

**BRENTWOOD CATHOLIC CHILDREN'S SOCIETY**  
**TRUSTEES' REPORT AND ACCOUNTS**  
**FOR THE YEAR ENDED 31 MARCH 2016**

Registered Charity Number: 1000661

**BRENTWOOD CATHOLIC CHILDREN'S SOCIETY**

**TRUSTEES' REPORT AND ACCOUNTS**

**FOR THE YEAR ENDED 31 MARCH 2016**

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# BRENTWOOD CATHOLIC CHILDREN'S SOCIETY

## TRUSTEES' REPORT AND ACCOUNTS

FOR THE YEAR ENDED 31 MARCH 2016

### Reference and administrative information

Trustees	Appointment Date	1 <sup>st</sup> Term End	2 <sup>nd</sup> Term End
Frank McEvoy (Chair)	November 2009	October 2012	October 2017
Richard Cerson	July 2015	June 2018	June 2021
Frank Kenny	November 2009	October 2012	October 2017
Monica McDermott	October 2010	September 2013	September 2016
Fr. Dan Mason	October 2011	September 2014	September 2017
Peter Dowse	December 2011	November 2014	November 2019
Sr Margaret Horton CRSS	March 2012	February 2015	February 2018
Ken Beech	March 2012	February 2015	February 2018
Anthony Tisi	March 2013	February 2016	February 2019
Christopher Tisi	June 2015	May 2019	May 2023
David Worsfold	December 2013	November 2017	November 2021
Eloise Crush	September 2014	August 2017	August 2020
Frank Maguire	January 2015	December 2018	December 2022
Bernadette Tsocos*	March 2015	November 2015	N/A
Christopher Chandler	March 2015	February 2018	February 2021

\*During the year Bernadette Tsocos resigned as a trustee due to time pressure but remains an active supporter. Christopher Tisi and Richard Cerson joined the Board during the year. During the year the Trustees exercised a discretion by unanimous vote to slightly extend some terms of service and to move from three to four year terms for future trustees.

**President:** Rt Reverend Alan Williams Bishop of Brentwood.

**Founder:** Rt Rev Mgr. John Armitage

**Director:** Mr Steven G Webb

**Principal Office:** Childcare House, Little Wheatley Chase, Rayleigh, Essex SS6 9EH

**Charity Number:** 1000661

**Trading names:** In addition to the formal name Brentwood Catholic Children's Society the name "bccs" is used generally and the name "Childcare" is used in association with the shop.

**Auditors:** RSM UK Audit LLP, Marlborough House, Victoria Road South, Chelmsford CM1 1LN

**Bankers:** HSBC Bank PLC, 91 High Street, Brentwood, Essex, CM14 4RU  
CAF Bank Ltd, 25 Kings Hill, Kings Hills Avenue, West Malling, Kent, ME19 4JQ  
Santander UK, 2 Triton Square, Regent's Place, London, NW1 3AN

## BRENTWOOD CATHOLIC CHILDREN'S SOCIETY

### TRUSTEES' REPORT

#### FOR THE YEAR ENDED 31 MARCH 2016

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The trustees present their Financial Report and the Financial Statements of the charity for the year ended 31 March 2016.

These audited financial statements have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's trust deed, the Charities Act 2011 and the Statement of Recommended Practice: Accounting and Reporting by Charities applicable to charities preparing their accounts with the Financial Reporting Standard for Smaller Entities published on 16 July 2014.

#### **Structure, Governance and Management**

**bccs** is an unincorporated trust constituted under a Trust Deed dated 25<sup>th</sup> August 1990. It is an independent registered charity in England and Wales, number 1000661. **bccs** is not formally connected to the Diocese of Brentwood (which is a separate charity) and for legal purposes the two are not connected. However the Bishop of Brentwood is our President and we maintain very close informal links with the diocese and the parishes.

**bccs** does not receive any direct funding from Government or from the Diocese of Brentwood. During the year funding for a particular project was received from Essex County Council. Donations are received and an active fundraising events calendar is undertaken, furthermore **bccs** operates one charity shop under the name "Childcare" and receives income from partner schools.

The trustees are appointed by the Board of Trustees. Following an Order made by the Charity Commission on 18<sup>th</sup> July 2005 the Trust Deed was amended giving the trustees the power at their discretion to vary both the number of trustees and the length of time that they can serve.

**Meetings of the Board of Trustees** are held four times a year to agree broad strategy and areas of activity and to receive reports from the Director and three Sub Committees (Finance, Governance and Fundraising). Additionally the trustees consider investments, reserves and risk management on a regular basis.

Sub committees also meet four times per year prior to the Main Board meetings and they have the power to co-opt advisers as required.

Day to day operation of **bccs** is delegated to the Director and his staff.

#### **Finance Sub Committee:**

Approves the Annual Budget prior to submission to the Main Board for final approval.

Monitors financial performance against budget and monthly management accounts.

Liaises with the auditors.

Assesses financial risks and provides advice to the Director.



## **BRENTWOOD CATHOLIC CHILDREN'S SOCIETY**

### **TRUSTEES' REPORT**

**FOR THE YEAR ENDED 31 MARCH 2016**

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#### **Fundraising Sub Committee:**

The programme of events is monitored by the trustees. At each meeting the Fundraising Sub Committee monitors the performance of fundraising events that have taken place against the budget set for them. Lessons are learned and decisions taken in relation to future events that may be the same or similar. It also keeps track of those events that have not yet taken place so as to ensure so far as is possible, that they are on target both in financial terms and in terms of putting on a successful event for the participants. We aim to deliver a programme of events that not only raise money directly but also help to build the community of those who support our work. In relation to donations throughout the year the Fundraising Sub Committee monitors each heading to ensure that we are on track and so that decisions can be made about how we might bolster performance against budget if we are not. Some headings are seasonal and some are year-long and for those that are seasonal Trustees will monitor activity within the Fundraising team to ensure that appropriate preparations have been made to support seasonal appeals and to learn lessons for the future after each season is completed.

Fundraising Trustees are presented with a financial report at each meeting against which monitoring can take place.

Assesses risks and provides advice to the Director and fundraising staff.

#### **Governance Sub Committee:**

Monitors policies and practices within **bccs** and assesses risks associated with good governance.

#### **Induction and Training of Trustees**

The Board keeps the skill set required for proper performance of its duties under regular review. Potential trustees attend a meeting as observers in order to meet other trustees and to gain a fuller understanding of the work of **bccs** and the Board before making a commitment to serve as a trustee. As a matter of courtesy, new trustees are notified to the President who writes to them before they are formally appointed by the Board at the next Board Meeting. New Trustees are given an induction covering all aspects of the history of **bccs**, Charity Commission requirements, current practices and structures.

During the course of the year trustees have received on-going training and updates in relation to Safeguarding, Statements of Recommended Practice for accounting and developments in the statutory and legislative framework surrounding fundraising activity in the light of the Etherington Report (continuing into 2016/17). Trustees were also updated on Risk Management best practice and the activities and supervision of our Social Workers and Counsellors.

### **Risk Management**

Trustees regularly consider and review risks against an established and constantly refreshed Register of Risks. This is done in Sub Committee and reported to Main Board. The trustees have assessed the major risks to which the charity is exposed, in particular those related to the operations and finance of the charity, and are satisfied that systems are in place to mitigate the charity's exposure to such risks.

The Key Risks we have identified are broken down into "Operational", "Environmental and External", "Law and Regulation Compliance", "Governance" and "Finance". The nature of our operations, the interaction with parish communities, supporters, priests in the diocese of Brentwood and particularly the relationships we have with over 100 schools (many catholic but with a significant minority that are not) means that our risks are diverse and to an extent interconnected. The main risks as identified by the scoring system in our risk matrix are.

- a) The risk of having an ineffective Board of Trustees. We are fortunate that we maintain a high quality of trustees through good recruitment of a good mix of skills relevant to our operations, induction, training and refreshing the Board on a regular basis with an agreed retirement process.
- b) The risk of having poor financial controls and reporting. The Sub Committees are particularly helpful in mitigating this risk and sensible setting of budgets (overall and specific to item headings) and good monitoring of performance against those budgets both by the executive team and the trustees on a regular basis helps to keep timely information available to allow good decisions to be made during (and without) the cycle of Board and Sub Committee Meetings.
- c) The sensitivity to financial losses and failing to be a going concern, combined with our relationship with the Diocese of Brentwood is the final key area of risk identified by our matrix. By maintaining a good relationship with our President through regular meetings and updates from the Director, along with constant effective communications with parishes and schools in the diocese we both reduce the risk and increase the possibility of early warning of potential risks. Constant monitoring of the financial position ensures that timely actions can be taken in response to adverse circumstances.



## BRENTWOOD CATHOLIC CHILDREN'S SOCIETY

### TRUSTEES' REPORT

FOR THE YEAR ENDED 31 MARCH 2016

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#### Objectives and Activities

When **bccs** was established by the Diocese of Brentwood the primary aim was protecting and improving the quality of life of hurt and needy children throughout Essex and five East London Boroughs of Barking & Dagenham, Havering, Newham, Redbridge and Waltham Forest.

Today **bccs** fulfils this objective by providing an early intervention service to prevent or mitigate behavioural and emotional problems. Professional Social Workers and Counsellors work in partnership with school staff to support young people and their families when they are in need.

The stated aim of **bccs** has always been, and remains, to respond promptly to all requests for help regardless of how many there are.

At **bccs** we employ only highly skilled and experienced professional staff. Those professionals are supported by a small administrative team so as to enable them to spend the maximum amount of working time face to face with the children and the families they are helping. They are fully and effectively supervised and supported so as to maintain a high quality of service.

#### Financial Review

Every year our key task is to match our income to the cost of the work we do. We never have a shortage of work that we could do and in recent years our workload has increased dramatically. We are ever conscious that in order to be a going concern that will be here to benefit children long into the future, we must avoid taking on more work than we can afford to do. Our main limitation on our activities is generating income. We differentiate Operational Income from Overall Income in all of our internal management and monitoring. Operational Income excludes legacy and gift income of an unusual (above a low budget level representing a reasonable and prudent expectation) nature. We aim to break even without such income and we do not include it in our planning on a yearly basis.

In 2015/16 the income directly generated by the work we do with schools shows a significant increase by £57,138 from £417,018 last year to £474,156 this year. All of this increase represents additional work done for the benefit of children. Each year we apply a small CPI increase to the amount we ask schools to contribute to our costs (0.5% this year). Overall our income increased by £51,756 from £760,552 to £812,308.

However, during the year our costs increased faster than our income due to a variety of reasons. The cost of providing care increased by more than the additional income it generated. The cost of providing care increased by £69,446 from £662,177 to £731,623. This partly because we are a victim of our own success. As we have grown and provided more benefit to more children we have increased the number of people working for us in order to provide that care. Salaries are by far our highest spend and our average full time equivalent number of staff has increased from 9.1 in 2010/11 to 13.8 this year. Most of our social workers and counsellors are part time and the actual number of employees is therefore significantly more than that at any one time.



As we are a charity that is absolutely committed to providing the highest quality of care to children and young people one of the things we consider essential is proper supervision, management and training of all our professional staff. Our growth required that we increase our supervision and management costs partly to ensure quality and partly as a reflection that we had reached a size where the old supervision model needed to be adapted in order to keep a good ratio of professionals to supervisors. This came at a cost to us but will stand us in good stead going forward. These figures reflect that during 2015/16 we made a conscious decision to take on more work than we would have preferred to do but we did so for good reasons and subject to strict conditions.

- i) A couple of years ago we moved from being a charity with no reserves to one that had reserves. This was due to the fact that we received a couple of legacies. Having 2 ½ months of reserves we felt able to temporarily take on more work in 2015/16 knowing it would carry forward into 2016/17.
- ii) We were not doing it with our eyes closed. We have agreed that during 2016/17 we will not continue to grow unless and until we can directly fund continued expansion. In setting a deficit budget for 2016/17 the Board has set strict conditions for our future operations that require a return to at least Operational Breakeven by 2018/19 and a deficit of no more than £20,000 in 2017/18.

This is being closely monitored by our Board and Finance Sub Committee against current performance to ensure that we get the right balance between meeting the immediate needs of children and our financial responsibilities as a going concern to ensure we are here to help for many years to come.

Legacy income was at a comparable level to last year at £25,700 (£20,701 in 2014/15).

This is the first year for a while that we have made a loss and this has in turn led to our free reserves decreasing from £159,070 in 2014/15 to £114,107 in 2015/16. This represents 1.6 months expenditure (2.49 in 2014/15). The medium to long term aim is to increase this to 5-6 months.

A key performance indicator for **bccs** has been the percentage of incoming resources (ex legacy income) accounted for by fees for professional services. Historically this was perceived to be too low for sustainability and it has been increasing gradually. This year the percentage is 60.0 (56.4 in 2014/15) and total fees rose by 13.7% (8.6% in 2014/15) due to increased demand. This represents an acceptable level in order to achieve operational sustainability in the medium term. It is important to **bccs** that we are a charity and not merely a service provider. The interconnection between our work, the schools we partner with, the children and families we help and our donors and supporters is an important factor and contribute to our community.

We have been striving to increase the level of expenditure on the direct provision of support and care service as a percentage of total expenditure. This year it is 85.0% (86.57% in 2014/15) and much higher than in the past.



## BRENTWOOD CATHOLIC CHILDREN'S SOCIETY

### TRUSTEES' REPORT

FOR THE YEAR ENDED 31 MARCH 2016

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Fundraising continues to play a significant role in funding our work. Despite the increase in the percentage of income provided by fees, the increased level of work that is being undertaken means that our fundraising targets continue to increase in real terms. We are striving to maintain a calendar of social events that provide good income and widen our community of supporters through having a good time. Donation levels have increased this year after holding up remarkably well through the harsh economic climate thus far. Disregarding that, the level of donations has remained fairly stable, albeit at a level that needs to be improved.

At Highams Park we have a Charity Shop which contributes significantly to our finances by accepting donations of clothes, toys, books and DVDs etc and selling them on for the benefit of **bccs**. We are incredibly grateful to the many volunteers who run the shop and the people who generously donate to it.

#### Performance

The working model is early intervention, prevention and mitigation of behavioural and emotional problems. The child is placed firmly at the centre of everything though we also work with the family, the school and other agencies if it is required. When a child is referred to **bccs** we commence work straight away and remain in contact for as long as it takes.

Referrals are at an all-time high and during the year we have noticed that the complexity of the cases referred continues to increase. These two factors combined mean that the number of sessions we spend with children and families has continued at a much higher level than in the past. The continuing increase in demand has been sustained through 2015/16 and the need for everyone at **bccs** to work harder and smarter has been essential as we strive to meet the demand.

	New Referrals	Sessions	Home Visits	Agency Meetings
2011/12	799	8,673	159	452
2012/13	1,236	10,516	202	257
2013/14	1,191	12,225	264	318
2014/15	1,691	12,204	220	306
2015/16	1,808	12,266	40	277

This continued level of activity also reflects that during the year we have increased the amount of time we have spent in individual schools as well as the number of schools that we are working in partnership with. There has also been an increase in the level of group activity work within these numbers as we strive to find new ways to help more children as effectively as possible.

In addition to this core activity this year we have delivered new training to an in house primary school training course for members of school staff in support of children in need in our diocese and undertaken 9 consultations on complex cases and 17 courses tailored to the specific needs of individual schools and a series of three workshops have been delivered to 49 members of school staff. These additions to our work have been highly valued by schools and families alike and will be continued in the future. They are helping **bccs** to help many more children than ever before on top of the core activity recorded above.

The quantity and variation of our work continues to expand in order to meet the demand of children in need in our diocese.

The work we do is constantly evaluated in different ways. Continuous dialogue between **bccs** and our partner schools ensures that day to day feedback is obtained from a school perspective. Recognised evaluation methods are used in many cases to assess the improvement in a child over the course of our intervention and formal evaluation reports are provided to consortia of schools and to some individual schools where that is a valued method. All of our new work in 2015/16 was unsolicited and came from recommendation, reputation or increased demand from existing partners.

The main indicator of our performance is our ability to meet the needs of children who are in need as described above, but we are constantly striving to do so in a financially sustainable way.

### **Reserves**

Our medium to long term policy is to have 5 to 6 months expenditure as reserves. Medium term would be defined as 5 years. In recent years we have moved towards this from having no reserves to accruing free reserves equivalent to 2.49 months expenditure last year. This year we have experienced our first loss for a while (see Financial Review) and our reserves have reduced to 1.6 months expenditure. This reduction is both relative and absolute as our monthly expenditure has increased and the total amount of reserves (£114,107 this year is down from £159,070 last year). The Board expects the Free Reserves to fall again slightly in 2016/17 but remains committed to the medium term plan. In order to achieve this we are committed to becoming at least Operationally Breakeven by 2018/19 before moving into Operational surpluses. We have agreed to cut one salary (not providing direct care) in the short term by not replacing a departing member of staff and any exceptional legacy or gift income will be used to bolster reserves before any further expansion of our operations takes place (unless the expansion can be immediately self-financing). The Board has agreed a series of conditions to ensure compliance with this policy and that will be monitored closely.



### **Investment**

The Board has agreed to maintain the current portfolio of investments which are all mainstream balanced low risk funds. It is not considered appropriate to have a more detailed Investment Policy unless and until our investment portfolio grows considerably. The Trustees do not consider high risk or speculative investments as suitable for **bccs**.

There are some long term unit trust investments which have shown an unrealised deficit of £8,794 (£13,643 surplus in 2014/15). The trustees regularly monitor the investment position and are satisfied that the management of deposit accounts has achieved an acceptable return.

### **Volunteers**

We have a dedicated band of volunteers who run our shop in Highams Park. We have 19 volunteers who work part time to varying degrees in order to run the shop generating a net income this year of £16,544. All of our Trustees are volunteers and claim no remuneration or expenses. We also have the assistance of volunteers who help with seasonal administrative tasks like mailings and events and others who help in varying degrees with the running of events in conjunction with our Fundraising Manager. All of these people provide a valuable contribution to the care of children in our community and we are grateful to them all.

### **Key Management**

The Trustees consider the Board of Trustees and the Director as comprising the key management personnel of the charity in charge of directing and controlling the charity and running and operating the charity on a day to day basis. All trustees give of their time freely and no trustee remuneration was paid in the year. The salary of the Director was determined to mutual satisfaction and market rate for a charity of its size at the time of joining and has been increased precisely in line with increases applicable to all other employed staff year on year.

### **Public Benefit Statement**

The Trustees confirm that they have complied with the duty in s17 Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission in determining the activities undertaken by **bccs**.

The early intervention services provided by **bccs** enable the children to address difficulties that may be impeding their educational, social and emotional development. This benefits the individual children directly and also their peers in school. This in turn helps support teachers and other school support staff. We are committed to the principle that assistance is provided to any child in need irrespective of background, race or religion.

### Future Plans

- Progress towards Operational Sustainability: In recent years and with the exception of this year, we have made significant strides towards becoming more efficient and making the best use of every £1 donated to [bccs](#). It is our short/medium term aim to become financially sustainable without relying on exceptional and unexpected income. We will continue to focus on this moving forward conscious that there is a lot more we can do to benefit the children in our community as and when we get any unexpected income in the future.
- The Board is conscious that our growth has been rapid and significant and has committed to maintain the current high level of work but reluctantly not to take on any more work that is not of itself self-financing until such time as we have achieved targets set. The Finance Sub Committee has committed to very close monitoring of the financial position through 2016/17 with a view to achieving Operational Sustainability by 2018/19.
- This year we have continued to meet the demand but it is becoming increasingly difficult to do so **and** to keep our Operational Sustainability target in sight. We are committed to both and we will continue to be committed to both in the long term but in the short term we must focus on sustainability in order to ensure that we are here for the long term.
- Improve voluntary income: Having become far more cost efficient in recent years, we now need to increase our voluntary income in order to meet demand in the future and to achieve operational sustainability. We are exploring greater use of I.T and other systems which will sit harmoniously with our overall ethos of being part of a community and engaging with both existing and new members of that community.
- Diversify into high quality complimentary services: During recent years we have realised that we can help children in additional ways that are entirely consistent with who we are and what we do. We have been very successful in providing these types of service during the year and in future we will continue to expand both the quantity and scope of this area of our operation on a self-financing basis.
- Strive for even higher quality: Everything we do rests on the quality of what we are able to give to the children we help. We will always strive to make this better no matter how good it currently is. To achieve this we will allow the changes we have made to the supervision structure to bed in and monitor its success. Additionally and as a direct consequence of implementing the new supervision structure we will be working to improve the focus of continuing professional development of our professional staff both with better in house training and more targeted use of external providers. This is vital to maintain the continuous improvement in the quality of what we do.



### Statement of trustees' responsibilities

The trustees are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of the affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the trustees are required to:

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

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the applicable Charity (Accounts and Reports) Regulations and the provisions of the Trust Deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees are responsible for the maintenance and integrity of the charity and financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Approved by the trustees on 21st September 2016 and signed on their behalf by:



Frank McEvoy Chair of Trustees

## INDEPENDENT AUDITORS' REPORT

### TO THE TRUSTEES OF BRENTWOOD CATHOLIC CHILDREN'S SOCIETY

We have audited the financial statements of Brentwood Catholic Children's Society for the year ended 31 March 2016 on pages 13 to 22. 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).

This report is made solely to the charity's trustees as a body, in accordance with the Charities Act 2011. Our audit work has been undertaken so that we might state to the charity's 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 charity 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 auditors

As explained more fully in the Statement of Trustees' responsibilities set out on page 11, the trustees are responsible for the preparation of financial statements and for being satisfied that they give a true and fair view.

We have been appointed as auditor under section 145 of the Charities Act 2011 and report in accordance with regulations made under section 154 of 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

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at <http://www.frc.org.uk/auditscopeukprivate>.

#### Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2016, and of its incoming resources and application of resources, 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 Charities Act 2011.

#### Emphasis of matter – early adoption of the Charities SORP (FRSSE)

In forming our opinion, which is not modified, we have considered the disclosure in note 1 concerning the charity's early adoption of the Charities SORP (FRSSE) issued in July 2014, rather than applying the Charities 2005 SORP which has been withdrawn but is still referred to in the extant Charities (Accounts and Reports) Regulations 2008. This departure has been necessary for the financial statements to show a true and fair view in accordance with United Kingdom Generally Accepted Accounting Practice effective for accounting periods beginning on or after 1 January 2015.

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

We have nothing to report in respect of the following matters where the Charities Act 2011 requires us to report to you if, in our opinion:

- the information given in the Trustees' Report is inconsistent in any material respect with the financial statements; or
- the charity has not kept sufficient accounting records; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

RSM UK Audit LLP

RSM UK Audit LLP  
Chartered Accountants  
Statutory Auditor  
Marlborough House  
Victoria Road South  
Chelmsford  
Essex CM1 1LN

Date 10 November 2016

RSM UK Audit LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.



**BRENTWOOD CATHOLIC CHILDREN'S SOCIETY**

**STATEMENT OF FINANCIAL ACTIVITIES**

**FOR THE YEAR ENDED 31 MARCH 2016**

<b>Income and endowments from:</b>	<b>Notes</b>	<b>Unrestricted Funds £</b>	<b>Restricted Funds £</b>	<b>2016 Total £</b>	<b>Unrestricted Funds £</b>	<b>Restricted Funds £</b>	<b>2015 Total £</b>
<b><i>Donations and legacies</i></b>							
Donations and similar incoming resources		150,738	4,875	155,613	147,555	-	147,555
Legacies		25,700	-	25,700	20,701	-	20,701
Trusts and Grants		26,250	3,200	29,450	7,850	40,043	47,893
<b><i>Charitable activities</i></b>							
Fees for professional services and service level agreements		474,156	-	474,156	417,018	-	417,018
<b><i>Other Trading Activities</i></b>							
Fundraising events income		89,057	-	89,057	88,912	-	88,912
Shop income		29,589	-	29,589	30,721	-	30,721
<b><i>Investment Income</i></b>							
Dividends		8,743	-	8,743	7,752	-	7,752
<b>Total Income</b>		<b>804,233</b>	<b>8,075</b>	<b>812,308</b>	<b>720,509</b>	<b>40,043</b>	<b>760,552</b>
<b>Expenditure on:</b>							
<b><i>Raising Funds</i></b>							
Fundraising events costs		85,743	-	85,743	77,721	-	77,721
Shop costs		13,045	-	13,045	14,540	-	14,540
Fundraising costs - Trusts		20,391	-	20,391	10,429	-	10,429
<b><i>Charitable activities</i></b>							
Provision of support and care services		721,358	10,265	731,623	624,578	37,599	662,177
<b>Total Expenditure</b>	<b>2</b>	<b>840,537</b>	<b>10,265</b>	<b>850,802</b>	<b>727,268</b>	<b>37,599</b>	<b>764,867</b>
<b>Net (Expenditure)/Income</b>		<b>(36,304)</b>	<b>(2,190)</b>	<b>(38,494)</b>	<b>(6,759)</b>	<b>2,444</b>	<b>(4,315)</b>
<b>Other recognised Gains and Losses</b>							
Unrealised (losses)/gains on investment assets		(8,794)	-	(8,794)	13,643	-	13,643
<b>Net movement in funds</b>		<b>(45,098)</b>	<b>(2,190)</b>	<b>(47,288)</b>	<b>6,884</b>	<b>2,444</b>	<b>9,328</b>
<b>Total funds brought forward</b>		<b>168,570</b>	<b>8,675</b>	<b>177,245</b>	<b>161,686</b>	<b>6,231</b>	<b>167,917</b>
<b>Total funds carried forward</b>		<b>123,472</b>	<b>6,485</b>	<b>129,957</b>	<b>168,570</b>	<b>8,675</b>	<b>177,245</b>

All operations are continuing and there are no discontinued operations in either year.

# BRENTWOOD CATHOLIC CHILDREN'S SOCIETY

## BALANCE SHEET

AS AT 31 MARCH 2016

	Notes	£	2016	£	2015	£
<b>Fixed Assets</b>						
Tangible assets	6			9,364		9,500
Investments	7			201,782		210,576
				<u>211,146</u>		<u>220,076</u>
<b>Current Assets</b>						
Debtors	8	29,333			40,640	
Cash at bank and in hand		7,283			6,077	
		<u>36,616</u>			<u>46,717</u>	
<b>Current Liabilities</b>						
Creditors: amounts falling due within one year	9	(117,805)			(89,548)	
<b>Net current liabilities</b>				(81,189)		(42,831)
<b>Total assets less current liabilities</b>				<u>129,957</u>		<u>177,245</u>
<b>Funds</b>						
Unrestricted funds				123,472		168,570
Restricted funds	10			6,485		8,675
<b>Total funds</b>				<u>129,957</u>		<u>177,245</u>

The financial statements on pages 13 to 22 were approved by the Trustees and authorised for issue on 21 September 2016  
and signed on their behalf by:



F McEvoy  
CHAIR of TRUSTEES



**NOTES TO THE ACCOUNTS**

**FOR THE YEAR ENDED 31 MARCH 2016**

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**1. ACCOUNTING POLICIES**

**1.1 Basis of Preparation**

The financial statements are prepared under the historical cost convention modified to include the revaluation of certain fixed assets. The financial statements have been prepared in accordance with the Statement of Recommended Practice (Accounting and Reporting by Charities) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard for Smaller Entities issued in July 2014, the Financial Reporting Standard for Smaller Entities (FRSSE), and the Charities Act 2011 and applicable regulations.

The trustees consider that it is appropriate to prepare the accounts on a going concern basis; this based on the financial forecasts for the period to 31 March 2018. The charity has taken advantage of the exemption in Financial Reporting Standard no. 1 from the requirement to produce a cash flow statement on the grounds that it is a small charity.

The accounts have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard for Smaller Entities published on 16 July 2014 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

**1.2 Income**

Voluntary, charitable and fundraising income from various sources are only recognised as income when there is sufficient evidence to provide the necessary certainty so it is probable that the income will be received, that the charity is entitled to receive the income and the value can be measured with sufficient reliability. In the case of legacy income, this is recognised when the above income recognition criteria have been met.

Shop income is included when earned.

Investment income is included when receivable.

Donated assets are included within income at their estimated market value, and are capitalised in the balance sheet.

**1.3 Tangible Fixed Assets and Depreciation**

Tangible fixed assets costing more than £100 are capitalised and are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life as follows:

Fixtures, fittings and equipment -	25% straight line basis
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**1.4 Investments**

Fixed asset investments are initially stated at their transaction value and subsequently stated at market value. Any realised and unrealised gains or losses, including income received on accumulation units, are included in the Statement of Financial Activities.

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

## **BRENTWOOD CATHOLIC CHILDREN'S SOCIETY**

### **NOTES TO THE ACCOUNTS (continued)**

#### **FOR THE YEAR ENDED 31 MARCH 2016**

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##### **1.5 Expenditure**

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

Expenditure is included on an accruals basis, inclusive of any VAT that cannot be recovered. Support costs are allocated based on staff time spent on the activities.

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be directly allocated to such activities together with an allocation of support costs.

Costs of generating funds comprise those costs associated with attracting voluntary income and the costs of the charity shop together with an allocation of support costs.

Governance costs comprise direct costs for the statutory and governance of the charity together with an allocation of support costs.

##### **1.6 Pension Costs**

The Society makes defined benefit pension contributions to a Group Pension Scheme administered by Scottish Equitable. Contributions are charged against the Statement of Financial Activities as they fall due.

##### **1.7 Funds**

Restricted funds are those funds subject to restrictions imposed by the donor. Details of funds subject to restriction are set out in note 10.

Unrestricted income funds comprise those funds which the trustees are free to use for any purpose in furtherance of the charitable objects.

##### **1.8 Taxation**

No corporation tax has been provided for in these accounts as the charity is within the exemption granted by section 505 of the Income and Corporation Taxes Act 1988.

##### **1.9 Contributions from Volunteers**

The Society relies on part-time volunteers to run the charity shop in Highams Park. Volunteers also give their time on an adhoc basis to collate the Charity's newsletters and aid with sundry administration duties. The trustees consider there is no objective way of putting a financial value on this effort but record their gratitude to these volunteers for this considerable and essential contribution.



# BRENTWOOD CATHOLIC CHILDREN'S SOCIETY

## NOTES TO THE ACCOUNTS (continued)

### FOR THE YEAR ENDED 31 MARCH 2016

#### 2. TOTAL EXPENDITURE

	Support And Care services £	Fundraising Events £	Shop £	Trusts £	2016 Total £	2015 Total £
<i>Costs directly allocated</i>						
Staff costs	503,548	43,279	2,472	14,197	563,496	473,201
Agency staff and similar costs	32,687	-	-	-	32,687	39,499
Fundraising events and activities	-	27,640	-	-	27,640	21,656
Trusts	-	-	-	1,869	1,869	466
Shop	-	-	10,573	-	10,573	12,092
Special needs and other care costs	861	-	-	-	861	1,036
<i>Support costs allocated</i>						
Staff costs	79,159	6,804	-	2,232	88,195	99,614
Travel costs	29,003	1,438	-	38	30,479	27,201
Premises costs	12,764	1,097	-	360	14,221	13,897
Finance and administration costs	40,349	2,937	-	860	44,146	43,792
Professional fees	4,000	34	-	11	4,045	34
Depreciation	3,630	312	-	102	4,044	3,040
<i>Governance costs allocated</i>						
Staff costs	12,640	1,086		356	14,082	14,540
Audit and accountancy	11,927	1,025		336	13,288	13,380
General office support	976	84		28	1,088	1,341
Depreciation	79	7		2	88	78
	<u>731,623</u>	<u>85,743</u>	<u>13,045</u>	<u>20,391</u>	<u>850,802</u>	<u>764,867</u>

Support costs are allocated to each activity in proportion to the ratio of direct salary costs they represent, other than travel costs that can be directly attributable to specific activities.

In 2016 the expenditure on charitable activities was £731,623 (2015: £662,177) of which £721,358 (2015:£624,578) was expenditure from unrestricted funds and £10,265 (2015: £37,599) was expenditure from restricted funds.

**BRENTWOOD CATHOLIC CHILDREN'S SOCIETY**

**NOTES TO THE ACCOUNTS (continued)**

**FOR THE YEAR ENDED 31 MARCH 2016**

**3. EMPLOYEES**

**Number of Employees**

The average monthly number of employees during the year was:

	<b>2016 Number</b>	<b>2015 Number</b>
Fundraising and Trusts	2.0	1.3
Direct charitable	13.8	12.0
Administration	2.4	3.0
Governance	0.2	0.2
	<u>18.4</u>	<u>16.5</u>

**Employment Costs**

	<b>2016 £</b>	<b>2015 £</b>
Salaries and Wages	592,316	520,464
Social security costs	48,584	42,416
Other pension costs	24,873	24,474
	<u>665,773</u>	<u>587,354</u>

There were no employees whose annual emoluments exceeded £60,000 (2015: None).

All pension costs are from unrestricted funds for both years.

**4. AUDITORS REMUNERATION**

Included within the audit and accountancy costs in Note 2, the auditor's remuneration constituted an audit fee of £10,500 (2015: £10,250).

**5. RELATED PARTY TRANSACTIONS AND TRUSTEES' EXPENSES AND REMUNERATION**

None of the trustees (or any persons connected with them) received any remuneration during the year (2015: Nil), and none of them were reimbursed for expenses. (2015: None).

There were no services provided to the charity during the year by persons or legal bodies connected to any trustee. (2015: Nil.).



**BRENTWOOD CATHOLIC CHILDREN'S SOCIETY**

**NOTES TO THE ACCOUNTS (continued)**

**FOR THE YEAR ENDED 31 MARCH 2016**

<b>6. TANGIBLE FIXED ASSETS</b>	<b>Fixtures, fittings and equipment £</b>
<b>Cost</b>	
At 1 April 2015	33,492
Additions	3,996
Disposals	(2,360)
At 31 March 2016	<u>35,128</u>
<b>Depreciation</b>	
At 1 April 2015	23,992
Charge for the year	4,132
Disposals	(2,360)
At 31 March 2016	<u>25,764</u>
<b>Net Book Value</b>	
At 31 March 2016	<u>9,364</u>
At 31 March 2015	<u>9,500</u>
<b>7. FIXED ASSET INVESTMENTS</b>	<b>Listed Investments £</b>
Market value at 1 April 2015	210,576
Unrealised deficit in the year	(8,794)
Market value at 31 March 2016	<u>201,782</u>
Investment assets are held in the U.K.	
Historical cost:	
At 31 March 2015	<u>105,001</u>
At 31 March 2016	<u>105,001</u>

Listed investments include M&G Charifund income units, Black Rock Charishare and Charinco Common Investment Fund Income units, CCLA's income units and Schroder Charity Fixed Interest Fund units whose values individually exceed 5% of the total investment portfolio. Investments are held to provide an investment return.

**BRENTWOOD CATHOLIC CHILDREN'S SOCIETY**

**NOTES TO THE ACCOUNTS (continued)**

**FOR THE YEAR ENDED 31 MARCH 2016**

<b>8. DEBTORS</b>	<b>2016</b>	<b>2015</b>
	<b>£</b>	<b>£</b>
Prepayments and accrued income	15,956	15,017
Other debtors	13,377	25,623
	<u>29,333</u>	<u>40,640</u>

All debtors related to unrestricted funds in both 2016 and 2015.

<b>9. CREDITORS: amounts falling due within one year</b>	<b>2016</b>	<b>2015</b>
	<b>£</b>	<b>£</b>
Bank overdraft	58,589	32,189
Tax and social security	14,714	12,465
Accruals and deferred income	25,913	22,235
Other creditors	18,589	22,659
	<u>117,805</u>	<u>89,548</u>

All creditors in 2016 and 2015 relate to unrestricted funds.

Deferred Income – other

Balance as at 1 <sup>st</sup> April	4,725	2,863
Additional amounts of income deferred	9,836	4,725
Amount released to incoming resources	(4,725)	(2,863)
	<u>9,836</u>	<u>4,725</u>

This relates to professional service fee income received in advance and income received for fundraising events that take place after the year end.

Other creditors include pension contributions due at the year-end of £3,710 (2015: £4,266).



**BRENTWOOD CATHOLIC CHILDREN'S SOCIETY****NOTES TO THE ACCOUNTS (continued)****FOR THE YEAR ENDED 31 MARCH 2016**

<b>10. RESTRICTED FUNDS</b>	<b>Balance at 1 April 2015 £</b>	<b>Incoming Resources £</b>	<b>Resources Expended £</b>	<b>Balance at 31 March 2016 £</b>
Support & mentoring of families within specific school	3,675	-	(3,675)	-
Reducing domestic violence and Conflict within families *(Basildon)	5,000	-	(5,000)	-
Improving behaviour and attendance project	-	1,000	(1,000)	-
Hardship Fund	-	4,875	(390)	4,485
CRM Database Installation	-	2,000	-	2,000
Mattress grant	-	200	(200)	-
	<u>8,675</u>	<u>8,075</u>	<u>(10,265)</u>	<u>6,485</u>

**Support and mentoring for children and families in a specific Essex school.**

This fund consists of grants and donations received to provide children and their families with support, counselling and mentoring within a specific Essex based school to cope with changes arising from demographic changes within the area. This is to tackle issues arising from relationships between children and parents; children and their peers; children and the school; parents and the school.

**Reducing domestic violence and conflict within families (Basildon)**

This fund consists of grants and donations received to provide children and their families with counselling, enabling the resolution of issues together, where children's behavioral problems are linked to conflict within the family unit.

**Improving behaviors project**

The donation received towards this project was used to provide counselling via primary schools within a specific geographical region of Essex to help children learn strategies to resolve anger and behavioral issues, thereby reducing conflict within classroom settings.

**Hardship Fund**

This fund consists of regular donations from an individual company requiring the monies be utilized for direct financial assistance to children and their families within Essex and East London, where it is recognize such assistance would make a real difference to their lives. The fund is administered within strict guidelines for specific item or event.

**CRM Database Installation**

This donation received is specifically awarded to the charity towards the costs of installing a new customer relations database to enable increased fund raising to support vulnerable children.

**Mattress grant**

This donation was received to supply a vulnerable family whose children did not have appropriate beds with new mattresses.

**BRENTWOOD CATHOLIC CHILDREN'S SOCIETY**

**NOTES TO THE ACCOUNTS (continued)**

**FOR THE YEAR ENDED 31 MARCH 2016**

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**11. NET ASSETS OF THE FUNDS OF  
THE CHARITY**

	<b>Fixed Assets £</b>	<b>Net current assets/(liabilities) £</b>	<b>Fund Balance £</b>
Unrestricted Funds	11,721	114,107	125,828
Restricted Funds	-	6,485	6,485
	<u>11,721</u>	<u>120,592</u>	<u>132,313</u>