



Supporting children and families, whatever they are going through

SCHOOL-HOME SUPPORT SERVICE (UK)

(A COMPANY LIMITED BY GUARANTEE AND NOT HAVING A SHARE CAPITAL)

ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDING 31 AUGUST 2013

**REGISTERED CHARITY NO 1084696
COMPANY NO 03991440**

School-Home Support Service (UK)
Annual Report and Financial Statements
For the year ended 31 August 2013

	Page
Company Information	2
Mission and Values	3
Chair's Message	4 - 5
Report of the Trustees	
Structure, Governance and Management	6
Objectives and Activities	7
Review of the year	7 - 8
Plans for future years	9 - 10
Financial Information	11 - 12
Statement of Trustees' Responsibilities	13
Report of the Independent Auditors	14 - 15
Statement of Financial Activities	16
Balance Sheet	17
Accounting Policies	18 - 19
Notes to the Financial Statements	20 - 25

TRUSTEES, OFFICERS AND ADVISORS

Company Number	03991440
Registered Charity Number	1084696
Directors	Douglas Blausten (to 7/2/13) Elizabeth Crossick (to 13/10/13) Andrew Dowell Richard Evans (Chair) David Marriage (from 29/11/12) Brett Olson (from 29/11/12) Rob Phillips Alexander Scott-Barrett (Chair of Finance Committee) Silke Scheiber Mike Simpkin (to 7/2/13) David Vaughan (from 12/7/12) Inigo Woolf Elizabeth Wolverson
Finance Committee	Alexander Scott-Barrett (Chair) Inigo Woolf Richard Evans David Vaughan (from 6/12/12)
Chief Executive	Jan Tallis
Company Secretary	Alex Horsup
Registered Office	Ground Floor Cityside House 40-42 Adler Street Whitechapel London E1 1EE
Bankers	Barclays Bank plc Docklands Branch 240 Whitechapel Road London E1 1BS
Auditors	Kingston Smith LLP Devonshire House 60 Goswell Road London EC1M 7AD
Solicitors	Bates Wells & Braithwaite 2-6 Cannon Street London EC4M 6YH

SCHOOL-HOME SUPPORT SERVICE (UK)

Registered Charity No 1084696

Our Vision

Every child has the support they need to thrive and achieve

Our Mission

School-Home Support works to make this vision a reality by helping disadvantaged, vulnerable and disaffected children overcome the barriers that get in the way of their learning through the support of highly-trained, independent workers in schools

Our Values

Early Intervention	SHS believes in supporting families to help identify difficulties before they reach crisis point
Child Centered	SHS ensures that children and young people are at the centre of all that we do
Inclusive	SHS believes that all children, no matter what their disadvantage, should have equal access to educational opportunities
Collaborative	SHS believes that the best outcomes are achieved by working together with children, young people and their families, schools and other supporting agencies
Independent	SHS values its independence as a non-statutory organisation supporting children, young people and their families
A learning organisation	SHS believes in supporting and encouraging the development of its staff and improving the quality of its services

Our Strategic Objectives

To be a leading advocate and centre of excellence for school home support services

To provide quality school home support services across the UK

School-Home Support Service (UK)

www.schoolhomesupport.org.uk

enquiries@shs.org.uk

Telephone 020 7426 5000

Fax 020 7426 5001

CHAIR'S REPORT

Richard Evans, Trustee Board Chairman

Thank you for taking the time to read this annual report. The period covered (1 September 2012 – 31 August 2013) was one of both great challenges for School-Home Support as well as great achievements. And, particularly at the end of the year, one of very great promise indeed.

The loss of most of our local authority funding in 2011/12 due to the Government's austerity programme presented us with a very significant challenge, which we faced by using our available reserves to maintain our work with 103 schools across the year, which inevitably depleted the core reserves available to us to maintain our organisation. The accompanying challenge was to secure our existence by replacing this core funding. The success of this campaign in the second half of the year was one of our two great achievements, and was entirely due to the huge faith shown in us and our work by some of our most loyal and generous supporters. The Board of Trustees, our partner schools, staff and, most importantly, the children and families we supported last year and those we will be able to support in the future, are enormously grateful to them.

Our greatest achievement was, despite all these challenges, our continued success in working with children, young people and schools in breaking the cycle of poor school attendance resulting in low educational attainment, leading in turn to antisocial behaviour, crime, low paid or no job, generation after generation.

During the academic year 2012-13 SHS working directly with 103 schools, we provided 63,591 interventions for 11,200 children, young people and their families. Beyond these schools we delivered eighty-nine training courses attended by 915 people, and those attendees in turn supported 32,550 children, young people and their families.

75% of persistent absentees who SHS worked with improved their attendance, equal to nearly five extra weeks in school each year, an extra 1¹/₃rd years over a school life.

This year we also ran a pilot project to measure the impact SHS practitioners have with parents. 84% said that because of the SHS interventions they had improved their involvement with their child's learning and 94% improved their involvement with their child's school. 98% said their home life had improved.

Our practitioners have seen a notable increase in supporting children and families with housing issues (in 2012/13 percentage of interventions has doubled since 2010/11 from 5% to 10%). The following is just one example which reveals the human story behind these statistics:

Adam lived with his family in a council flat that had such severe damp water ran down the inside of the walls. Decoration, furniture and clothing were all ruined by it and the resulting mould in the property. Unsurprisingly Adam suffered from severe asthma, made worse by his living conditions and often missed school - at one point his attendance was as low as 76%.

On home visits Sarah, the SHS practitioner, suffered breathlessness and wheezing after only five minutes inside the property. The wooden window frames were completely rotten due to damp, making it impossible to open any of the windows to let fresh air in.

The family had been promised a new property but nothing had been found after several months. Sarah contacted the local housing department on the family's behalf, acting as a liaison between the two of them. Finally, after many calls and letters the family were moved to more suitable accommodation.

Adam's health improved immediately, and so did his attendance – he ended the year at 92.6%, a 22% improvement. He is now a lot happier in school, has made friends and his work is also improving as he is in school more often.

In March 2013 we concluded a two-year Department for Education project that delivered training and consultancy to schools, children's centres and other local authority nominated participants in five regions of the country: Bristol, Nottingham, London, Manchester and Leeds. This was a hugely successful project with all planned outcomes being met or exceeded; an excellent external evaluation and high satisfaction ratings.

School employed Family support worker

"What I liked best about doing a course with SHS was the knowledge I gained and can use at work."

Delivering this project has given School-Home Support the platform from which to launch our national Training & Consultancy Service.

The challenges and achievements of the last two years have proven to us at SHS how much our work is valued, both at the sharp end and by our supporters and funders. And that resulted in the promise now being shown by work started in the last few months of this financial year.

A review of what we deliver and how has been carried out, which built on work done to analyse how we might be able to reach many more children, young people, families and schools, who would benefit from our support.

This review has resulted in a comprehensive three-year Business Plan with an aim to more than double the number of children, young people and families we support from nearly 44,000 in 2012/13 to more than 100,000 in 2015/16. Over the same period we aim to increase the number of schools we support through our trained practitioners from 95 to 170.

The last couple of years have been hard. But we have learnt from them. And we are now moving on, with real confidence in our ability to deliver.

Finally, on behalf of the Board of Trustees, I'd like to take the opportunity to thank all our funders, staff, schools, local authority partners and companies who have provided such excellent pro-bono support and who have contributed to the impact that SHS has been able to have this year. We look forward to continuing to work with you in the year ahead.

If you can help us, would like to know more about our plans or need any further information on our work, please do get in touch.

Richard Evans
richard.evans@shs.org.uk

Introduction

The Trustees, who are also Directors of the charitable company, present their report for the twelve months ending 31 August 2013. In presenting this report, the Trustees have complied with the Statement of Recommended Practice, Accounting and Reporting by Charities, the Companies Act 2006 and applicable United Kingdom Accounting and Financial Reporting Standards and have given due regard to the Charity Commission's general guidance on public benefit.

Reference and Administrative Information

SHS (School-Home Support Service UK) is registered with the Charity Commission for England and Wales under number 1084696 and is also a company limited by guarantee (registered number 3991440).

The Trustees and Chief Executive of the Charity are listed on page 2.

Structure, Governance and Management

The Charity is governed by its Memorandum and Articles of Association as amended by special resolutions dated 11 January 2001, 1 April 2003, 19 May 2004 and 5 July 2006.

The governing body of the Charity is the Board of Trustees. The maximum number of Trustees allowed by the Articles of Association is fifteen and at the period end there were ten serving Trustees. Two of the Trustees are nominated by the London Diocesan Board for Schools for as long as any employees are members of the Church Workers Pension Fund. When new Trustees are required, Trustees review the Board make up for any skills gaps and looks externally for appropriate people in order to attract members with the relevant experience and skills that will augment the Board's effectiveness.

The Trustees meet four times each year with the Executive Team which comprises the Chief Executive, the Deputy Chief Executive, the Director of Finance & Resources, and the Director of School Services. Two of those meetings are extended and include an annual planning day to agree the annual development plan and a development session to review/ update the Charity's strategy alongside Trustees' roles and responsibilities.

SHS has one formal sub-committee, Finance, which meets four times a year to consider finance, audit and risk matters and make recommendations to the Board of Trustees.

Upon appointment each Trustee receives an information pack that includes the Charity's Memorandum and Articles of Association, an explanation of the responsibilities of trustees and policies and procedures relating to the governance of the Charity, along with the current Business Plan. Each Trustee is asked to complete a declaration of interest form which is reviewed and, if appropriate, amended annually. New Trustees meet with the Chair and Chief Executive and are invited for an induction tour of the office and attend a visit to school-based staff.

Management

The Trustees are responsible for setting strategies and policies for the Charity and for ensuring that these are implemented. To assist with this work, the Trustees have established a Finance Committee whose primary responsibility is to ensure that all assets of the Charity are properly safeguarded, managed and used, and that funds are spent effectively and efficiently in the course of its activities. In addition the Committee reviews the effectiveness of internal financial controls and risk management systems. The Committee meets prior to each Trustee board meeting.

The day to day running of the Charity is delegated to the Chief Executive and her staff. The Chief Executive has responsibility for planning, developing and implementing policies and strategies within clear guidelines and protocols set by the Trustees.

Risk Management

The Trustees confirm that they have reviewed an assessment of the major risks to which the Charity is exposed, particularly operational and financial risks, and are satisfied that the controls and actions in place to manage and mitigate the major risks that have been identified are sufficient. The risk register is reviewed at least annually.

The three key risks identified were:

- Inadequate reserves to sustain SHS long term
- Inadequate cash flow to maintain the organisation
- Fundraising targets not met

Objects and Public Benefit

The Charity's **vision** is that every child has the support they need to thrive and achieve. Our **mission** is to get every child into school, ready to learn.

School-Home Support's objects, as set out in its Memorandum of Association, are to advance education by promoting, developing and assisting in the provision of services which contribute to the pastoral care of pupils and/or which foster links between school and home.

To enable the Charity to deliver its objects, its strategy is:

- to be a leading advocate and centre of excellence for school home support services; and
- to provide quality school home support services across the UK, reaching increasing numbers of young people.

Under section 17 of the Charities Act 2011, the Trustees have a duty to report on SHS's public benefit. We are confident that through our objects, SHS meets those public benefit requirements and we have taken Charity Commission guidance into consideration. The principles of public benefit – that it is identifiable, that it must be to the public and that any private benefit must be incidental – are demonstrated by the outcomes of our work set out in the review of 2012-13 which follows.

Review of the Period 1 September 2012 – 31 August 2013**Overview****SHS key outcomes 2012-13:**✦ **Summary**

SHS practitioners worked directly with 103 schools, providing 63,591 interventions for 11,200 children, young people and their families.

Eighty-nine training courses were delivered attended by 915 people who supported 32,550 children, young people and their families last year.

✦ **Attendance**

75% of persistent absentees improved their attendance, and 72% of poor attenders improved their attendance.

= nearly 5 extra weeks in school each year

= a year and a third of education over a child's school life

✦ **Behaviour**

52% of pupils identified as having behavioural problems improved their behaviour.

✦ **Engagement**

63% of pupils identified as having problems engaged better in their learning.

✦ **Academic Progress**

61% of pupils identified as having problems improved their academic progress within the year.

✔ **Parents**

84% of parents improved their involvement in their child's learning and 94% in their child's school.

98% reported an improvement in their home life.

✔ **Schools**

Having a SHS practitioner saves more than 15% of school management time.

✔ **Economic Benefits**

For every £1 spent on SHS casework, £11 is saved across the whole of society over a period of seven years (£22m by schools and local authorities alone). (Matrix Evidence, "An economic analysis of School-Home Support" March 2012)

The loss of most of our local authority funding in 2011/12 due to the Government's austerity programme, presented us with a very significant challenge, which resulted in us using our available reserves to maintain our work across the year. This inevitably depleted the core reserves available to maintain the Charity. The accompanying challenge was to replace this core funding. The success of this campaign in the second half of the year was a great achievement, entirely due to the great faith shown in us and our work by some of our most generous supporters. We are enormously grateful to them.

Developments during the year

Impact measurement

The most significant change in the last four years has been our ability to report impact, as shown above. This year we were able to use a capacity building grant from the Department of Education to further develop this.

We commissioned New Philanthropy Capital to work with us on setting out our "theory of change" which demonstrates clearly how School-Home Support's interventions with:

- (1) children in schools;
- (2) schools themselves; and
- (3) with parents and the wider community; results in improved characteristics for children.

The results of the SHS interventions boost children's personal resources, their engagement in learning and their aspirations. The children and young people achieve more positive relationships and a reduction in their negative behaviours.

This in turn has the longer-term impact for the child of sustained wellbeing; resilience to future challenges; improved school attainment and therefore improved life chances.

For society as a whole, the longer-term impacts are: improved school results; realising the potential of all children and narrowing the attainment gap, resulting in improved social mobility. There are also the economic benefits of improved skills and knowledge together with a reduction in social problems and associated costs.

The detail of the SHS Theory of Change can be found here:

http://www.schoolhomesupport.org.uk/index.php?option=com_content&view=article&id=70&Itemid=127

http://www.schoolhomesupport.org.uk/images/stories/staff/theory_of_change_for_the_impact_of_shs_diagram_-_april_2013_.pdf

Analysing our data in more depth, children and young people SHS practitioners work with who have poverty as an issue also have more complex needs. In 2012-13 our monitoring highlighted that children and young people we work with, where the issues were identified as related to poverty, were:

- ✔ 6 times more likely to be affected by domestic violence
- ✔ 9 times more likely to need support because of drug or alcohol abuse problems
- ✔ 4 times more likely to need support because of mental health issues
- ✔ 3 times more likely to have problems because of family relationships
- ✔ 4 times more likely to have parents that need support with employment, training or education
- ✔ 3 times more likely to have child protection and/or safeguarding issues
- ✔ Twice as likely to have parents that need support with school engagement

Central to our ability to produce this outcomes data is having unrestricted funding that allows us to invest in the organisation's infrastructure.

Priorities for 2012-13

Early intervention | Maximum impact.

School-Home Support was registered as a charity in 1984, hence 2014 is our thirtieth anniversary year and for those 30 years, School-Home Support (SHS) has been working with children, young people, families and schools to break the intergenerational cycle of deprivation.

What starts as poor school attendance becomes low educational attainment, anti-social behaviour, crime, low paid or no job - generation after generation. This intergenerational cycle of deprivation creates an enormous cost to individuals, and a significant bill for the public purse.

333,850 pupils in England were persistently absent in 2011/12, equivalent to £303 million wasted - enough to fund 342 primary schools. There are many other additional costs within the rest of the cycle of deprivation.

Our mission is to get children and young people back into school, ready to learn. Whatever it takes. We break the intergenerational cycle of deprivation.

Over the past three years SHS has generated £13m in fees and fundraising which has enabled us to deliver 248,239 interventions supporting children, young people and their families from 689 different schools.

Each year our ambition is to reach even more families that need our specialist skills. In 2012/13 we supported 43,750 children, young people and their families. By 2015/16 we aim to support over 100,000.

Our strategy to do this is to maintain our core offer, and expand our reach with a range of new services.

Our core offer is placing one of our highly skilled practitioners in a school. In 2012/13 we worked with 103 schools and improved the attendance of 75% of the persistently absent pupils we worked with. By 2015/16 we aim to expand to 170 schools and raise our success rate to 80%. The vast majority of this growth will be achieved through targeting 'troubled families' funding, given this is one of our areas of expertise.

But the truly breakthrough opportunity is to spread our expertise to many hundreds of staff in schools across the country who are trying to improve attendance without the support of any formal training, systems or expert supervision. We have the know-how to transform their effectiveness.

Our new range of services will therefore include establishing a national membership scheme for support staff in schools who address absenteeism, poor behaviour in school and low levels of parental engagement. We will also provide online specialist resources, support and guidance for these staff who are often isolated in their working environments.

We will also offer an accreditation for practitioners who are not employed by us, and provide them with on-going training and development. This will complement our existing training courses, including our formal qualifications in working with parents.

Our plans are ambitious, but deliverable. Our new services will be delivered via a new IT infrastructure. We gratefully acknowledge the very generous support from a number of trusts and foundations which has made this possible. Making our work web-enabled for our staff, accredited practitioners and members is an essential component of our development plans.

Overall our business model will move from being based on a small number of high value contracts, to a much higher volume of contracts with a much lower average value given the provision of our new services.

However, for the next three years we will continue to offset our overheads with funds raised from our supporters. This is our primary fundraising target. We will move away from seeking funds for specific development projects and instead secure funds to meet our core costs.

When we meet our primary fundraising target, any further funds secured will be allocated to strengthening our balance sheet.

Set out in our **Business Plan 2013-16** is the strategy for the next three years. Within this we have set ourselves the following five strategic objectives. (The **targets for 2015/16** are shown in italics.)

1. Grow core business, generating a greater surplus

Support 170 schools with a minimum surplus of £200,000.

2. Deliver new services, reaching more schools and young people

Train 925 people, have 250 Accredited Practitioners and Members so we can support more than 100,000 children, young people and their families.

3. Better demonstrate impact, independently verified

Improve attendance of 80% of the children and young people we work with and secure a pro bono partner to verify our outcomes.

4. Reduce overheads, achieve greater efficiencies

Limit non-operating costs to 15% of total expenditure.

5. Strengthen balance sheet, especially unrestricted reserves

Raise £1.4m from fundraising and increase unrestricted reserves to over £500,000.

Review of Financial Position for the period 1 September 12 – 31 August 13

2012/13 has again been a difficult period financially, against a background of reduced statutory funding and difficult fundraising conditions. However, SHS has retained a significant proportion of its existing business and secured new growth for 2013-14. It has also secured the first tranche of capital funding to support the Charity's growth plans over the next three years. Back office restructuring and control of overheads have contributed to the operating surplus of £245k.

In addition, the stock market has been more stable, resulting in an unrealised gain on investment of £31k, giving a total surplus for the period of £276k.

The Board of Trustees of School-Home Support, having carefully considered the financial position and the economic circumstances, consider the Charity to be a going concern for the foreseeable future.

Voluntary Income and Fundraising

Grants and donations of £1.17m includes £256k for services provided directly to schools. This £1.17m total constitutes 32% of incoming resources (2012 £1.26m 31%) with fundraising costs of £205k, comprising 18% of fundraised income (2012 £264k 21%). Investment in the fundraising resource forms part of the SHS growth strategy.

Unrestricted fundraised income has fallen by 8%, reflecting the difficult fundraising conditions and is the focus of fundraising activity for 13-14.

Fee Income

Income from charitable activities decreased by 12% (2012 decreased by 52%) from £2.8m to £2.5m over the 12 months, of which £371k is from a project with the Department of Education which ended in March 2013.

Schools income from local authorities totalled £374k for 2013 (2012 £209k) where SHS has been able to secure a number of contracts under the Troubled Families Initiative. In addition, £45k of income from training was generated for the period, with the majority of this generated from local authority contracts (2012 £2k). A breakdown of income streams can be seen in Note 2.

Pro-bono income of £12k is included within income from charitable activities and reflects the on-going willingness of our supporters to work with us.

Costs

The cost of charitable activity has decreased by 19% to £3.2m (2012 decreased by 46% £3.9m) over the period. A restructuring of delivery services and cost control has helped achieve this. No pay award was made for 2012-13 due to the uncertain economic conditions.

Included within this £3.2m cost is £12k valued pro-bono work.

Balance Sheet

Overall reserves have increased by 102% to £546k (2012 £271k). Unrestricted reserves have increased from £14k or 5% of total reserves to £59k or 11% of total reserves. SHS will focus a significant part of its fundraising resource to generate unrestricted income for 2013-14.

SHS amended its billing strategy for 2012-13 to invoicing schools annually instead of termly in advance. This has strengthened the current assets position, especially cash. This is reflected in the increase in schools deferred income shown in Note 9.

Current liabilities have reduced slightly to £1.38m (2012 £1.39k). This includes deferred income balances of £1.26m (2012 £1.25m), of which £1.14m relates to schools invoices in advance.

Tangible fixed assets make up £75k or 14% of total reserves (2012 £69k 25%) with liquid assets forming £186k or 34% of reserves (2012 £155k 57%). The balance is made up of debtors, creditor and cash. Further investment in fixed assets is expected for 2013-14.

Reserves Policy

SHS requires reserves to be able to invest in its services as opportunities arise and to maintain its ability to meet its commitments in an increasingly volatile external environment. The level of reserves required is subject to review by the Trustees annually. In reviewing its reserves, Trustees have taken into consideration forecasts of income and expenditure for the medium term and the relative levels of risk attached to the different streams.

SHS does not have any designated reserves. Trustees have reviewed the current target range of free reserves and have concluded that these should be in the range £611k and £1.019m., based upon 3-5 months of essential expenditure as identified by the risk based method of calculating reserves.

The level of reserves as at 31 August 2013 is below the target level and improving this position underpins the fundraising strategy for 2013-14

Investment Policy

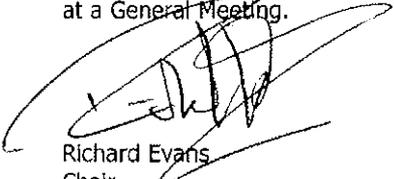
The Charifund investment has increased its value by £31k over the period. The policy remains to hold sufficient liquid funds on deposit to maintain the Charity's liquidity.

Disclosure of Information to Auditors

The Trustees who held office at the date of approval of this report confirm that, so far as they are individually aware, there is no relevant audit information of which the Charity's auditors are unaware; and each Trustee has taken all steps that they ought to have taken as a Trustee to make themselves aware of any relevant audit information and to establish that the Charity's auditors are aware of that information.

Auditors

Kingston Smith LLP were appointed auditors to the company in June 2010 and in accordance with section 485 of the Companies Act 2006, a resolution proposing that they be re-appointed will be put at a General Meeting.



Richard Evans
Chair

Date:

6/2/14

Statement of Trustees Responsibilities

The Trustees (who are also Directors of School-Home Support Services (UK) Ltd for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

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

The trustees are responsible for keeping proper accounting records 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 hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.



Richard Evans
Chair

Date: 6/2/14

We have audited the financial statements of (name of charitable company) for the year ended [date] which comprise [specify the titles of the primary statements such as the Statement of Financial Activities, the Summary Income and Expenditure Account, the Balance Sheet, the Cash Flow Statement] 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).

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 company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to any party other than the charitable company and charitable company's members 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 Trustees' Responsibilities Statement [set out on page 13] 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. 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 company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition we read all the financial and non-financial information in the [describe the annual 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 charitable company's affairs as at [date] and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Trustees' Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

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

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

Kingston Smith LLP

Shivani Kothari (Senior Statutory Auditor)
for and on behalf of Kingston Smith LLP, Statutory Auditor

17/2/14

Devonshire House
60 Goswell Road
London
EC1M 7AD

Year ended 31 August 2013
(incorporating an Income Expenditure account)

		Unrestricted Funds	Restricted Funds	Total Funds 2013	Total Funds 2012
	Note	£	£	£	£
Incoming Resources					
Incoming Resources from Generated Funds					
Voluntary Income	1	688,929	480,340	1,169,269	1,264,682
Investment Income		9,444	0	9,444	8,635
Total Incoming Resources from Generated Funds		698,373	480,340	1,178,713	1,273,317
Incoming Resources from Charitable Activities					
School-Home Support Services	2, 18	1,882,537	624,769	2,507,306	2,846,568
Total Incoming Resources		2,580,910	1,105,109	3,686,019	4,119,885
Resources Expended					
Cost of generating voluntary income	4, 3	129,585	75,083	204,668	264,438
Charitable Activities		2,396,129	799,222	3,195,351	3,921,632
Governance		41,158	0	41,158	45,522
Total Resources Expended		2,566,872	874,305	3,441,177	4,231,592
Net Income/Expenditure		14,038	230,804	244,842	(111,707)
Unrealised gains/(losses) on revaluation of investments	7	30,831	0	30,831	7,798
Net Movement in Funds		44,869	230,804	275,673	(103,909)
Balances at beginning of year		13,896	256,871	270,767	374,676
Balances at end of year	10	58,765	487,675	546,440	270,767

The Charity has no recognised gains or losses other than as stated above. All of the activities represent continuing activities of the Charity.

The Accounting Policies and Notes on pages 18 - 25 form part of these Financial Statements.

As at 31 August 2013

	Note	2013		2012	
		£	£	£	£
Fixed Assets					
Tangible Fixed Assets	6	75,017		69,138	
Investments	7	185,787		154,956	
			260,804		224,094
Current Assets					
Debtors	8	596,399		620,154	
Cash at bank		1,194,341		977,606	
		1,790,740		1,597,760	
Current Liabilities					
Creditors due within one year	9	(1,379,092)		(1,385,824)	
Net Current Assets			411,648		211,936
Total Assets less Current Liabilities			672,452		436,030
Creditors due after more than one year	17		(126,012)		(165,263)
Net Assets			546,440		270,767
Represented by:					
Funds					
Unrestricted Funds	10		58,765		13,896
Restricted Funds	10		487,675		256,871
			546,440		270,767

Approved by the Directors and signed on their behalf

Richard Evans

Date

6/2/24

The Accounting Policies and Notes on pages 18 - 25 form part of these Financial Statements.

For the year ended 31 August 2013

The following accounting policies have been used consistently in dealing with items which are considered material in relation to the financial statements.

(a) Basis of Preparation

The Financial Statements have been prepared under the historical cost convention, except that quoted investments held as fixed assets are carried at market value, and comply with the Companies Act 2006. The Financial Statements have been prepared in accordance with applicable United Kingdom Accounting and Financial Reporting Standards and the Statement of Recommended Practice "Accounting and Reporting by Charities" issued in 2005 (the Charities' SORP).

The Charity's activities, together with the factors likely to affect its future development are set out in the Trustees Report on pages 6 to 11. The financial position of the charity, its cashflows, liquidity position and future funding have all been carefully considered. The Charity has sufficient financial resources and contracts for the medium term and a longer term fundraising strategy. Consequently, the Directors believe that the Charity is well placed to successfully manage its operational risks despite the current uncertain economic outlook.

The Directors have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the annual Financial Statements.

(b) Fund Accounting

Restricted funds comprise donations and grants which have been received for specific purposes or are subject to specific conditions imposed by the donor.

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of the SHS charitable objectives.

(c) Incoming Resources

Income is accounted for on an accruals basis. Monies from schools, Local and Statutory Authorities, project charges and grants are credited to the Statement of Financial Activities (SOFA) according to the period to which they relate and not on the basis of receipt. Income received in advance for use in future periods is deferred to the Balance Sheet and transferred to the SOFA in the period to which it relates.

(d) Resources Expended

All expenditure is accounted for on an accruals basis and is reported gross of related income on the following bases:

- (i) Cost of generating voluntary income comprises the direct costs associated with attracting voluntary income, plus a proportion of costs that cannot be directly attributed (support costs);
- (ii) Expenditure on charitable activities comprises direct expenditure including direct staff costs attributable to the activities. Where costs cannot be directly attributed (support costs), they have been allocated to the activities on a basis consistent with the use of resources;
- (iii) Governance costs are those costs incurred in the safeguarding of the Charity's assets (ie audit, legal and professional fees) and are associated with constitutional and statutory requirements; and
- (iv) Support costs include the central functions (eg Finance, IT and Office Management) and have been allocated to activity cost categories on a basis consistent with the use of resources.

For the year ended 31 August 2013

(e) Depreciation

Fixed assets with a cost of £650 or less are written off in the year of acquisition. All other fixed assets are capitalised and depreciation is provided at rates calculated to write off the cost of each asset, less any estimated residual value, over its expected useful life.

Depreciation bases are as follows:

Leasehold Improvements	Straight Line	Length of lease
Fixtures & fittings	Straight Line	5 years
IT	Straight Line	4 years

(f) Taxation

As a registered charity, the Company is generally exempt from Corporation Tax but not from Value Added Tax (VAT). Irrecoverable VAT is included with the cost of the items to which it relates.

(g) Operating Leases

Rentals paid under operating leases are charged to Income as incurred.

(h) Investments

Quoted investments are stated in the financial statements at market value, and unrealised and realised gains and losses are included in the relevant fund in the SOFA.

(i) Pension Contributions

The Charity operates two defined contribution pension schemes for employees. In both cases the pension charge represents contributions payable by the Charity for the period, and the Charity's liability is limited to the amounts of the contributions. The schemes are as follows:

- (i) A scheme administered by Aegon Scottish Equitable, the funds of which are separate from those of the Charity
- (ii) The Church Workers Pension Fund scheme for employees who were members when they transferred from School Home Liaison to School-Home Support Service (UK)

Contributions are also paid into a personal pension plan for one member of staff who transferred from School Home Liaison.

(j) Valuation of pro-bono support

Pro-bono support is valued at the market rate for the type of work involved and is included within charitable income and expenditure.

For the year ended 31 August 2013

1 Donations and Grants

	Funds 2013	Funds 2012
	£	£
SHS Direct funds		
Department for Education: Improving outcomes for children, young people and families	370,691	489,987
Pro-bono support Boston Consulting Group	0	335,056
Private Equity Foundation	215,000	166,000
Anonymous	200,000	0
Harvey McGrath Foundation	100,000	166,667
Garfield Weston Foundation	100,000	50,000
Man Group plc Charitable Trust	100,000	50,000
Richard Reeve's Foundation	81,891	76,969
Paul Hamlyn Foundation	62,456	65,632
Liberum Foundation	60,200	30,000
Henry Smith Charity	46,000	22,000
Breadsticks Foundation	43,880	43,880
Joseph Levy Foundation	25,000	18,750
Morgan Stanley International Foundation	23,500	23,500
Expat Foundation	21,938	30,714
Pears	20,000	0
Cinven	16,667	0
Anonymous, community and individual giving	56,586	83,836
KPMG Foundation	0	83,333
Sofronie Foundation	0	83,333
Nomura Charitable Trust	0	55,000
The Mayor's Fund for London	0	53,112
State Street Foundation	0	38,562
The Schroder Foundation	0	35,000
Grants under £10,000	13,400	15,476
Swire Charitable Trust	0	10,000
Pro-bono support Bain Capital	0	9,500
Subtotal	1,557,209	2,036,307
	2013	2012
	£	£
Funds Received	1,557,209	2,036,307
Note 9 - released in year	311,756	483,117
Note 9 - deferred at year end	(115,158)	(311,756)
Subtotal	1,753,807	2,207,668
Income included within note 2	(624,769)	(962,965)
Total	1,129,038	1,244,703
SHS Welfare Fund		
The Goldsmiths' Company Charity	31,500	40,000
The Bridging Fund Charitable Trust	0	5,000
Anonymous	6,743	3,729
Subtotal	38,243	48,729
Note 9 - released in year	30,000	1,250
Note 9 - deferred at year end	(28,012)	(30,000)
Total	40,231	19,979
Voluntary income	1,169,269	1,264,682

Pro-Bono support was reclassified as charitable income rather than voluntary income for 2012-13. Please see Note 18 for details.

For the year ended 31 August 2013

5 Trustee and Employee Information

The average number of persons employed and those on self-employed contracts, including part-time staff, calculated on a full-time equivalent basis analysed by function was:

	2013	2012
	£	£
Cost of generating funds	3	4
Charitable activities	126	101
	<u>129</u>	<u>105</u>

The FTE total for 2012 excludes 4 FTE vacancies.

Staff Costs

Salaries	2,412,721	2,864,086
Social Security costs	211,186	244,940
Pension costs	30,003	40,228
Payments to self-employed consultants/Agency staff	73,581	87,564
	<u>2,727,491</u>	<u>3,236,818</u>

The number of employees whose emoluments fell within the band £80,000 - £90,000 was 1 (2012 1) and the pension contribution for this member of staff was £3,125 (2012 £3,125).

No Directors received reimbursement of expenditure during the year (2012 £262). No Directors received any remuneration (2012 nil).

6 Tangible Fixed Assets	Leasehold Improvements	Computer Equipment	Office Furniture & Equipment	Total 2013	Total 2012
	£	£	£	£	£
Cost					
At beginning of year	131,216	191,592	32,375	355,183	350,341
Additions	0	68,177	0	68,177	4,842
Disposals	0	0	0	0	0
At end of year	<u>131,216</u>	<u>259,769</u>	<u>32,375</u>	<u>423,360</u>	<u>355,183</u>
Accumulated Depreciation					
At beginning of year	107,222	152,388	26,435	286,045	210,492
Charge for the year	23,994	32,364	5,940	62,298	75,553
Disposals	0	0	0	0	0
At end of year	<u>131,216</u>	<u>184,752</u>	<u>32,375</u>	<u>348,343</u>	<u>286,045</u>
Net Book Value					
At end of year	<u>0</u>	<u>75,017</u>	<u>0</u>	<u>75,017</u>	<u>69,138</u>
At beginning of year	<u>23,994</u>	<u>39,204</u>	<u>5,940</u>	<u>69,138</u>	<u>139,849</u>

The net book value at 31 August 2013 represents fixed assets used for both the management and administration purposes and to support employees engaged in the direct charitable activities of the Charity.

For the year ended 31 August 2013

7 Investments	2013	2012
	£	£
Quoted Securities		
Balance at beginning of year	154,956	147,158
Encashment of asset	0	0
Realised (losses)/gains in year	0	0
Unrealised (losses)/gains in year	30,831	7,798
Balance at end of year	<u>185,787</u>	<u>154,956</u>

The Quoted Securities represents an investment in the M&G Charifund unit trust:
The historic cost of the holding is £150,000.

8 Debtors	2013	2012
	£	£
Trade debtors	499,651	535,006
Prepayments and accrued income	92,880	84,788
Other debtors	3,868	360
Total debtors	<u>596,399</u>	<u>620,154</u>

9 Creditors	2013	2012
	£	£
Trade Creditors	55,980	23,532
Tax and Social Security	0	54,689
Accruals	34,870	14,974
Deferred Income - grants	143,171	341,756
- schools and training	1,102,013	910,726
Other creditors	3,806	3,174
Loan repayment	39,252	36,973
Total creditors	<u>1,379,092</u>	<u>1,385,824</u>

Deferred schools income includes schools income billed in advance.

For the year ended 31 August 2013

9 Deferred Income	Unrestricted	Restricted	Total Funds 2013	Total Funds 2012
	£	£	£	£
Balance brought forward - grants	29,395	282,361	311,756	483,117
In year adjustment	18,975	(18,975)	0	0
Balance brought forward - Welfare Fund	0	30,000	30,000	1,250
Balance brought forward - schools	910,726	0	910,726	201,752
	<u>959,096</u>	<u>293,386</u>	<u>1,252,482</u>	<u>686,119</u>
Released in the year - grants	(48,370)	(263,386)	(311,756)	(483,117)
Released in the year - Welfare Fund	0	(30,000)	(30,000)	(1,250)
Released in the year - schools	(910,726)	0	(910,726)	(201,752)
	<u>(959,096)</u>	<u>(293,386)</u>	<u>(1,252,482)</u>	<u>(686,119)</u>
Deferred at year end - grants	18,584	96,574	115,158	311,756
Deferred at year end - Welfare Fund	0	28,012	28,012	30,000
Deferred at year end - schools	1,142,962	0	1,142,962	910,726
	<u>1,161,546</u>	<u>124,586</u>	<u>1,286,132</u>	<u>1,252,482</u>
Balance carried forward - grants	18,584	96,574	115,158	311,756
Balance carried forward - Welfare Fund	0	28,012	28,012	30,000
Balance carried forward - schools	1,142,962	0	1,142,962	910,726
	<u>1,161,546</u>	<u>124,586</u>	<u>1,286,132</u>	<u>1,252,482</u>

10 Analysis of Net Assets between Funds

Fund balances at 31 August 2013 are represented by:

	Unrestricted Funds	Restricted Funds	Total Funds 2013	Total Funds 2012
	£	£	£	£
Tangible Fixed Assets	75,017	0	75,017	69,138
Investments	185,787	0	185,787	154,956
Net current assets/(liabilities)	(76,027)	487,675	411,648	211,936
Long Term Loan	(126,012)	0	(126,012)	(165,263)
	<u>58,765</u>	<u>487,675</u>	<u>546,440</u>	<u>270,767</u>
Total Funds	<u>58,765</u>	<u>487,675</u>	<u>546,440</u>	<u>270,767</u>

11 Reconciliation of Movements on Funds

	Unrestricted Funds	Restricted Funds	Total Funds 2013	Total Funds 2012
	£	£	£	£
Balances at beginning of year	13,896	256,871	270,767	374,676
Incoming Resources	2,580,910	1,105,109	3,686,019	4,119,885
Resources Expended	(2,566,872)	(874,305)	(3,441,177)	(4,231,592)
Unrealised gain on investment	30,831	0	0	7,798
Net movements in fund in year	<u>44,869</u>	<u>230,804</u>	<u>275,673</u>	<u>(103,909)</u>
Balances at end of year	<u>58,765</u>	<u>487,675</u>	<u>546,440</u>	<u>270,767</u>

For the year ending 31 August 2013

12 Contingent Liabilities

There were no contingent liabilities.

13 Limitation of Liability

The Company is limited by guarantee and does not have a share capital.

14 Related Party Transactions

There were no related party transactions during the year.

15 Professional Indemnity Insurance

During the year, the charity paid £1,081 (2012 £2,310) for professional indemnity insurance cover in respect of all members of staff and Directors (Trustees).

16 Operating Lease Commitments

The Company had annual obligations under both cancellable and non-cancellable leases expiring:

	Land and Buildings £	Plant and Equipment £	Total 2013 £	Total 2012 £
Between two and five years	<u>72,844</u>	<u>29,287</u>	<u>102,131</u>	<u>100,510</u>

17 Creditors due after more than one year

A loan was taken out with Futurebuilders for £245,000 for the cost of the relocation. Interest payments at 6% were due from 2008 with capital repayments commencing from 2010.

	Capital Repayments	
	2013 £	2012 £
Due between 2-5 years	126,012	125,158
Due in more than 5 years	<u>0</u>	<u>40,105</u>
	<u>126,012</u>	<u>165,263</u>

18 Pro-Bono support

SHS benefited from £12,128 pro-bono support in the following categories:

	Business Development	Marketing	Venues	Staff Development	Total 2013 £	Total 2012 £
Boston Consulting Group	0	0	0	0	0	335,056
Bain Capital	2,800	0	0	0	2,800	9,500
Nomura	0	528	1,800	0	2,328	0
Blackstones	0	0	1,350	0	1,350	0
Private Equity Foundation	0	0	0	3,000	3,000	0
Ernst & Young	200	0	0	2,450	2,650	0
					0	0
Total	<u>3,000</u>	<u>528</u>	<u>3,150</u>	<u>5,450</u>	<u>12,128</u>	<u>344,556</u>

Pro-Bono support was reclassified as charitable income rather than voluntary income for 2012-13.

