Care Worker in place and the development of a Pastoral Care network
- ◆ Governance awareness: developing clearer guidance on the governance structures within which both DCSVP Services and our subsidiaries operate
- ◆ Seeking to secure greater financial stability for the work of DCSVP Services through targeted fundraising efforts

### **Activities and performance of the Subsidiaries**

#### ***Out There Supporting Families of Prisoners***

##### *Mission and values*

Out There offers a supportive, compassionate and caring service to prisoners' families, from arrest to post-release. The overall aim is to protect the mental health and social wellbeing of individuals, families and dependants of prisoners and to eliminate their social exclusion through early intervention and self-help initiatives.

##### *Review of activities*

This year Out There celebrated its 10th anniversary. Celebrations saw staff, Trustees and supporters coming together to hear testimonies of former clients who spoke about their experience of having a family member in prison, the strength they have gained through Out There, and the friendships that have grown through our Support Group. Since opening a decade ago, the charity has provided support to over 1,350 families.

Over this past year, 375 families across Greater Manchester have accessed services through Out There. Most families engage with the service for 1-3 years, with each family receiving an average of 35 interventions each year from their designated support worker. The most common interventions are phone calls, home visits, liaison with prison and probation, referral to services, help from the hardship fund and practical help with transport and attending appointments. The charity supports families to access services which can help with counselling, wellbeing, housing, debt and finance. The charity also offers regular groups, activities and events at its premises to help counter the loneliness, isolation and stigma that can be experienced by the families the charity works with. Families value these occasions where they can meet and gain support from other families in a caring environment.



Out There has introduced a new process for assessing high priority cases where there may be risk factors. This is helping the charity to respond in a timely and effective way, with more frequent contact and interventions for those families at risk of crisis and immediate safeguarding actions and referrals where appropriate. Out There has found that at least one third of families are facing significant and multiple challenges.

Concerns for the safety and welfare of the loved one in prison and issues around visiting and phoning the prison continue to be raised by families, in part reflecting ongoing problems with prison conditions. Support workers liaise with a wide range of prison and probation staff to address the issues raised, from chaplains and prison visitor centre staff to Independent Monitoring Boards and Public Protection Units. The most significant consequence of imprisonment of a family member is the negative impact on the mental health of family members, an issue raised more than any other in casework. Out There helps by listening non-judgmentally, referring to specialist services, and most recently, by ensuring that all staff are properly trained to provide appropriate support.

Families in hardship have no funds to help them to replace essential appliances such as cookers and washing machines, or sometimes even for such basic necessities as food and clothing. Through partnerships with local agencies, Out There has helped families access white goods, clothing both for those leaving prison and for parents on low incomes, and food parcels to those in particularly acute need.

#### *Staff and volunteers*

Out There has seen further changes within its small team this year, with everybody pitching in and demonstrating real commitment in helping to provide a continued service to the families as the charity underwent recruitment and induction processes. The entire team has undertaken extensive training this past year, from coaching to mental health first aid, in order to increase the knowledge base and improve the response to families in distress. Out There has also established clinical supervision for staff.

Volunteers provided essential support to the running of the service, contributing 740 hours in the year, covering activities such as visitor centre outreach, attending appointments with clients, or driving families to prison visits. The volunteers provided invaluable assistance over Christmas when 21 hampers and 18 parcels of toys were delivered to families.

#### *Networking and partnership work*

Close partnership working with a wide range of agencies is essential in helping the charity to best support families. Most recently, a small team of Trustees and volunteers has given their time to do the valuable work of raising wider awareness of Out There in parishes of the Salford Diocese. This generated interest, offers of help and total donations of £6,604.

Out There continues to work closely with HMP Manchester, where twice weekly outreach sessions are held in the visitor centre, and there is regular attendance at Family Link meetings to discuss multi-agency working. The charity has been working closely alongside Recoop to address issues concerning the care and resettlement of older prisoners, which has allowed the charity to both better support the families of older prisoners and raise awareness about the work of Out There.

Out There celebrated International Women's Day with an open event at its premises on Powell Street, attended both by families and members of the local community. It ran mindfulness sessions and hosted several dedicated services, including Shelter, Women Matta and Trafford Domestic Abuse Service. The charity hosted two Family Forums at Powell Street, providing an opportunity for families to raise questions and issues with senior prison staff and to learn more about prison processes.

*Outcomes and impact*

Out There continues to offer the casework service to both the family and offender for at least six months after release. This work is focused on providing listening support, practical help with hardship, household goods and food, liaising with probation and housing providers and linking the offender into services that help with employment, benefits and drug and alcohol support.

Out There supported 23 families in the year whose family member had been released. Of these, 18 individuals have been released for six months or more without reoffending, with three people now in employment. Three people have been recalled, and a further two are recently released - they and their families will continue to be offered support.

Out There recently introduced a self-assessment tool with families at the start and end of the charity's involvement with them. Thirteen assessments were started this year and five follow up assessments were completed. All the families said they were in crisis in at least one area of life at the start and all showed significant improvements. The greatest improvements that have been seen in the follow up are in reduced isolation and improved emotional state and wellbeing.

***St Vincent's Family Project***

*Principal aims*

St Vincent's Family Project aims to support families in Westminster especially those who are experiencing difficulties. The Project aims to address the issues of parenting, child welfare and social exclusion by providing services for parents and children. The Project works with vulnerable families who are experiencing deprivation and the wider effects of poverty. It aims to offer an experience of community that inspires, supports and enables positive change in the lives of those who use its services.

*Review of activities*

Family Space

Family Space offers a varied programme of activities to support pre-school families and lay strong foundations for parenting and family life. Family Space offers a variety of research-based parenting programmes, support groups, healthy living courses, drop-in sessions, voluntary-led sessions of alternative therapy and yoga, arts and crafts, baby massage, inclusion programmes of events and outings, including outreach within the community and at children's centres to those that are hard to reach and engage.

Family Space partners with the local children's centre delivery group and works closely with other charities and agencies, including The Abbey Centre, Befriend a Family, Pimlico Toy Library, Home Start, Family Lives, Westminster Boating Base, Katherine Lowe Settlement, St Francis Centre, Churchill Gardens Centre and others. It takes referrals from the health visiting team, social workers, other charitable partners as well as self-referrals. Visiting professionals such as speech and language teams, parenting coordinators, specialist advice workers and social workers are available for parents to consult. Over the past year partnerships have been strengthened within the area, by sharing resources, establishing shared volunteer placement schemes with local charities, and involving three other charities in the annual Christmas Toy Drive.

#### Creative Arts Therapy

St Vincent's Family Project has been delivering Creative Arts Therapy within Westminster for over ten years for children aged 4 - 13. The Creative Arts Therapy work was originally started in response to local authority concerns regarding the high levels of child absenteeism. The schools cited emotional and background factors as contributing to this. The programme employs Licensed and State Registered Creative Art Therapists to work with children who suffer from acute mental health needs and whose families are marginalised and unable to access professional mental health services. St Vincent's Family Project works with children who are in the process of being adopted, in foster care, or who are experiencing, or have experienced emotional distress due to hardship putting them at risk of underachieving.

Therapists are familiar with Safeguarding and Child Protection issues and have an enhanced DBS check and regular clinical supervision. The Creative Arts Therapy consists of Art Therapy, Drama Therapy, and Dance & Movement Therapy. The sessions during school term time are based at the charity's centre in Methodist Central Hall, Westminster and within local Westminster schools. The therapeutic sessions are arranged in co-operation with other professionals and with the agreement of parents. The client children are referred through Westminster primary schools, children's centres and social services. The charity also works with local universities to support their therapeutic placement final year students who are pursuing therapy roles to do their supervised placements and work with the children that the Creative Arts Therapy project sees. Many children have very long waiting periods (up to eight months in some cases) to access the Child and Adolescent Mental Health Service (CAMHS). Parents find this service difficult to access due to long waiting times, as the service is underfunded and overstretched.

### Volunteer Space

St Vincent's Family Project continues to welcome volunteers from a diverse array of backgrounds, including local residents, corporate partners, therapeutic placements, and international student interns. The charity offers its valued volunteers an induction, training opportunities when appropriate, regular supervisions, and considers them as part of the service delivery team. Volunteers support direct face-to-face work with client families as well as back-office operations, including fundraising and marketing, data base work, and help with events. At the end of their time with the charity, the volunteers will have an idea of how a small charity operates within an urban, hyper-diverse context where local closure of statutory services, a difficult and competitive funding climate and an increased focus on financial transparency and safeguarding concerns, make for a challenging scenario to operate and thrive as a charity.

Last year there were many volunteers who gave significant amounts of time over many months, including those who were with the charity full-time for between three to five months. These included another two Erasmus students from Umeå University, Sweden, a John Lewis Graduate Scheme team of six highly motivated John Lewis Partners, locally based volunteers who wanted work experience with children and families, four students from the neighbouring Westminster Independent Day and Boarding School, and service-minded university students who were off for the summer period and wanted to make an impact within the community. The charity's efforts within the local community are greatly enhanced by the valuable volunteers and the charity is only able to be as effective as it is through their being a part of the support team to vulnerable client families.

### *Future plans for 2017 - 2018*

- ◆ Demonstrate and instil Christian Vincentian values throughout the work of the charity and with those whom it serves and partners with
- ◆ Develop the three St Vincent's Family Project services whilst determining and responding to the needs of client children and families
- ◆ Develop and build staff, volunteers, therapeutic placements and student interns, investing in their good practice, skill enhancement and growth
- ◆ Maintain stable funding and adequate free cash reserves of approximately three to six months' expenditure
- ◆ Increase marketing for the charity through the website, social media, events, corporate outreach and other creative and innovative ways
- ◆ Extend the charity's influence and collaboration with others through continued partnership working both at Methodist Central Hall and at other sites within the London Borough of Westminster

### ***Vincentian Care Plus***

#### *Principal aims and activities*

The principal aim of Vincentian Care Plus is to assist those in need of home care by the provision of a home care visiting service.

#### *Review of the period*

This past year has been a time of both challenges and opportunities for Vincentian Care Plus. Having received a troubling Care Quality Commission (CQC) report in the summer, a significant focus since has been on making appropriate improvements to the organisational structures and procedures in order to address the areas of concern, and progress has been made across the organisation since in a wide range of areas.

The core work continues to be the major contract with the Tri-Borough commissioning team of Westminster, Hammersmith & Fulham, and Kensington & Chelsea. The size and scale of the contract has been a challenging one to deliver on; however, the charity has been working closely with the Tri-Borough commissioning team and with relevant partners to do all that it can in order to address this, and to ensure that the services are working effectively and to the highest standards. Within the organisation, staffing, structural and technological issues have been addressed in order to better accommodate the various demands of the contract.

Having celebrated ten years of Vincentian Care Plus last year, the Trustees are proud to say that the progress made over this time in developing the organisation, level of service, and reputation for values-led holistic care has served the charity well. It is this hard-earned reputation that has, throughout this challenging year, given commissioners the confidence to see that the service continues to provide high-quality, person centred care in the tradition of the Vincentian charism, and as the Trustees look to the year ahead, they recommit to celebrating the heritage in the development and delivery of a service focused on ensuring the dignity of each individual.

Over the past year the charity has received significant support from the Daughters of Charity of St Vincent de Paul Charitable Trust, both moral and financial. Its commitment to ensuring that the service continues to develop, and also to stay true to its Vincentian ethos has been of tremendous value, and has made a significant impact.

### *Recruitment*

Once again, as is common across the care sector, Vincentian Care Plus has seen a number of challenges in recruiting experienced and appropriate carers. In order to address this, in November a Development and HR Manager was appointed to, amongst a host of other responsibilities, oversee a recruitment drive to bring on board suitable carers well-placed to serve the locality. The impact of this initiative has been particularly positive, with a notable increase in the number of carers joining the organisation.

### *Volunteering and Befriender Service*

The additional support provided through the Volunteer and Befriending Services is a source of real pride within the organisation, developing fun, meaningful relationships based on each service user's interests to complement the professionalism and holistic support offered through the care services. The main role of the volunteers is to visit their service user for a couple of hours each week to provide much needed company and friendship. During the year the Volunteers have given over 1,800 volunteer hours and have achieved 1,200 visits, committed to a notion inspired by St Vincent de Paul and very much alive in our service today that "*Kindness is the key to hearts.*"



### *Future developments*

In March 2017, the CEO, Mary Fardon left the organisation. The Trustees would like to thank Mary for her service to Vincentian Care Plus and for her dedicated work to support those in receipt of the services. Since Mary's departure, the Trustees have employed CivSoc, a management consultancy firm, to provide ongoing support to the existing staff team and to assist the Registered Manager to lead the service. Vincentian Care Plus has also been working much more closely than in previous years with DCSVP Services, and will commit to still closer collaboration in the year ahead.

Vincentian Care Plus is deeply committed to ensuring that Vincentian Values continue to inform the delivery of the service. This coming year, the charity will commence participation in the Vincentian Values Today (VIVAT) initiative, a programme of training and support designed to ensure that everyone who works for Vincentian Care Plus is aware of the Vincentian story, charism and ethos, and how this 400 year-old movement informs its work today.

## **St Joseph's Services**

### *Principal aims and activities*

St Joseph's Services' primary aim is to support adults with a learning disability to live independently in their own homes and be integrated into the community. Its services are structured into three Circles of Best Practice, supporting 89 people with learning disabilities through Person Centred Planning and service delivery in a variety of locations, including a Registered Care Home for eight adults and home care services for all others. It employs a workforce of 257 to provide support and care and 16 people to administer the organisation.

### *Charitable activities*

St Joseph's Services has performed well throughout 2016 and 2017 - meeting many of the aims and objectives of the past year and making significant progress towards achieving others. This past year has been one of transition for the organisation with a new CEO appointed in March 2016 and, following an operational review, a Head of Services and Senior Administrator. The year has also been one of growth, with St Joseph's Services taking on the reprovisioning of Garvald Glenesk Care Home in response to requests from Midlothian Council and the Care Inspectorate. The successful completion of this demanding project saw 11 of the 12 residents of the Care Home choosing to remain with St Joseph's Services, thus significantly expanding our service provision. St Joseph's Services is regulated by the Care Inspectorate: their last inspection was in May 2016 and achieved the following results:

Circle 1: Achieved Grade 6 (Excellent) in all areas

Circle 2: Achieved Grade 6 (Excellent) in all areas

Circle 3: Achieved Grade 6 (Excellent) in all areas

New Lodge Care Home and Garvald Glenesk Care Home (Combined Registration) were awarded Grade 2 (Weak) in all areas: this was significantly lower than previously awarded, directly due to the reprovisioning of Garvald Glenesk, as this care home, which was required to close, was joined to the New Lodge Care Home registration during the period of reprovisioning. Following the closure of the Garvald Glenesk Care Home, St Joseph's Services remaining care home, New Lodge, was re-inspected in February 2017 and was awarded Grade 5 (Very Good) in all areas.

The primary role of St Joseph's Services is to support adults who have a learning disability to live independently and engage with their community. This promotes social integration and co-operation, providing diversity within the community and builds relationships between neighbours. St Joseph's Services is a large and well established reputable Midlothian Third Sector Support Provider employing predominately local residents. It engages with local schools, offering volunteering opportunities as well as educating students about living with a learning disability, which helps to reduce stigma and promotes acceptance and inclusion.

### *Inclusion and involvement in strategy and operations*

St Joseph's Services values all of the input and involvement of the people it supports in contributing to the strategic future of the organisation. This includes those who serve on the Board of Advisors, and the many working groups run by those who St Joseph's Services supports, those who participate in the recruitment and induction processes of every new staff member, and those who have represented the service in developing the National Inclusion Network Charter for Involvement, to which St Joseph's Services is committed.

Following on from her visit to St Joseph's Services in February 2016 the First Minister of Scotland, Nicola Sturgeon, invited the Board of Advisors for a private lunch on 2 June 2016. This memorable event allowed the First Minister to find out more about the Board of Advisors and their work within St Joseph's Services.

### *Staffing*

St Joseph's Services has a low turnover of staff and achieves a high retention rate, ensuring continuity and consistency for the people it supports. Staff members have celebrated 25 years and 30 years' service with the organisation. The quality of care and support provided by St Joseph's Services is thanks to the dedication and professionalism of the staff teams. The Trustees and the Chief Executive are hugely grateful for all of the hard work and support provided by all of the employees of St Joseph's Services over the last financial year.

### *Service expansion opportunities*

The strategic business plan outlines the risk of the increasing age profile of the people supported by St Joseph's Services and highlights the requirement for the organisation to expand and diversify the service provision to ensure viability and sustainability for the organisation. Following expansion through the re-provisioning of the Garvald Glenesk Care Home, St Joseph's Services will continue to embed the new service provision into the core services, and will pursue any sustainable expansion opportunities that complement existing services.

### *Pastoral care*

Pastoral care for people supported, staff members and families has remained at the heart of pastoral care practice. St Joseph's Services has strengthened the pastoral team and has been involved in the wider development of pastoral care within the Vincentian family. St Joseph's Services is actively involved in the Vincentian Values Today (VIVAT) programme, having hosted seminars and workshops for staff to ensure that the values remain at the heart of the services, and St Joseph's Services is committed to the further development and expansion of VIVAT. The Pastoral Team has worked collaboratively with the pastoral teams of the other subsidiaries to develop the overarching pastoral policy for DCSVP Services.

### *Future plans*

The past year has been one of transition for St Joseph's Services - becoming an independent charity, the appointment of a new Board of Trustees and the recruitment and appointment of a new CEO. These fundamental changes in status and leadership are now embedded within the organisation enabling a clear focus on strategic planning and operational implementation in the year ahead, during which the charity will:

- ◆ Review the business plan, consulting with people supported by the charity, staff, families and stakeholders. This will be published by 2018
- ◆ Work with Midlothian Council to further develop and implement Self Directed Support. Further discussion will be undertaken with the other Local Authorities
- ◆ Recruit and appoint additional Trustees to the Board - expanding and diversifying the current skills and membership of the Trustees



**Trustees' report** Year to 31 March 2017

- ◆ Review the structure and roles within the Finance Department - expanding the current team if necessary to reflect the increasing demands on the department
- ◆ Continue to maintain registrations for care home support staff with the Scottish Social Services Council (SSSC) and begin planning and preparation with appropriate systems and resources for all housing support and care at home support staff members to be registered
- ◆ Increase fundraising and explore new funding streams for non-statutory provision
- ◆ Implement the communication strategy and develop a presence on social media
- ◆ Work to achieve Practical Quality Assurance System for Small Organisations (PQASSO) accredited status
- ◆ Increase the national profile by participating in working groups, consultation events, conference planning, and conference and event attendance

**Financial review**

A summary of the results of the charity and its subsidiaries for the year to 31 March 2017 is given on page 28.

During the year, income totalled £6,687,627 (2016 - £7,538,044). Included in the 2016 income was an exceptional donation of £1,744,157 being the value of the assets donated to St Joseph's Services on incorporation on 1 April 2015, by The Daughters of Charity of St Vincent de Paul Charitable Trust.

Expenditure amounted to £6,849,064 (2016 - £5,399,436).

Unrealised gains in the year amounted to £105,176 (2016 - losses of £54,331).

***Reserves policy***

The Trustees have examined the requirement for free reserves i.e. those unrestricted funds not invested in tangible fixed assets, designated for specific purposes or otherwise committed. The Trustees consider that, given the nature of the charitable company's work, and the need to respond to unforeseen emergencies, the level of free reserves should at least be equivalent to between six and twelve months' expenditure. The Trustees are of the opinion that this provides sufficient flexibility to cover shortfalls in income, adequate working capital to cover core costs, and will allow the charitable company to meet its commitments and respond to unforeseen emergencies.

**Financial position**

The balance sheet shows total reserves of £4,649,323 (2016 - £4,705,584).

The investment fund amounting to £2,151,484 (2016 - £2,046,308) is represented by investments acquired from monies donated by The Daughters of Charity of St Vincent de Paul Charitable Trust with a principal objective of investing the funds and of at least maintaining the absolute value of the capital at all times and with a secondary objective of generating income. The capital may be applied towards meeting expenditure should the financial position of the charity require this and provided there is consultation with the Trustees of The Daughters of Charity of St Vincent de Paul Charitable Trust.

Other restricted funds held for specific purposes, as specified by the donors, amounted to £170,129 at 31 March 2017 (2016 - £216,852) (note 13).

In addition, the Trustees have identified the net assets used by each subsidiary and set them aside at group level as designated funds. The amounts set aside are £63,269 (2016 - £66,065) for the work of St Vincent's Family Project, £6,137 (2016 - £231,784) for the work of Vincentian Care Plus, £71,852 (2016 - £91,919) for the work of Out There Supporting Families of Prisoners and £1,920,923 (2016 - £1,841,125) for the work of St Joseph's Services Limited.

Funds available to support the work of the charitable company in the future are shown as general funds on the balance sheet and amount to £265,529 (2016 - £211,531). This figure needs to be considered in the light of the charity's annual expenditure. The Trustees are of the opinion that this level of free reserves meets the requirement of the reserves policy. Over the next couple of years it is the intention of the Trustees to continue to build up these reserves as the charity's work develops, through raising funds and controlling expenditure.

**Investment policy – listed investments**

The charitable company has a portfolio of listed investments which had a market value of approximately £2.15 million at 31 March 2017 (2016 - £2.05 million).

The listed investments are managed by Kames Capital which operates within specific guidelines which are set out and regularly reviewed by the Trustees.

There are no restrictions on the charity's power to invest.

The Trustees have set ethical restrictions on where their funds are invested.

The Catholic faith reveres the sanctity of life and therefore no investment is allowed in those companies:

- ◆ whose activities include direct participation in or support of the willful taking of life, including **abortion** and **euthanasia**. Direct participation in abortion may include, but not be limited to, companies involved in the manufacture of abortifacients and publicly held health-care companies that perform abortions.
- ◆ that manufacture **contraceptives** or derive greater than 10% of their reported annual revenue from the sale of contraceptives, even if they do not manufacture them.

- ◆ that engage in **scientific research on human foetuses** or embryos that (1) results in the end of pre-natal human life; (2) makes use of tissue derived from abortions or other life-ending activities; or (3) violates the dignity of a developing person. Specific activities covered by the policy will include:
  - Embryonic stem cell research
  - Foetal tissue research or stem cell research derived from embryos
  - Human cloning
- ◆ that derive any turnover from the production of **tobacco** or tobacco products.

The beneficiaries of the charity are those who are experiencing poverty in the world today. Therefore, the charity will not invest in those companies that contribute to poverty such as those:

- ◆ that operate/own casinos or **gambling** arcades, or derive more than 10% of their reported annual revenue from gambling activities.
- ◆ whose policies are found to be **discriminatory against women**.
- ◆ who operate in Category A countries (as defined by Ethical Investment Research Services/Freedom House) but have provided no evidence of policies to manage **human rights** issues.
- ◆ that generate more than 10% of their reported revenue from **military weapons production or sales**.
- ◆ that are directly involved in the manufacture, sale, or use of anti-personnel **landmines**, or the development of weapons inconsistent with Catholic teaching on war (e.g. biological and chemical weapons, arms designed or regarded as first-strike nuclear weapons, indiscriminate weapons of mass destruction, etc.).
- ◆ that derive any of their reported revenue from products or services intended exclusively to appeal to a prurient interest in sex or to incite sexual excitement (**pornography**).
- ◆ whose policies are found to be **racially discriminatory** against people of varied ethnic and racial backgrounds.
- ◆ whose policies are found to be **exploitative of their labour**, especially with respect to human trafficking, poor treatment of labour, poor working conditions, and remuneration below the minimum wage.

On a more positive note, the Trustees try to invest in environmentally friendly and positive philanthropic activities.

The investment strategy is set by the Trustees and takes into account income requirements, the risk profile and the investment managers' views of the market prospects in the medium term. The overall investment policy is to at least maintain the absolute value of the capital at all times with a secondary objective of generating income

The Trustees, or representatives of the Trustees, meet with the investment managers four times a year to review the performance of the portfolio and the investment strategy.

During the year the charity's listed investments achieved an income yield of 3.41% (2016 - 3.54%). The investments increased in value and the capital yield for the year was 5.14% (2016 - 2.59%). At the end of the year the charity's portfolio of listed investments comprised 100% (2016 - 100%) UK fixed interest unit trusts. Throughout the year the Trustees have continued to liaise closely with the charity's investment advisers and seek their advice. The Trustees consider that the performance demanded by their investment policy will be achieved in the medium to long term.

### **Governance, structure and management**

#### ***Governance***

DCSVP Services Trustees work to ensure that, in keeping with the Articles of each organisation, there are two Daughters of Charity with relevant experience on the Board of Trustees of each subsidiary. These are currently all in place. A quarterly reporting system has been established, each subsidiary providing a report and any relevant supporting documentation for the quarterly DCSVP Services Trustees' meetings.

The names of the Trustees who have served since the 1 April 2016 are as follows:

Trustees	Appointed/Resigned
Sister Ellen T Flynn	
Sister Moira Bain	
Sister Margaret Bannerton	Appointed 21 June 2016
Mr John Drury	
Sister Kathleen Fox	
Sister Eileen Glancy	Resigned 15 March 2017
Sister Kay Harte	
Sister Kathleen Kennedy	
Sister Mary T O'Connor	
Mrs Leona Roche	
Father Paul Roche	
Sister Theresa Tighe	

Brief biographical details on each of the Trustees in office at the date on which this report was approved are given below:

#### *Sister Ellen Flynn*

Sister Ellen is a member of The Daughters of Charity of St Vincent de Paul and formerly worked as the CEO of The Passage for nine years, helping homeless people in Central London. During that time she developed skills in charity management, governance, fundraising and project development as well as networking across London in all sectors of business and society. Prior to this, Sister Ellen has a background in education, initially working with disadvantaged young people in inner city schools, and later in adult formation including group facilitation, liturgy, music and management with the Christian Church.

*Sister Mary T Bain (Sister Moira)*

Sister Moira entered The Daughters of Charity in 1968. Her early ministry was child care and she worked in various residential school settings and children's homes. A short period of three years was spent in Romania overseeing five children's homes for children who were HIV positive. Sister also has experience in Parish ministry and is trained in Pastoral Leadership. She was instrumental in setting up and managing an organisation offering pastoral care to families of prisoners.

*Sister Margaret Bannerton*

Sister Margaret Bannerton entered the Daughters of Charity of St Vincent de Paul in 1965. Initially she worked in Childcare and received a Certificate in Residential Care of Children and Young People. She also holds a Bachelor of Philosophy degree in Educational Studies. She worked with the Catholic Children's Society and set up a Family Centre in the East End of London and a Credit Union in the East End of Glasgow. For ten years she was the Director of a homecare service in Westminster. She was involved for nine years in Province Leadership and was appointed Provincial Bursar in June 2016.

*Mr John Drury*

Qualifying as a solicitor in 1980, John moved from private practice in 1990 to work as an in-house lawyer for a multi-national organisation, COFRA Holding AG, where he is still engaged. In 2001 he became UK Head of Legal and has broad corporate experience including the financial regulatory sector and private equity fund formation. Latterly, in 2013 John assumed a wider portfolio role across the COFRA group.

John has been a member of the COFRA Foundation committee since 2009 and has taken particular interest in several charitable projects funded by the Foundation. He has also worked with a UK charity assisting in change management including strategic focusing, business plan development and enhancing trustee engagement.

*Sister Kathleen Fox*

Sister Kathleen Fox has been a member of the Daughters of Charity of St Vincent de Paul for over 40 years. She trained as a nurse for people with learning disabilities, and then as a general nurse. She worked for many years in St Joseph's, Rosewell and with the introduction of the Community Care Act in 1992, was part of the team in the re-provisioning of the Service. She did further training and holds a degree in Advanced Nursing and Healthcare Chaplaincy. Sister Kathleen also worked for a number of years in a hospice and has trained in palliative care.

*Sister Kay Harte*

Sister Kay Harte entered the Congregation in 1967 and is currently working in the offices as secretary to the Provincial. After training as a rehabilitation worker for the visually impaired and interpreter of deaf/blind people, she worked in managerial positions in Glasgow and Liverpool. Prior to moving to Provincial House, she was manager of a community care home for elderly sisters.

*Sister Kathleen Kennedy*

Sister Kathleen Kennedy entered the Daughters of Charity of St Vincent de Paul in 1966. She worked in residential child care for fourteen years after which she ran a pre-school group in a primary school setting. She qualified as a teacher with Bachelor of Arts with Qualified Teacher Status (BAQTS) and taught in an inner city primary school for sixteen years. She worked as part of a city wide Evangelisation Team in Hull before being appointed to the Provincial Council.

*Sister Mary T O'Connor (Sister Mai O'Connor)*

Sister Mai O'Connor entered the Congregation in 1964 and after training in childcare she worked with children for six years. She then went into nursing where she qualified as a SEN and RGN. After qualifying as a nurse she worked with the elderly for 14 years as manager of a residential care home before being transferred to a country in the developing world where she used her skills for the next eight years. Sister Mai was then appointed as Director of Services at St Joseph's, Rosewell, a service for people with learning disability. When appointed to the Provincial Council in November 2008 she had to resign from this post.

*Mrs Leona Roche*

Leona is a solicitor who qualified in 2002, and who has worked at Bates Wells Braithwaite (BWB) since 2007 advising charities and social enterprises on a range of commercial, company and charity law issues. She enjoys governance and constitutional work, as well as transactional work such as incorporations and mergers. She is joint head of BWB's Faith Based Organisations Group and regularly advises faith-based charities, in particular Christian charities.

Leona is a married mother of two young daughters. She is passionate about her Catholic faith and passing it onto her children and sharing it with others. She is involved with lay ministry in her local parish and enjoys opportunities to speak at adult prayer groups and events on faith matters.

*Father Paul Roche*

Father Paul is a Vincentian Priest with long years of experience as a missionary in Africa and Eastern Europe.

He is a well practised founder of charitable activities and accomplished in all aspects of project management. He currently leads on international community taking care of minority groups in Central London. His work has taken him into areas of conflict demanding clear vision and commitment to values.

*Sister Theresa Tighe*

Sister Theresa has been a member of the Daughters of Charity of St Vincent de Paul for many years. Her training is in youth and community work and she provides a short counselling course as a way of supporting young people. Most of her experience has involved working with young people with disabilities and their families. She has also engaged with children and families through parish ministry.

**Statement of Trustees' Responsibilities**

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 group and of the income and expenditure of the group for that period. The Trustees (who are also directors of the Charity of St Vincent de Paul Services for the purpose of company law) are responsible for preparing the Trustees' report and financial statements in accordance with applicable law and the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

- ◆ select suitable accounting policies and then apply them consistently;
- ◆ observe the methods and principles of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable to the United Kingdom and Republic of Ireland (FRS 102);
- ◆ make judgements and estimates that are reasonable and prudent;
- ◆ state whether applicable United Kingdom 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 charitable company 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 charitable company 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 charitable company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Each of the Trustees confirms that:

- ◆ so far as the Trustee is aware, there is no relevant audit information of which the charitable company's auditor is unaware; and
- ◆ the Trustee has taken all the steps that she or he ought to have taken as a Trustee in order to make herself or himself aware of any relevant audit information and to establish that the charitable company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.



### ***Group structure***

At 31 March 2017 DCSVP Services had four subsidiaries:

1. St Vincent's Family Project, (Company Registration Number 07638620 (England and Wales) and Charity Registration Number 1142095).
2. Out There Supporting Families of Prisoners (Company Registration Number 6239170 (England and Wales) and Charity Registration Number 1120342).
3. Vincentian Care Plus, (Company Registration Number 5321333 (England and Wales) and Charity Registration Number 1112473).
4. St Joseph's Services, (Company Registration Number SC500182 (Scotland) and Charity Registration Number SC045482).

The assets, liabilities and activities of these charitable companies have been consolidated into these financial statements.

### ***Key management personnel***

The Trustees consider that they together with the Director of Mission and the Finance and Business Director comprise the key management of the charity in charge of directing and controlling, running and operating the charity on a day to day basis.

During the year the Chair of Trustees has been personally directing the Charity and as a Trustee no salary has been drawn. The Director of Mission receives a salary based on market rates for commensurate roles. The Finance and Business Director's time is donated by the Daughters of Charity of St Vincent de Paul Charitable Trust.

### ***Key management personnel of subsidiaries***

*St Joseph's Services* - The Trustees consider that the Trustees, the Director of Services, the Quality Workforce Development Leader and the Practice Development Leaders are the key management team being those with the authority and responsibility to direct and control the charity.

*Vincentian Care Plus* – The key management personnel are the Trustees, Chief Executive and Registered Manager. The Chief Executive is responsible for the Service and is accountable to the Trustees of the charity. The Chief Executive is supported by the Registered Manager who is responsible for the day-to-day management of the Service, the service users and its staff.

*St Vincent's Family Project* – The Trustees consider that they together with the Management Team comprise the key management of the charity in charge of directing and controlling, running and operating the charity on a day to day basis. The Management Team consists of the Director, Assistant Director Family Space Manager, Volunteer and Finance Manager and Manager for Creative Arts Therapy.

*Out There Supporting Families of Prisoners* – The Trustees consider that they together with the Director comprise the key management of the charity in charge of directing and controlling, running and operating the charity on a day to day basis.

The remuneration policy for employees of all subsidiaries is to match the skills, experience and qualifications of each position consistent with a framework allowing market levels in the locality of the employment base. Pay is reviewed annually by the Trustees of each subsidiary.

### ***Employees***

DCSVP Services has always been and remains committed to opposing discrimination in its many forms. To further this commitment, the management teams throughout DCSVP Services ensure that recruitment and selection policies avoid direct or indirect discrimination and comply with all relevant legislation. The aim is to ensure that all employees are aware of and understand DCSVP Services' equal opportunities policies and are familiar with the legal framework.

### ***Risk management***

In line with the requirement for Trustees to undertake a risk assessment exercise and report on the same in their annual report, the Trustees have looked at the risks the charity currently faces in Britain and have reviewed the measures already in place, or needing to be put in place, to deal with them. The Trustees have identified five main areas where risks may occur:

- ◆ Governance and management
- ◆ Operational
- ◆ Financial
- ◆ Reputation
- ◆ Laws, regulations, external and environment

**Governance and management** looks at the risks in relation to the skills and training of its Trustees and staff and the good use of its resources.

**Operational** looks at the risks inherent in the charity's activities – staff and volunteers engaging in inappropriate activities, shortcomings in the service provided, difficulties with staff, poor health and safety, lack of a disaster recovery policy, etc.

**Financial** risks include those arising as a result of poor budgetary control, inappropriate spending, poor accounting, inappropriate investment policies, global downturn in markets, etc.

**Reputation** looks at possible damage to the charity's reputation.

**Laws, regulations, external and environment** look at the effect of government policies, the consequences of non-compliance with laws and regulations and poor risk assessment.

The Trustees regularly review the measures already in place, or needing to be put in place, to establish policies, systems and procedures to mitigate those risks identified in the annual review and ensure that action is taken to implement changes to those policies, systems and procedures should they be needed to minimise or manage any potential impact on the charity should those risks materialise.

This work has identified a number of key risks for the charity which are described below together with the principal ways in which they are mitigated:

*Risk 1. Funding challenges of the Group*

DCSVP Services is in its fifth year of operation and although it was very grateful for two large grants in its first couple of years, it now needs to look for funding for the future. Also most of the subsidiaries are small and reliant on grants and donations to support their activities. Funding through grants and donations continues to be a concern, with fewer grants being available to the group. The Trustees made a decision in the year to employ a self-employed fundraiser with a view of actively seeking new fundraising streams for the charity and its subsidiaries, thus allowing the vital work of the group to continue into the future.

*Risk 2. Reputational exposure*

The Trustees of DCSVP Services are very aware of the reputation harm that can be caused if adverse publicity occurs in respect of either itself, one of the subsidiaries or associated organisations. The Trustees have developed an open and honest communication culture both internally and externally to ensure information flows freely round the group via well articulated and common escalation lines. Additionally, DCSVP Services and each subsidiary has in place management risk assessments which are aimed at identifying risks that may cause a reputational impact and has developed mitigation measures to minimise the likelihood of such risks arising. These risk assessments are frequently monitored to ensure the charity's operations undergo regular stringent examination. Looking to the future the Trustees are considering engaging a PR firm to advise on all aspects of reputational risk management including brand promotion and enhancing a positive identity for the group.

*Risk 3. Reporting by the subsidiaries*

One of the key concerns for the Trustees of DCSVP Services is the quality and up to date information of the reports they receive from the subsidiaries. Last year a standard template was developed to ensure accountability from the subsidiaries to report on specific areas which cause most concern. The Trustees review and discuss subsidiary reporting at each of its quarterly board meetings and, through its Appointed Operations Manager, give feedback to the CEO of the subsidiary. These measures allow not only the Trustees of DCSVP Services to receive financial and operational reporting of a higher standard in a common format, but also ensures the Trustees of the subsidiaries are better placed to identify their charity's operations strengths and weaknesses and to act in a timely and well informed manner.

**Public benefit**

The Trustees have referred to the guidance contained in the Charity Commission's guidance on public benefit and demonstrate in detail throughout this report the ways in which the charity and group has been faithful to this.

Approved by the Trustees and signed on their behalf by:

Sister Ellen T Flynn  
Trustee

Approved by the Trustees on: 13 December 2017

**Independent auditor's report to the members and Trustees of The Daughters of Charity of St Vincent de Paul Services**

We have audited the consolidated financial statements of The Daughters of Charity of St Vincent de Paul Services for the year ended 31 March 2017 which comprise the consolidated statement of financial activities, the group and parent charitable company balance sheets, the consolidated statement of cash flows, the principal accounting policies and the related notes. 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), including FRS102, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland.

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 and Trustees 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 charitable company and the charitable company's members as a body, and the charity's Trustees, as a body, for our audit work, for this report, or for the opinions we have formed.

**Respective responsibilities of Trustees and auditor**

As explained more fully in the statement of Trustees' responsibilities set out in the Trustees' report, 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.

We have been appointed auditor under the Companies Act 2006 and report in accordance with that Act. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

**Scope of the audit of the financial statements**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charitable company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Trustees' report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

**Opinion on financial statements**

In our opinion the financial statements:

- ◆ give a true and fair view of the state of the group's and the parent charitable company's affairs as at 31 March 2017 and of the group's 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.

**Opinion 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 Trustees' report for the financial year for which the financial statements are prepared is consistent with the financial statements and the Trustees' report has been prepared in accordance with applicable legal requirements.

**Matters on which we are required to report by exception**

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

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:

- ◆ the parent charitable company has not kept adequate and sufficient accounting records or returns adequate for our audit have not been received from branches not visited by us; or
- ◆ the parent charitable company 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.

Amanda Francis, Senior Statutory Auditor  
for and on behalf of Buzzacott LLP, Statutory Auditor  
130 Wood Street  
London  
EC2V 6DL

21 December 2017

**Consolidated statement of financial activities** Year to 31 March 2017  
(including income and expenditure account)

	Notes	Un- restricted funds £	Restricted investment fund £	Other restricted funds £	Year to 31 March 2017 £	Year to 31 March 2016 £
<b>Income:</b>						
Donations and grants	2	212,100	—	246,726	<b>458,826</b>	2,393,475
Investment income and interest receivable		78,507	—	—	<b>78,507</b>	85,799
Charitable activities						
. Crèche and Contact Centre fees		14,913	—	—	<b>14,913</b>	15,326
. Fees receivable for home care visiting services		1,583,738	—	—	<b>1,583,738</b>	1,068,337
. Fees received for supporting people with learning disabilities		4,548,876	—	—	<b>4,548,876</b>	3,964,650
Other		2,767	—	—	<b>2,767</b>	10,457
<b>Total income</b>		<b>6,440,901</b>	<b>—</b>	<b>246,726</b>	<b>6,687,627</b>	<b>7,538,044</b>
<b>Expenditure:</b>						
Expenditure on charitable activities						
. Charitable services and the safeguarding and deepening of the Vincentian character of those services	3	6,489,469	—	359,595	<b>6,849,064</b>	5,399,436
<b>Total expenditure</b>		<b>6,489,469</b>	<b>—</b>	<b>359,595</b>	<b>6,849,064</b>	<b>5,399,436</b>
<b>Net (expenditure) income for the year before investment gains (losses)</b>		<b>(48,568)</b>	<b>—</b>	<b>(112,869)</b>	<b>(161,437)</b>	<b>2,138,608</b>
Unrealised gains (losses) on listed investments		—	105,176	—	<b>105,176</b>	(54,331)
<b>Net (expenditure) income for the year before transfers</b>	5	<b>(48,568)</b>	<b>105,176</b>	<b>(112,869)</b>	<b>(56,261)</b>	<b>2,084,277</b>
<b>Transfers between funds</b>	13	<b>(66,146)</b>	<b>—</b>	<b>66,146</b>	<b>—</b>	<b>—</b>
<b>Net (expenditure) income and net movement in funds for the year</b>		<b>(114,714)</b>	<b>105,176</b>	<b>(46,723)</b>	<b>(56,261)</b>	<b>2,084,277</b>
<b>Reconciliation of funds:</b>						
Balance brought forward at 1 April 2016		2,442,424	2,046,308	216,852	<b>4,705,584</b>	2,621,307
Balance carried forward at 31 March 2017		2,327,710	2,151,484	170,129	<b>4,649,323</b>	4,705,584

All of the group's activities were derived from continuing operations during the above financial years.

Aside from income from donations and grants, all income received in the year to 31 March 2016 related to unrestricted funds.

The comparative information for donations and grants and expenditure is broken down by fund in notes 2, 3 and 4.

**Balance sheets** 31 March 2017

	Notes	Group		Charity	
		2017 £	2016 £	2017 £	2016 £
<b>Fixed assets:</b>					
Tangible assets	8	<b>20,784</b>	21,734	<b>671</b>	—
Investments	9	<b>2,151,484</b>	2,046,308	<b>2,151,484</b>	2,046,308
<b>Total fixed assets</b>		<b>2,172,268</b>	2,068,042	<b>2,152,155</b>	2,046,308
<b>Current assets:</b>					
Debtors	10	<b>1,218,492</b>	982,199	<b>1,695</b>	—
Cash at bank and in hand		<b>2,006,791</b>	2,059,607	<b>423,808</b>	408,169
<b>Total current assets</b>		<b>3,225,283</b>	3,041,806	<b>425,503</b>	408,169
<b>Liabilities:</b>					
Creditors: amounts falling due within one year	11	<b>(748,228)</b>	(404,264)	<b>(38,342)</b>	(955)
<b>Net current assets</b>		<b>2,477,055</b>	2,637,542	<b>387,161</b>	407,214
<b>Total net assets</b>		<b>4,649,323</b>	4,705,584	<b>2,539,316</b>	2,453,522
<b>The funds of the charity:</b>					
Restricted investment fund	12	<b>2,151,484</b>	2,046,308	<b>2,151,484</b>	2,046,308
Other restricted funds	13	<b>170,129</b>	216,852	<b>122,303</b>	195,683
Unrestricted funds					
. Designated funds	14	<b>2,062,181</b>	2,230,893	—	—
. General fund		<b>265,529</b>	211,531	<b>265,529</b>	211,531
		<b>4,649,323</b>	4,705,584	<b>2,539,316</b>	2,453,522

Approved by the Trustees and signed on their behalf by:

Sister Ellen T Flynn  
Trustee

Approved by the Trustees on: 13 December 2017

The Daughters of Charity of St Vincent de Paul Services – Company Registration Number 07638065 (England and Wales)

## Consolidated statement of cash flows Year to 31 March 2017

	Notes	2017 £	2016 £
<b>Cash flows from operating activities:</b>			
Net cash (used in) provided by operating activities	A	<b>(123,154)</b>	1,531,552
<b>Cash flows from investing activities:</b>			
Investment income and interest received		<b>78,507</b>	85,799
Purchase of tangible fixed assets		<b>(8,169)</b>	(25,983)
<b>Net cash provided by investing activities</b>		<b>70,338</b>	59,816
<b>Change in cash and cash equivalents in the year</b>		<b>(52,816)</b>	1,591,368
<b>Cash and cash equivalents at 1 April 2016</b>	B	<b>2,059,607</b>	468,239
<b>Cash and cash equivalents at 31 March 2017</b>	B	<b>2,006,791</b>	2,059,607

### Notes to the consolidated statement of cash flows for the year to 31 March 2017.

#### A Reconciliation of net movement in funds to net cash (used in) provided by operating activities

	2017 £	2016 £
<b>Net movement in funds (as per the statement of financial activities)</b>	<b>(56,261)</b>	2,084,277
<b>Adjustments for:</b>		
Depreciation charge	<b>9,119</b>	10,178
(Gains) losses on investments	<b>(105,176)</b>	54,331
Investment income and interest receivable	<b>(78,507)</b>	(85,799)
Increase in debtors	<b>(236,293)</b>	(878,714)
Increase in creditors	<b>343,964</b>	347,279
<b>Net cash (used in) provided by operating activities</b>	<b>(123,154)</b>	1,531,552

#### B Analysis of cash and cash equivalents

	2017 £	2016 £
<b>Total cash and cash equivalents: Cash at bank and in hand</b>	<b>2,006,791</b>	2,059,607



The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are laid out below.

**Basis of preparation**

These financial statements have been prepared for the year to 31 March 2017 with comparative information provided in respect to the year to 31 March 2016.

The financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant accounting policies below or the notes to these financial statements.

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (Charities SORP FRS 102) issued on 16 July 2014, the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The charity constitutes a public benefit entity as defined by FRS 102.

The financial statements are presented in sterling and are rounded to the nearest pound.

**Critical accounting estimates and areas of judgement**

Preparation of the financial statements requires the Trustees and management to make significant judgements and estimates.

The items in the financial statements where these judgements and estimates have been made include:

- ◆ estimating the useful economic life of tangible fixed assets for the purpose of determining the depreciation charge;
- ◆ assessing the probability of the receipt of legacies; and
- ◆ assessing the recoverability of fees receivable and the need for any related bad debt provision.

**Assessment of going concern**

The Trustees have assessed whether the use of the going concern assumption is appropriate in preparing these financial statements. The Trustees have made this assessment in respect to a period of one year from the date of approval of these financial statements.

The Trustees of the charity have concluded that there are no material uncertainties related to events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern. The Trustees are of the opinion that the charity will have sufficient resources to meet its liabilities as they fall due. The most significant areas of judgement that affect items in the financial statements are detailed above.

**Assessment of going concern** (continued)

With regard to the next accounting period, the year ending 31 March 2018, the most significant areas that affect the carrying value of the assets held by the charity are the level of investment return and the performance of the investment markets (see the investment policy and the risk management sections of the Trustees' report for more information).

The next couple of years will be challenging for Vincentian Care Plus Limited from a financial perspective with a need for careful budgeting and the monitoring of cash flows. This charity's financial position will also be reliant on it meeting its targets as set out within its contractual agreement and on the funding climate generally. In particular, the charity's finances are impacted directly by the number of Service users referred or transferred to it by Westminster Borough Council and on the contract price it is paid. The Trustees of the Daughters of Charity of St Vincent de Paul Charitable Trust (Charity Registration Number 236803) have confirmed that they will continue to provide financial and other support to the charity in the short to medium term to enable it to remain a going concern and to give it time to adapt to the new contractual arrangements described in the Trustees' report.

The principal financial risk for St Vincent's Family Project remains the impact of the general economic conditions and continued austerity cuts on the charity's funders. Whilst the current level of funding for 2017/18 coupled with the closure of Safe Space suggests that the charity will reach its income targets, the Trustees remain mindful that continued efforts need to be made to attract new funding and additional income streams.

**Basis of consolidation**

At 31 March 2017, DCSVP Services had four wholly owned subsidiaries: St Vincent's Family Project (Company Registration Number 07638620 (England and Wales)) (Charity Registration Number 1142095), Out There Supporting Families of Prisoners Limited (Company Registration Number 6239170 (England and Wales)) (Charity Registration Number 1120342), Vincentian Care Plus Limited (Company Registration Number 05321333 (England and Wales)) (Charity Registration Number 1112473) and St Joseph's Services Limited (Company Registration Number SC500182 (Scotland)) (Charity Registration Number SC045482 (Scotland)). The subsidiaries' results have been consolidated into the financial statements on a line by line basis.

A Statement of Financial Activities for the charity alone has not been prepared. The charity had total income for the year of £116,474 (2016 - £221,775) and total expenditure of £135,856 (2016 - £61,873), resulting in net expenditure of £19,382 (2016 net income - £159,902). Net investment gains of £105,176 (2016 - losses of £54,331) resulted in a net movement in funds of £85,794 (2016 - £105,571).

**Income recognition**

Income is recognised in the period in which the charity has entitlement to the income, the amount of income can be measured reliably and it is probable that the income will be received.

Income comprises donations and grants, investment income, Crèche and Contact Centre fees, fees receivable for home care visiting services and other income.

**Income recognition** (continued)

Donations are recognised when the charity has confirmation of both the amount and settlement date. In the event of donations pledged but not received, the amount is accrued for where the receipt is considered probable. In the event that a donation is subject to conditions that require a level of performance before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that those conditions will be fulfilled in the reporting period.

Donated services and facilities provided to the charity are recognised in the period when it is probable that the economic benefits will flow to the charity, provided they can be measured reliably. This is normally when the service is provided/the facilities are used by the charity. An equivalent amount is included as expenditure.

Donated services and facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain facilities or services of equivalent economic benefit on the open market.

In accordance with the Charities SORP FRS 102 volunteer time is not recognised.

Grants from government and other agencies have been included as income from charitable activities where these amount to a contract for services, but as donations where the money is given in response to an appeal or with greater freedom of use, for example monies for core funding.

Legacies are included in the statement of financial activities when the charity is entitled to the legacy, the executors have established that there are sufficient surplus assets in the estate to pay the legacy, and any conditions attached to the legacy are within the control of the charity.

Entitlement is taken as the earlier of the date on which either: the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor to the charity that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution.

Where legacies have been notified to the charity, or the charity is aware of the granting of probate, but the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material. In the event that the gift is in the form of an asset other than cash or a financial asset traded on a recognised stock exchange, recognition is subject to the value of the gift being reliably measurable with a degree of reasonable accuracy and the title of the asset having being transferred to the charity.

Investment income is recognised once the dividend or similar income has been declared and notification has been received of the dividend due.

**Income recognition** (continued)

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

Fees receivable for home care visiting services and fees for supporting people with learning difficulties are accounted for on an accruals basis. Income is recognised at fair value when the charity becomes entitled to the funds under its contractual agreements.

Crèche and contact centre income is recognised to the extent that it is probable that the economic benefits will flow to the charity and the revenue can be reliably measured. It is measured at fair value of the consideration received or receivable, excluding any discounts and value added tax.

Other income is measured at fair value and accounted for on an accruals basis.

**Expenditure recognition**

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to make a payment 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.

All expenditure is stated inclusive of irrecoverable VAT.

All expenditure is accounted for on an accruals basis. The costs of charitable activities comprise expenditure on the charity's primary charitable purposes as described in the Trustees' report. Such costs include:

- ◆ the provision of a safe and stimulating environment where parents and children can take part in activities together and as individuals;
- ◆ the provision of a home care visiting service;
- ◆ the provision of support to adults with a learning disability enabling them to live independently in their own homes and be integrated into the community;
- ◆ the provision of a supportive, compassionate and caring service to prisoners' families; and
- ◆ safeguarding and deepening the Vincentian character and values of the projects and services that are run or have been founded by the Daughters of Charity of St Vincent de Paul through the VIVAT programme and assisting them in planning for long term sustainability, assisting them in infrastructural needs and best practice in governance through organisational development services.

### **Allocation of support and governance costs**

The provision of charitable activities in each of the subsidiaries and the charity requires expenditure on support and administrative services. In addition, in order to carry out the primary purposes of each charity within the group it is necessary to incur expenditure on support in the form of accounting, office services and a suitable working environment.

Governance costs comprise the costs involving the public accountability of the charity and subsidiaries (including audit costs) and costs in respect to compliance with regulation and good practice.

The governance and support costs relating to the charity and each subsidiary are included within the relevant expenditure category described above.

All costs are directly attributable to specific activities.

### **Tangible fixed assets**

All assets costing more than £500 and with an expected useful life exceeding one year are capitalised.

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

◆ Furniture and equipment	25% on cost
◆ Computer equipment	25% on cost
◆ Motor Vehicles	25% on cost
◆ Building improvements	20% on cost

### **Fixed asset investments**

Listed investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price.

The charity does not acquire put options, derivatives or other complex financial instruments.

As noted above, one of the main forms of financial risk faced by the charity is that of volatility in equity markets and investment markets due to wider economic conditions, the attitude of investors to investment risk, and changes in sentiment concerning equities and within particular sectors or sub sectors.

Realised gains (or losses) on investment assets are calculated as the difference between disposal proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value at that date. Realised and unrealised investment gains (or losses) are combined in the statement of financial activities and are credited (or debited) in the year in which they arise.

### **Debtors**

Debtors are recognised at their settlement amount, less any provision for non-recoverability. Prepayments are valued at the amount prepaid. They have been discounted to the present value of the future cash receipt where such discounting is material.

### **Cash at bank and in hand**

Cash at bank and in hand represents such accounts and instruments that are available on demand or have a maturity of less than three months from the date of acquisition. Deposits for more than three months but less than one year have been disclosed as short term deposits.

### **Creditors and provisions**

Creditors and provisions are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Creditors and provisions are recognised at the amount the charity anticipates it will pay to settle the debt. They have been discounted to the present value of the future cash payment where such discounting is material.

### **Fund structure**

The general fund comprises those monies which may be used towards meeting the charitable objectives of the charity and which may be applied at the discretion of the Trustees.

The designated funds are monies set aside out of general funds and designated for specific purposes by the Trustees.

The restricted investment fund comprises monies donated to the charitable company and held with a principal objective of investing the funds and of at least maintaining the absolute value of the capital at all times and with a secondary objective of generating income. The income therefrom is credited directly to unrestricted funds. The capital of the fund may be applied towards meeting expenditure should the financial position of the charitable company require this and provided there is consultation with the Trustees of the Daughters of Charity of St Vincent de Paul Charitable Trust, the charity which gave the original donation.

Other restricted funds are monies raised for, and their use restricted to, a specific purpose, or donations subject to donor imposed conditions.

### **Pension contributions**

Contributions in respect of the charity's defined contribution pension scheme and auto enrolment schemes are charged to the statement of financial activities when they are payable to the scheme. The charity's contributions are restricted to the contributions disclosed in note 6. There were no outstanding contributions at the year end. The charity has no liability beyond making its contributions and paying across the deductions for the employees' contributions.

## 1 Activities of the subsidiary companies

A summary of the financial statements of the subsidiary companies for the year ended 31 March 2017 is as follows:

	Vincentian Care Plus £	Out There Supporting Families of Prisoners £	St Vincent's Family Project £	St Joseph's Services £
Income	1,598,620	99,750	253,872	4,618,911
Expenditure	(1,824,267)	(111,039)	(238,789)	(4,539,113)
<b>Net income</b>	<b>(225,647)</b>	<b>(11,289)</b>	<b>15,083</b>	<b>79,798</b>
Tangible fixed assets	1,296	—	900	17,917
Current assets	297,720	102,859	115,930	2,283,271
Creditors: amounts falling due within one year	(292,879)	(3,910)	(32,832)	(380,265)
<b>Total net assets</b>	<b>6,137</b>	<b>98,949</b>	<b>83,998</b>	<b>1,920,923</b>
<b>Represented by:</b>				
Restricted funds	—	27,097	20,729	—
Unrestricted funds				
· Designated funds	—	30,000	—	204,000
· General funds	6,137	41,852	63,269	1,716,923
	<b>6,137</b>	<b>98,949</b>	<b>83,998</b>	<b>1,920,923</b>

## 2 Donations and grants

Group	Unrestricted funds £	Restricted investment fund £	Other restricted funds £	Year to 31 March 2017 £	Year to 31 March 2016 £
Government grants	—	—	10,000	<b>10,000</b>	—
Other grants	5,768	—	232,366	<b>238,134</b>	523,737
Legacies	52,000	—	—	<b>52,000</b>	—
Exceptional donation on incorporation	—	—	—	—	1,744,157
Donations and gifts in kind	154,332	—	4,360	<b>158,692</b>	125,581
<b>2017 Total funds</b>	<b>212,100</b>	<b>—</b>	<b>246,726</b>	<b>458,826</b>	<b>2,393,475</b>
2016 Total funds	1,988,687	—	404,788	2,393,475	

With effect from 1 April 2015 St Joseph's Services Limited, Charity Registration Number SC045482, Company Limited by Guarantee Registration Number SC500182 (Scotland), became a subsidiary of DCSVP Services.

As a result, funds of £1,744,157 were introduced into the group as at 1 April 2015.

**3 Charitable services and the safeguarding and deepening of the Vincentian character of those services**

<b>Group</b>	Unrestricted funds £	Restricted investment fund £	Other restricted funds £	Year to 31 March 2017 £	Year to 31 March 2016 £
Provision of services to vulnerable families and children	5,420	—	233,369	<b>238,789</b>	280,903
Provision of home care visiting services	1,811,962	—	12,305	<b>1,824,267</b>	1,040,799
Provision of support for people with learning disabilities	4,539,113	—	—	<b>4,539,113</b>	3,904,999
Provision of support for families of prisoners	70,498	—	40,541	<b>111,039</b>	110,862
Provision of VIVAT services	—	—	28,279	<b>28,279</b>	8,537
Provision of organisational development services	62,476	—	45,101	<b>107,577</b>	53,336
<b>2017 Total funds</b>	<b>6,489,469</b>	<b>—</b>	<b>359,595</b>	<b>6,849,064</b>	<b>5,399,436</b>
2016 Total funds	5,034,259	—	365,177	5,399,436	

<b>Group</b>	Staff costs £	Premises £	Welfare, support and office costs £	Governance costs £	VIVAT programme costs £	Year to 31 March 2017 £	Year to 31 March 2016 £
Vulnerable families and children	162,874	41,279	29,216	5,420	—	<b>238,789</b>	280,903
Home care visiting services	1,616,404	45,295	156,568	6,000	—	<b>1,824,267</b>	1,040,799
Provision of support for people with learning disabilities	4,099,666	89,401	341,466	8,580	—	<b>4,539,113</b>	3,904,999
Support for families of prisoners	86,663	8,088	15,988	300	—	<b>111,039</b>	110,862
VIVAT Services	21,000	—	1,335	—	5,944	<b>28,279</b>	8,537
Organisational development services	45,101	—	40,647	21,829	—	<b>107,577</b>	53,336
<b>2017 Total funds</b>	<b>6,031,708</b>	<b>184,063</b>	<b>585,220</b>	<b>42,129</b>	<b>5,944</b>	<b>6,849,064</b>	<b>5,399,436</b>
2016 Total funds	4,775,822	163,060	429,194	22,823	8,537	5,399,436	

**4 Governance costs**

<b>Group</b>	Unrestricted funds £	Restricted investment fund £	Other restricted funds £	Year to 31 March 2017 £	Year to 31 March 2016 £
Statutory audit services	42,080	—	—	<b>42,080</b>	22,800
Bank charges	49	—	—	<b>49</b>	23
	<b>42,129</b>	<b>—</b>	<b>—</b>	<b>42,129</b>	<b>22,823</b>
	22,823	—	—	22,823	



**5 Net (expenditure) income for the year before transfers**

This is stated after charging:

Group	Year to 31 March 2017 £	Year to 31 March 2016 £
Staff costs (note 6)	<b>6,031,708</b>	4,775,822
Auditor's remuneration (excluding VAT)		
. Statutory audit services – current year		
.. Principal auditor	<b>22,520</b>	14,460
.. Component auditor	<b>8,580</b>	8,340
. Statutory audit services – prior year – principal auditor	<b>10,980</b>	—
Depreciation (note 8)	<b>9,119</b>	10,178

**6 Staff costs and remuneration of key management personnel**

Group	Year to 31 March 2017 £	Year to 31 March 2016 £
Staff costs during the year were as follows:		
Wages and salaries	<b>5,361,870</b>	4,420,182
Social security costs	<b>340,090</b>	276,747
Pension costs	<b>39,849</b>	47,916
	<b>5,741,809</b>	4,744,845
Redundancy	—	9,334
Agency staff	<b>218,156</b>	—
Secondment costs	<b>45,101</b>	—
Contract workers	<b>26,642</b>	21,643
	<b>6,031,708</b>	4,775,822

Staff costs per function were as follows:

Group	Year to 31 March 2017 £	Year to 31 March 2016 £
Provision of services to vulnerable families and children	<b>162,874</b>	210,402
Provision of home care visiting services	<b>1,616,404</b>	905,398
Provision of support for people with learning disabilities	<b>4,099,666</b>	3,546,749
Provision of support for families of prisoners	<b>86,663</b>	84,056
Provision of VIVAT services	<b>21,000</b>	—
Provision of organisational development services	<b>45,101</b>	29,217
	<b>6,031,708</b>	4,775,822

There were no employees who earned £60,000 per annum or more (including benefits) during the year (2016 – none).

**6 Staff costs and remuneration of key management personnel** (continued)

The average number of employees, analysed by function, was:

<b>Group</b>	<b>Year to 31 March 2017</b>	Year to 31 March 2016
Provision of services to vulnerable families and children	<b>8</b>	15
Provision of home care visiting services	<b>95</b>	68
Provision of support for people with learning disabilities	<b>273</b>	242
Provision of support for families of prisoners	<b>5</b>	5
Provision of VIVAT services	<b>1</b>	—
Provision of organisational development services	<b>1</b>	1
	<b>383</b>	331

The key management personnel of the charity in charge of directing and controlling, running and operating the charity on a day to day basis comprise the Trustees, the Director of Mission and the Finance and Business Director. The total remuneration (including taxable benefits and employer's pension contributions) of the key management personnel for the year was £21,000 (2016 - £nil).

The total remuneration (including taxable benefits and employer's pension contributions) of the key management personnel of the Group for the year was £442,253 (2016 - £392,597).

None of the Trustees received any remuneration in respect of their services during either of the above years. Expenses were not reimbursed to the Trustees (2016 – none).

**7 Taxation**

DCSVP Services is a registered charity and, therefore, is not liable to income tax or corporation tax on income derived from its charitable activities, as it falls within the various exemptions available to registered charities.

**8 Tangible fixed assets**

Group	Furniture and equipment £	Computer equipment £	Motor vehicles £	Building improvements £	Total £
<b>Cost</b>					
At 1 April 2016	20,679	6,604	16,295	2,636	<b>46,214</b>
Additions	6,778	1,391	—	—	<b>8,169</b>
Disposals	—	(854)	—	—	<b>(854)</b>
At 31 March 2017	<b>27,457</b>	<b>7,141</b>	<b>16,295</b>	<b>2,636</b>	<b>53,529</b>
<b>Depreciation</b>					
At 1 April 2016	14,334	5,473	2,037	2,636	<b>24,480</b>
Charge for year	4,328	723	4,068	—	<b>9,119</b>
Disposals	—	(854)	—	—	<b>(854)</b>
At 31 March 2017	<b>18,662</b>	<b>5,342</b>	<b>6,105</b>	<b>2,636</b>	<b>32,745</b>
<b>Net book values</b>					
At 31 March 2017	<b>8,795</b>	<b>1,799</b>	<b>10,190</b>	<b>—</b>	<b>20,784</b>
At 31 March 2016	6,345	1,131	14,258	—	21,734

**Charity**

The charity had additions of computer equipment of £894 during the year, depreciation of £223 was charged, which resulted in the net book value of the charity's tangible fixed assets being £671 at 31 March 2017.

**9 Investments**

Group and charity	2017 £	2016 £
<b>Listed investments</b>		
Market Value at 1 April 2016	<b>2,046,308</b>	2,100,639
Net gains (losses) on revaluation	<b>105,176</b>	(54,331)
Market value at 31 March 2017	<b>2,151,484</b>	2,046,308
Cost of listed investments at 31 March 2017	<b>2,000,000</b>	2,000,000

At 31 March 2017 listed investments were 100% held in Kames Ethical Corporate Bond Fund Class B (Inc.), a UK fixed interest unit trust.

All listed investments were dealt in on a recognised stock exchange.

**10 Debtors**

	Group		Charity	
	2017 £	2016 £	2017 £	2016 £
Prepayments and accrued income	<b>57,948</b>	40,025	<b>1,695</b>	—
Fees receivable	<b>1,110,924</b>	931,888	—	—
Other debtors	<b>49,620</b>	10,286	—	—
	<b>1,218,492</b>	982,199	<b>1,695</b>	—

**11 Creditors: amounts falling due within one year**

	Group		Charity	
	2017 £	2016 £	2017 £	2016 £
Sundry creditors	159,013	106,642	—	955
Accruals	135,826	131,935	21,780	—
Social Security and other taxes	120,916	132,225	—	—
Expense creditors	119,739	33,462	16,562	—
Deferred income	22,734	—	—	—
Loan from the Daughters of Charity of St Vincent de Paul Charitable Trust (note 16)	190,000	—	—	—
	<b>748,228</b>	404,264	<b>38,342</b>	955

**12 Restricted investment fund**

This fund comprises a grant from the Daughters of Charity of St Vincent de Paul Charitable Trust and is held with the principal objective of maintaining the absolute value of the grant. A secondary objective is to generate income to be applied towards the cost of the charitable company's expenditure.

Group and charity	Restricted investment fund £
At 1 April 2016	2,046,308
Movement in year	105,176
At 31 March 2017	<b>2,151,484</b>

The capital of the fund may be applied towards meeting expenditure should the financial position of the charitable company require this and provided there is consultation with the Trustees of the Daughters of Charity of St Vincent de Paul Charitable Trust, the charity which gave the original donation.

### 13 Other restricted funds

The income funds of the group and charity include the following other restricted funds comprising the following unexpended balances of donations and grants held on trust to be applied for specific purposes:

	At 1 April 2016 £	Income £	Expenditure £	Transfers £	At 31 March 2017 £
VIVAT Project	77,417	—	(28,279)	—	<b>49,138</b>
Director's Salary	118,266	—	(45,101)	—	<b>73,165</b>
<b>Charity other restricted funds</b>	<b>195,683</b>	<b>—</b>	<b>(73,380)</b>	<b>—</b>	<b>122,303</b>
Family Space Project	415	105,201	(145,957)	40,341	—
Creative Arts Therapy Project	—	52,040	(69,058)	17,018	—
Safe Space Project	—	3,090	(11,877)	8,787	—
Advice Space Project	2,435	5,250	(4,403)	—	<b>3,282</b>
Sensory Room	—	10,000	—	—	<b>10,000</b>
EU Story Labs	—	9,521	(2,074)	—	<b>7,447</b>
Staff costs fund	16,417	47,000	(38,333)	—	<b>25,084</b>
Family days fund	500	819	(806)	—	<b>513</b>
Travel fund	1,402	—	(1,402)	—	—
Wellbeing days	—	1,000	—	—	<b>1,000</b>
Website fund	—	500	—	—	<b>500</b>
Rent fund	—	12,305	(12,305)	—	—
<b>Group other restricted funds</b>	<b>216,852</b>	<b>246,726</b>	<b>(359,595)</b>	<b>66,146</b>	<b>170,129</b>

Projects where the restricted funds are insufficient to cover all related costs are supported by a transfer from unrestricted funds.

The specific purposes for which the funds are or were to be applied are as follows:

#### *VIVAT Project*

The VIVAT Project comprises monies provided as a contribution towards the costs of running the Vincentian Values training programmes.

#### *Director's Salary*

The Director's Salary fund comprises monies given specifically towards the salary of a Director for DCSVP Services.

#### *Family Space Project*

Funds provided to assist with the Family Space Project.

#### *Creative Arts Therapy Project*

Funds provided specifically as a contribution towards costs associated with the Creative Art Therapy Project.

#### *Safe Space Project*

Funds provided specifically to assist with the Safe Space Project.

#### *Advice Space Project*

Funds provided specifically to assist with the Advice Space Project.

### 13 Other restricted funds (continued)

*Sensory Room*

Funds provided to assist with the sensory room.

*EU Story Labs*

European Union funding received towards costs of the Story Lab project.

*Staff costs fund*

The staff costs fund comprises monies given towards various salaries at Out There Supporting Families of Prisoners Limited.

*Family days fund*

The family days fund represents funding received to provide for two family days at the premises of Out There Supporting Families of Prisoners Limited to reduce the isolation lone parents feel.

*Travel fund*

The travel fund represents funding received to support the travel costs of support workers who visit families in their own homes.

*Wellbeing days*

The wellbeing days fund represents funding received to cover the costs of three wellbeing days.

*Website fund*

The website fund comprises monies received to help with the costs of creating a website.

*Rent fund*

The rent fund represents funding received towards the rent paid by Vincentian Care Plus.

### 14 Designated funds

The income funds of the group include the following designated funds which have been set aside out of unrestricted funds by the Trustees for specific purposes:

<b>Group</b>	At 1 April 2016 £	New designations £	Utilised/ released £	At 31 March 2017 £
St Vincent's Family Project	66,065	68,770	(71,566)	<b>63,269</b>
Vincentian Care Plus	231,784	1,598,620	(1,824,267)	<b>6,137</b>
St Joseph's Services	1,841,125	4,618,911	(4,539,113)	<b>1,920,923</b>
Out There Supporting Families of Prisoners	91,919	50,431	(70,498)	<b>71,852</b>
	<u>2,230,893</u>	<u>6,336,732</u>	<u>(6,505,444)</u>	<u><b>2,062,181</b></u>

The funds have been designated for the following purposes:

*St Vincent's Family Project*

This fund represents the net assets of St Vincent's Family Project.

*Vincentian Care Plus*

This fund represents the net assets of Vincentian Care Plus Limited.

*St Joseph's Services*

This fund represents the net assets of St Joseph's Services Limited

**14 Designated funds** (continued)

*Out There Supporting Families of Prisoners*

This fund represents the net assets of Out There Supporting Families of Prisoners Limited.

**Charity**

The charity had no designated funds at 31 March 2017 (2016 – none).

**15 Analysis of net assets between funds**

<b>Group</b>	General fund £	Designated funds £	Restricted investment fund £	Other restricted funds £	<b>At 31 March 2017</b> £
Tangible fixed assets	671	20,113	—	—	<b>20,784</b>
Investments	—	—	2,151,484	—	<b>2,151,484</b>
Current assets	303,200	2,751,954	—	170,129	<b>3,225,283</b>
Creditors: amounts falling due within one year	(38,342)	(709,886)	—	—	<b>(748,228)</b>
	<u>265,529</u>	<u>2,062,181</u>	<u>2,151,484</u>	<u>170,129</u>	<b><u>4,649,323</u></b>

<b>Charity</b>	General fund £	Designated funds £	Restricted investment fund £	Other restricted funds £	<b>At 31 March 2017</b> £
Tangible fixed assets	671	—	—	—	<b>671</b>
Investments	—	—	2,151,484	—	<b>2,151,484</b>
Current assets	303,200	—	—	122,303	<b>425,503</b>
Creditors: amounts falling due within one year	(38,342)	—	—	—	<b>(38,342)</b>
	<u>265,529</u>	<u>—</u>	<u>2,151,484</u>	<u>122,303</u>	<b><u>2,539,316</u></b>

The total unrealised gains as at 31 March 2017 constitute movements on the revaluation of listed investments.

<b>Group and charity</b>	<b>Total 2017</b> £	Total 2016 £
<b>Unrealised gains included above</b>		
Total unrealised gains at 31 March 2017	<b>151,484</b>	46,308
<b>Reconciliation of movements in unrealised gains</b>		
Total unrealised gains at 1 April 2016	<b>46,308</b>	100,639
Gains (losses) arising on revaluations in the year	<b>105,176</b>	(54,331)
Total unrealised gains at 31 March 2017	<b>151,484</b>	46,308

All unrealised gains included within the group accounts relate to the charity.

## 16 Connected organisations

The charitable company is related to the Daughters of Charity of St Vincent de Paul Charitable Trust (the Charitable Trust) (Charity Registration No. 236803) by virtue of the fact that seven of its Trustees are also Trustees of the Charitable Trust.

Transactions between the charitable company and the Charitable Trust during the year were as follows:

- ◆ Included in donations and grants are gifts in kind of £45,800 (2016 - £16,800) representing facilities and staff costs donated by the Charitable Trust, which have been valued by the Trustees for the purposes of these financial statements.

### ***Connected organisations of subsidiaries***

#### *St Vincent's Family Project*

St Vincent's Family Project is related to the Methodist Central Hall by virtue of the fact that one of its Trustees is a Trustee of Methodist Central Hall, a further Trustee is a Trustee and senior employee of the Methodist Central Hall, a third Trustee is a member of the Methodist Central Hall, and a fourth Trustee is a deacon of the Methodist Central Hall.

The transactions between the two organisations during the year were as follows:

- ◆ During the year the Project contributed service charges to the Methodist Central Hall of £6,144 (2016 - £6,144), £512 (2016 - £512) of which was accrued at the year end. In addition, the Project paid rent to the Methodist Central Hall of £22,800 (2016 - £22,800), £1,900 (2016 - £1,900) of which was accrued at the end of the year.
- ◆ During the year the Methodist Central Hall gave a donation of £41,262 (2016 - £40,666) to the Project for use in meeting core costs.

St Vincent's Family Project is related to the Daughters of Charity of St Vincent de Paul Charitable Trust by virtue of the fact that one of its Trustees is also a Trustee of the Charitable Trust. The transactions during the year were as follows:

- ◆ St Vincent's Family Project was given a donation of £nil (2016 - £25,000) from the Daughters of Charity of St Vincent de Paul Charitable Trust for use in meeting core costs.



## 16 Connected organisations (continued)

### *Connected organisations of subsidiaries (continued)*

#### *St Vincent's Family Project (continued)*

- ◆ In 2015, St Vincent's Family Project received a loan of £25,000 from the Daughters of the Charity of St Vincent de Paul Charitable Trust to cover the short term cash flow requirements. Interest was not payable on the loan and the loan was not subject to specific repayment terms. The loan was repaid in full during the year to 31 March 2017.

#### *Out There Supporting Families of Prisoners Limited*

Out There Supporting Families of Prisoners Limited is connected to the Daughters of Charity of St Vincent de Paul Charitable Trust by virtue of the fact that one Trustees of Out There Supporting Families of Prisoners Limited is also a Trustee of the Charitable Trust.

- ◆ Out There Supporting Families of Prisoners Limited was given a grant of £35,000 (2016 - £79,000) from the Daughters of Charity of St Vincent de Paul Charitable Trust for use in meeting staff costs.

#### *St Joseph's Services Limited*

St Joseph's Services Limited is connected to the Daughters of Charity of St Vincent de Paul Charitable Trust by virtue of the fact that two Trustees of St Joseph's Services are also Trustees of the Charitable Trust.

- ◆ In 2016 St Joseph's Services Limited received an exceptional donation of £1,744,157 on incorporation from the Daughters of Charity of St Vincent de Paul Charitable Trust. No such donations were received in 2017.
- ◆ During the year St Joseph's Services Limited paid £43,200 (2016 - £40,400) in respect of rent to the Daughters of Charity of St Vincent de Paul Charitable Trust.

## 17 Liability of members

The charitable company is constituted as a company limited by guarantee incorporated in the United Kingdom. In the event of the charitable company being wound up, its members are required to contribute an amount not exceeding £1.

## 18 Ultimate control

The charitable company was controlled throughout the period by the Daughters of Charity of St Vincent de Paul by virtue of the fact that the members of the Congregation and/or the Superior General appoint the Trustees, who are also the members of the charitable company.

**19 Post balance sheet event**

With effect from 1 April 2017, the activities carried out by The Space, Govanhill were transferred from the Daughters of Charity of St Vincent de Paul Charitable Trust to The Louise Project Limited, a charity registered in Scotland with the Office of the Scottish Charity Regulator (Charity Registration No. SC047316) and a company limited by guarantee incorporated in Scotland (Company Registration No. SC555365). The net assets of The Space, Govanhill were transferred to the new charitable company also as at 1 April 2017. These are detailed below:

	£
Cash at bank and in hand	<b>128,765</b>
<hr/>	
The net assets transferred represented:	£
Restricted funds	<b>89,273</b>
Designated funds	<b>39,492</b>
	<b>128,765</b>

The operations of The Louise Project Limited (formerly The Space, Govanhill) were not affected by the transfer. On 1 April 2017 The Louise Project Limited became a subsidiary of DCSVP Services and its results for the year ending 31 March 2018, including the net assets above, will be consolidated into the financial statements of DCSVP Services for the year ending 31 March 2018.