



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 PERIOD ENDING 31 AUGUST 2011

**REGISTERED CHARITY NO 1084696
COMPANY NO 03991440**



School-Home Support Service (UK)
Annual Report and Financial Statements
For the period ended 31 August 2011

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TRUSTEES, OFFICERS AND ADVISORS

Company Number	03991440
Registered Charity Number	1084696
Directors	Douglas Blausten Julia Carter (Chair to 18/5/10) Andrew Dowell (From 29/9/10) Richard Evans (Chair from 18/5/10) Angela Jarman (To 19/5/11) Rob Phillips Alexander Scott-Barrett (Chair of Finance Committee) Silke Schieber (From 29/9/10) Mike Simpkin Peter Stickings (To 14/7/11) Inigo Woolf Elizabeth Wolverson
Finance Committee	Alexander Scott-Barrett (Chair) Inigo Woolf Richard Evans
Chief Executive	Jan Tallis
Company Secretary	Ian Stickley
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@schoolhomesupport.org.uk

Telephone 020 7426 5000

Fax 020 7426 5001

For the period ended 31 August 2011**Introduction to School-Home Support Annual Report and Accounts****Richard Evans, Trustee Board Chairman**

Thank you for taking the time to read this report. You will not be surprised to hear that it has been a challenging time for the charity. At the end of the academic year 2010-11, 95% of our local authority funding ceased as did our work in 84 schools and with 6,500 children, despite being recognised as a highly effective charity fulfilling a crucial role in getting children in school and ready to learn

Even through this difficult period we achieved some significant successes. For the first time in recent years SHS secured significant investment from Central Government. SHS was awarded a £500,000 Transition Fund grant, the highest amount possible, and was also named as a strategic partner for the Department for Education and our Training & Consultancy service was awarded a £1 million contract to work directly with 500 schools over the next two years to improve their school-home engagement provision. As part of this, we will develop four toolkits to support schools with this work and they will be made available by the Department for Education to every school in the country, which is an unprecedented opportunity to raise our profile with schools nationally

At the same time we are reaping the benefits of work done in the previous year on outcomes measurement. We are now able to demonstrate the impact of our work in terms of changes in children and young people's attendance at school, their behaviour whilst there, their engagement with their learning as well as the overall academic progress.

Where we work with children and young people who are classed as persistently absent¹, we improved their attendance in 79% of cases. The improvement is equivalent to an average 25 extra days in school a year. Over eight years that equates to an extra year in school for these students.

Poor behaviour is a tough issue to resolve, but of those children we worked with for whom behaviour was an issue we improved this in half of cases, often in a short space of time. Improving this not only heightens the chances of that child but also has a positive knock-on effect for their classmates who are affected by it.

With regard to the financing of the charity, we have developed significant relationships with important new funders such as Goldman Sachs who are supporting SHS practitioners in nine schools in London Borough of Newham, in an area of extremely high deprivation. Key to the charity's ability to continue the vital work evidenced by the outcome statistics cited above is the financial support received from trusts and foundations such as Garfield Weston which are prepared to fund our core costs.

One exciting development has been our relationship with the Richard Reeve Foundation. For a number of years we have been administering a grant from them to provide school uniforms to needy children. This year they have decided to change the focus of their funding and directly support the work of three SHS practitioners for three years. This long-term funding is incredibly valuable and will ensure that 1,500 children and families living in the most difficult circumstances will have the help they need to thrive and achieve. It is difficult

¹ Persistently absent means attendance is less than 80%

to pick just one example, but five year-old Daniel's story illustrates the impact SHS can have for disadvantaged families. One Monday lunchtime, Daniel was found taking a sausage out of the school canteen's food waste bin. The supervisor, not understanding, shouted across the room 'what do you think you're doing?' Fortunately our SHS practitioner, Sara, was on hand and knew there must be a reason for this behaviour. She quickly learnt that Daniel hadn't eaten since his school lunch on Friday. He was starving. Sara, working with Daniel's home situation, learnt Daniel's father had suddenly walked out, leaving his mother, Daniel, and younger siblings fearful and without food or money. Sara was able to get an emergency food grant from the SHS Welfare Fund and provide some other longer term support which helped the family get back on its feet, and which ensured Daniel felt secure and protected so he was in school and ready to learn. Following our intervention, Daniel is doing well and knows he can talk to Sara if he is worried about anything. There are many more like Daniel that need our help and support.

Working with the Private Equity Foundation, we have invested considerable trustee and executive time in examining our model of working and identifying explicitly where, how and why SHS adds value to schools in the management of their school-home support work. This has resulted in an exciting and radical proposal to enable the charity to reach five times as many young people in the next five years for just twice the cost. It will take us considerably closer to being able to achieve our target of supporting children and young people in the 5,000 schools across the country where household income is less than £16,000 for 30% or more of their pupils.

To create this change we need a one-off investment of £4 million. I am delighted to say that the Private Equity Foundation has pledged £1 million towards this, conditional on SHS finding match funding. A key task for the coming year will be to identify previous, current and new supporters who will help us reach this stretching target so that we can deliver desperately needed support to 100,000 children and young people, like Daniel, by 2014.

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

For the period ended 31 August 2011**Introduction**

The Trustees, who are also Directors of the charitable company, present their report for the seventeen months ending 31 August 2011. The decision was taken to change the accounting period to bring it in line with the academic year in order to assist with budgeting and planning. 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 eleven 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 look 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 Executive Director of Support Services, the Executive Director of Development and the Executive Director of School Services. The Trustees also hold an annual planning day to agree the annual development plan and a development day to review their roles and responsibilities.

SHS has one formal sub-committee, Finance & Audit, which meets six times a year to consider finance and audit 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 Strategic 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 to meet 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 and Audit 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 two key risks identified were:

- Inadequate reserves to sustain SHS long term
- Impact of the economy on SHS activities

Public Benefit

Under section 4 of the Charities Act 2006, the Trustees have a duty to report on SHS's public benefit. We are confident that SHS meets those public benefit requirements and 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 our work.

Objectives and Activities

Objectives

The Charity's vision is for every child to have the support they need to thrive and achieve. Our mission is to work to make this vision a reality by helping disadvantaged, vulnerable and disaffected children and young people overcome the barriers that get in the way of their learning through the support of highly-trained, independent practitioners in schools

School-Home Support's objectives, 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 objectives, 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

The objectives for the period are the key priorities for the Strategic Plan 2008-2013, to:

- Support and maintain SHS's current work;
- Increase the coverage of schools and number of SHS practitioners in current regions and develop in new areas,
- Continue to share good practice in relation to school home support services; and
- Market our accredited training and develop a consultancy service

Review of the Period 1 April 2010 – 31 August 2011**Aim 1: Support and maintain SHS's current work****1.1 Deliver a high quality service to Children, Young People and their families**

In the academic year 2010-2011 we reached 19,135 children, young people and their families through 106,780 interventions in 333 schools during the period. SHS's service continues to receive excellent feedback from those that commission it. To support this we provide a learning and development plan that is based on SHS practitioners' needs, identified through individual learning plans.

1.2 To raise sufficient funds from a variety of sources to become a sustainable organisation

In the seventeen month period SHS's total income was over £7 million, an increase of £1.9 million on the previous year, albeit this being over a 17 month period compared to 12 in the previous year. The main source of income is that raised from charitable activities in schools which grew by almost £2 million, building on the growth of £1 million generated in the previous financial year. The vast majority of this was from local authority contract commissions. Fundraising added nearly £1 million to organisational income.

1.3 Develop and implement an effective programme of school stewardship to embed SHS across the whole school and reduce school attrition

The way practitioners are supported and school relationships are managed underwent a full review and a new structure was put in place in September 2010. This has proved extremely effective and indeed, if it hadn't been in place during a period of substantial change at local authority level it would have been extremely hard for us to manage practitioner and school relationships. Service Delivery Managers now have far fewer schools and practitioners to support and are able to offer a more involved service for schools including whole school in-service training, audits examining school need and provision with regard to our specialist services and more frequent contact with school link manager.

1.4 Embed the new model of support around the practitioner to ensure that practitioners are engaged with SHS and feel supported to meet performance objectives

Practitioners now get their case work supervision from their Service Delivery Manager who is able to both support the individual and also bring together threads of case work development needs across the team, sharing good practice and supporting peer learning. A survey of how this has impacted on practitioners was extremely positive, with 16 out of 18 areas being very satisfied.

Centrally we have implemented a regular briefing from the chief executive to all staff which has been very well received.

1.5 Raise awareness of SHS brand

SHS staff spoke at national conferences on behaviour, attendance, special educational needs, how school-home support work is delivered effectively, how statutory commissioning can be improved and a number of other topics. Many strategic partnerships were developed, including the Department for Education, Centre for Social Justice, Office of the Children's Commissioner, Department for Work and Pensions Social Justice Unit, Family & Parenting Institute.

Contact was made with 1,200 new schools and SHS had the BBC Radio 4 Appeal slot, which has an audience of four million, and raised £2,380 from personal donors. There were regular local press articles on SHS work throughout the period.

1.6 Improve corporate governance

Work has begun on developing effective board structures and the Memorandum & Articles of Association will be reviewed during the coming year.

1.7 Improve measurement and tracking of SHS outcomes to prove value to stakeholders

The Electronic Daily Record System continues to be improved and a return rate of 98.5% was achieved enabling very accurate reporting of the number of children, young people and families we work with alongside the issues they bring.

Impact reporting continues to improve and during the period the means to measure our target areas, ie: attendance, behaviour, academic performance and parental engagement with school, have been rolled out to all practitioners. At the end of the 2010-11 academic year we are able to report that, where it was a cause for concern, 79% of the children and young people we worked with improved their attendance at school and 63% improved their behaviour and engagement with their learning. Specifically in the London Borough of Barking & Dagenham, at the end of a three year contract, the local authority reported that we had reduced persistent absence (ie: attendance at <80%) by 65%, from 5.6% to 2.0% in the schools in which we worked. This compared favourably to other schools in the borough over the same period.

In collaboration with the Every Child a Chance Trust, we are running a project called Unlocking Potential which is being evaluated over three years by the Institute of Education. It is an opportunity for SHS to show the direct impact that our work can have on educational attainment. Our first year report from 2010-11 demonstrated that 83% of children improved their attendance where it was a cause for concern and 69% of parents became more involved in their child's learning.

The report for Year 2 will be published in December 2011. Interim data suggests that at least two-thirds of schools on the programme out-performed the national average for academic progress on the literacy and numeracy programmes.

1.8 Improve Information Technology provision to meet current and future needs and improve efficiency of working

During the period, the IT infrastructure was upgraded to allow all staff that need it remote access to the central server, thus facilitating remote working and improved efficiency and business continuity management. A central database was commissioned and installed to enable much more effective information sharing across departments and to allow better fundraising and business development tracking and targeting.

1.9 Develop the management structure to meet future needs of the organisation

A new management structure was introduced to give more capacity for business development, separating it from the operational delivery. This will continue to evolve as the needs of the organisation change.

Aim 2: Increase the number of SHS Workers in current regions and develop new areas

2.1 Develop work in 90 new schools to reach a net period end FTE of 170

The effect of the 2010 Comprehensive Spending Review on local authorities' ability to commission services across a number of schools has resulted in a loss of 57 schools in the last academic year and will have an even greater impact on the year ahead.

During the accounting period, SHS had excellent support from the Boston Consulting Group which has resulted in clear growth targets in three areas – early years, first round academies and preventing exclusions, a series of campaigns will be implemented to develop these areas.

SHS has also developed a three years strategy for a major business model and service delivery restructuring exercise "Getting to Scale". Supported by the Private Equity Foundation (PEF), this will change our ability to reach more rapidly our target audience of 5,000 schools where the level of pupils accessing free school meals is 30% or more. It requires a one-off investment of £4 million over three years, of which £1 million has been pledged by PEF, to be drawn down as funds are matched.

2.2 Gather, collate and analyse intelligence on potential new areas to feed into the marketing strategy

The work of the Boston Consulting Group pointed to a focus on expanding in the areas where we already have a foothold or the immediate neighbouring areas. With the difficulty of maintaining our current work due to the ending of local authority contracts, this, together with work being developed through our Training & Consultancy, has been the focus for the period.

Aim 3: Market our accredited training and develop a consultancy service

3.1 Establish future scope, purpose, resourcing and management of training and consultancy within SHS

A full review of this area of our activity was carried out and a comprehensive report considered at the Trustee Board. The results have been incorporated into the "Getting to Scale" strategy.

3.2 Deliver training and consultancy in summer term to achieve income of £60,000 and develop business plan, from strategic review, for September onwards

Income of £45,000 was achieved in the first part of the period. During the year SHS applied for a Department for Education strategic grant to deliver training and consultancy across five English regions. This was successful and £1 million over two years was awarded, delivery of which has overtaken this objective.

3.3 Develop a marketing plan for all SHS training and consultancy activity to achieve participation and income targets

Due to changes in priorities, this objective was not pursued.

3.4 Evaluate all training and consultancy provided

This was completed and all feedback forms and questionnaires were analysed and a cost analysis developed.

3.5 Continue to develop T&C products and services

CACHE accreditation was retained and a new course, Working with Parents, was developed and City & Guilds accreditation for it achieved.

Aim 4: Develop specifically targeted work

4.1 Undertake a project to determine regional demand for the service and effective ways of resourcing to ensure sustainability

A number of proposals to develop this work were made, however no one area was able to bring together enough schools to make a viable, sustainable project.

Aim 5: Continue to share good practice in relation to School-Home Support services

5.1 Increase recognition of SHS services and expertise with central government, Local Authorities and the Third Sector

SHS continues to be the lead organisation for the National Home School Development Group and work was undertaken to broaden the group and increase its impact, which now includes head teachers, academics, civil servants, Ofsted inspector, local authorities and social enterprises

SHS responded to numerous government reviews including those covering safeguarding, behaviour and discipline in schools, poverty and life chances and early intervention. We also had a speaker or other presence at many conferences through out the period.

Plans for Future Years

Delivering the "Getting to Scale" strategy adopted by Trustees at the July Board meeting will be the dominant development focus for the next three years, alongside continued delivery of our core services.

Aim 1: Support and maintain SHS's current work

- Reach 12,800 children, young people and their families through 72,000 interventions
- Have a positive impact on the attendance, progress and behaviour of those we work with for whom it is an issue
- Reduce the rate at which we lose schools in the year to no more than 20%
- Achieve a total fundraising target of £1.7m in the year

Aim 2: Increase the number of SHS Workers in current regions and develop new areas

- Achieve new work within the areas that we currently work of at least 10 practitioner FTE
- Achieve new work from targeted business development campaigns of at least 17.75 practitioner FTE

Aim 3: Market our accredited training and develop a consultancy service

- Successfully deliver the Department for Education Improving Futures project including
 - Delivery of 3 toolkits
 - Delivery of 125 bespoke training solutions (25 per region) to at least 1,875 practitioners (15 per course)
 - Facilitate 1 Working with Parents VQ in each region training 75 practitioners of whom 85% will qualify to this standard
- Deliver further training and consultancy work to the value of £45k

Aim 4: Develop specifically targeted work

- Begin work on the PEF sponsored Scaling Up project including:
 - Raise in year funding of £300k with pledges of at least £1m
 - Scope the IT element of the plan
 - Increase the number of SHS practitioners in schools through direct marketing campaigns
 - Develop the increased product range offer in time begin offering these in 2012-13

Aim 5: Continue to share good practice in relation to School-Home Support services

- Improved sharing of good practice internally and externally through a focussed working group, the SHS Ambassador Group and regular team meetings

Pro-bono Support

SHS has benefited from pro-bono support valued at £322k during the year from various sources. We would like to express our gratitude for this support and look forward to working with these and other organisations in the future.

Review of Financial Position for the period 1 April 10 – 31 August 11

2010/11 has been a difficult period financially, with a turbulent external environment, resulting in an operating loss of £429k. Instability in the stock market resulted in an unrealised loss on investment of £6k, giving a total loss for the period of £435k.

However, this was better than anticipated with additional funding secured from statutory sources. A tight budget, good credit control and management of costs have helped restrict the loss.

The accounting period was amended from April - March to September - August to match the education year and facilitate strategic planning. This has resulted in a one-off 17 month financial year from April 10 – August 11 and should be noted when comparing results between periods.

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 £1,283k include £322k valued pro-bono work and constitutes 18% of incoming resources (2010 £1,156k 22%) with fundraising costs of £339k, constituting 26% of fundraised income (2010 £283k 24%).

Fundraised income has increased by £127k over the 17 month period, reflecting the investment by SHS in its Fundraising resource. Pro-bono support constitutes 25% of grants and donations and reflects the ongoing willingness of donor organisations to support our work.

£192k was received as part of grant funding from the Office of Civil Society.

Fee Income

Income from charitable activities increased by 44% (2010 32%) from £4.1m to £5.9 over the 17 months, of which £103k is from an ongoing project with the Department of Education. £2m is from block contracts with statutory sources, most of which terminated at the end of this accounting period.

Costs

The cost of charitable activity has increased by 58% to £7.3m (2010 4% £4.6m) over the 17 months. No pay award was made for 2010-11 due to the uncertain economic conditions. Included within this is £322k valued pro-bono work.

Balance Sheet

The operating loss and fall in the value of investments have reduced reserves by 53% to £375k (2010 £810k). Current assets have fallen by 4% to £1,208k (2010 £1,263k). Current liabilities have increased by 21% to £917k (2010 £756k), however, this includes deferred income balances of £744k (2010 £558k).

Reserves Policy

The level of reserves required are subject to review by the Trustees annually. Trustees have reviewed the current target range of free reserves of between £450,000 and £950,000 and concluded that this does not need to be amended.

Reserves have fallen from £810k in 09-10 to £375k in 10-11, representing the difficult economic circumstances. Unrestricted reserves comprise £135k or 36% of total reserves and restricted reserves form £240k or 64% of total reserves.

Tangible fixed assets make up £140k or 37% of total reserves with liquid assets forming £147k or 39% of reserves. The balance is made up of debtors, creditor and cash.

Investment Policy

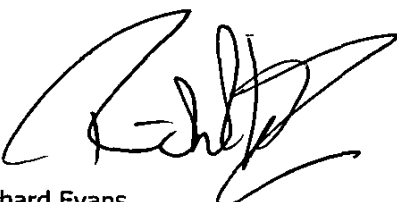
During the period, and under difficult financial conditions, the Trustees reviewed the investment holding in the M&G Charifund, a unit trust and took the decision to liquidate 50% (£150k) of the value of the investment to support the working capital. The policy remains to hold sufficient liquid funds 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

02/02/12

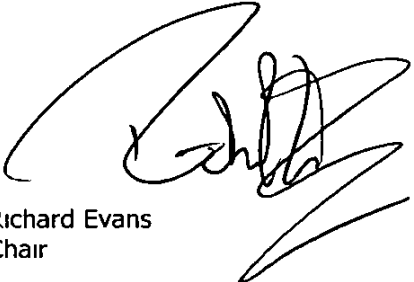
Statement of Trustees Responsibilities

The Trustees (who are also Directors of School-Home Support Services 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

02/02/12

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF SCHOOL-HOME SUPPORT SERVICE (UK)

We have audited the financial statements of School-Home Support Service (UK) for the period ended 31 August 2011 which comprise the Statement of Financial Activities incorporating an Income and Expenditure Account, the Balance Sheet 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 14) 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 charitable company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the trustees, and the overall presentation of the financial statements. In addition we read all the financial and non-financial information in the Report of the Directors to identify material inconsistencies with the audited financial statements. 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 31 August 2011 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

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

Devonshire House
60 Goswell Road
London
EC1M 7AD

16th February 2012

Period ended 31 August 2011
(incorporating an Income Expenditure account)

		Unrestricted Funds	Restricted Funds	Total Funds 2011 17 Months	Total Funds 2010 12 Months
	Note	£	£	£	£
Incoming Resources					
Incoming Resources from Generated Funds					
Voluntary Income	1	790,515	492,699	1,283,214	1,156,012
Investment Income		18,984	0	18,984	15,824
Total Incoming Resources from Generated Funds		809,499	492,699	1,302,198	1,171,836
Incoming Resources from Charitable Activities					
School-Home Support Services	2	5,126,377	824,344	5,950,721	4,131,944
Total Incoming Resources		5,935,876	1,317,043	7,252,919	5,303,780
Resources Expended					
Cost of generating voluntary income	3, 4	252,614	106,517	359,131	282,539
Charitable Activities		6,084,943	1,177,392	7,262,335	4,626,695
Governance		60,677	0	60,677	80,797
Total Resources Expended		6,398,234	1,283,909	7,682,143	4,990,031
Net (Expenditure)/Income		(462,358)	33,134	(429,224)	313,749
Realised and unrealised gains/(losses) on revaluation of investments	7	(6,076)	0	(6,076)	78,739
Net Movement in Funds		(468,434)	33,134	(435,300)	392,488
Balances at beginning of year		603,592	206,384	809,976	417,488
Balances at end of year	10	135,158	239,518	374,676	809,976

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 19 - 26 form part of these Financial Statements.

As at 31 August 2011

	Note	2011	2010
		£	£
Fixed Assets			
Tangible Fixed Assets	6	139,849	222,025
Investments	7	147,158	302,777
		<u>287,007</u>	<u>524,802</u>
Current Assets			
Debtors	8	357,415	234,351
Cash at bank		851,102	1,028,509
		<u>1,208,517</u>	<u>1,262,860</u>
Current Liabilities			
Creditors due within one year	9	917,326	756,019
		<u>917,326</u>	<u>756,019</u>
Net Current Assets		<u>291,191</u>	<u>506,841</u>
Total Assets less Current Liabilities		<u>578,198</u>	<u>1,031,643</u>
Creditors due after more than one year	17	203,522	221,667
		<u>203,522</u>	<u>221,667</u>
Net Assets		<u><u>374,676</u></u>	<u><u>809,976</u></u>
Represented by:			
Funds			
Unrestricted Funds	10	135,158	603,592
Restricted Funds	10	239,518	206,384
		<u>374,676</u>	<u>809,976</u>

Approved by the Directors and signed on their behalf



Richard Evans



Date

Company No 03991440

The Accounting Policies and Notes on pages 19 - 26 form part of these Financial Statements

For the period ended 31 August 2011

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 13. 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 period ended 31 August 2011**(e) Depreciation**

Fixed assets with a cost of £750 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.

For the period ended 31 August 2011

1 Donations and Grants

	Unrestricted Funds	Restricted Funds	Total Funds 2011	Total Funds 2010
Transition Fund via The Office for Civil Society/Big Lottery Fund	54,546	445,454	500,000	0
Goldman Sachs	0	197,437	197,437	0
Positive Destinations jointly funded by BBC Children in Need and the Hunter Foundation	0	56,530	56,530	0
Harvey McGrath Foundation	166,667	0	166,667	166,667
Pro-bono support Global Stories	150,000	0	150,000	0
Private Equity Foundation	0	125,000	125,000	376,000
Pro-bono support Boston Consulting Group	119,000	0	119,000	0
The Mayor's Fund for London	0	106,308	106,308	58,140
Depratment of Education Improving outcomes for children, young people and families	0	103,731	103,731	0
Garfield Weston Foundation	100,000	0	100,000	0
KPMG Foundation	0	83,333	83,333	83,333
Sofronie Foundation	0	83,333	83,333	83,333
Anonymous	95,000	0	95,000	0
Anonymous/Welfare Fund	0	46,480	46,480	19,607
Bank of America Merrill Lynch	0	55,000	55,000	55,000
Morgan Stanley International Foundation	0	47,000	47,000	23,500
The Schroder Foundation	35,000	0	35,000	35,000
Richard Reeve's Foundation	0	33,127	33,127	0
State Street Foundation	6,197	24,000	30,197	20,000
Pro-bono support Table 19	30,000	0	30,000	0
Pro-bono support under £10,000	23,062	0	23,062	11,188
The Goldsmiths' Company Charity	0	15,000	15,000	15,000
Grants under £10,000	6,000	6,000	12,000	7,250
T R Attwood	0	12,000	12,000	0
Equitable Charitable Trust	0	10,000	10,000	10,000
Esmee Fairbairn Foundation	0	0	0	51,421
HSBC Bank	0	0	0	50,000
Futurebuilders England Fund	0	0	0	34,350
Paul Hamlyn Foundation	0	0	0	32,884
Dulverton Trust	0	0	0	23,200
The Rayne Foundation	0	0	0	10,000
CHK Charities Ltd	0	0	0	10,000
	785,472	1,449,733	2,235,205	1,175,873
Taken directly to income	32,150	6,000	38,150	28,622
Note 9 - recognised in year	4,166	174,262	178,428	321,306
Note 9 - deferred at year end	(31,273)	(453,094)	(484,367)	(178,428)
	790,515	1,176,901	1,967,416	1,347,374
Income included within note 2	0	(684,202)	(684,202)	(191,362)
	790,515	492,699	1,283,214	1,156,012

Voluntary income includes £322,062 valued pro-bono work (2010 £11,188)

For the period ended 31 August 2011

2 Incoming Resources from Charitable Activities

	Unrestricted £	Restricted £	2011 Total £	2010 Total £
School Fees	2,100,433	0	2,100,433	1,691,529
Projects/Agencies	2,958,953	0	2,958,953	2,035,877
Donations and grants	0	824,344	824,344	296,143
Training and Consultancy	59,993	0	59,993	108,395
Other	6,998	0	6,998	0
Total Incoming Resources from Charitable Activity	5,126,377	824,344	5,950,721	4,131,944

3 Resources Expended

	Net Salaries £	Promotion & Marketing £	Travel & Subsistence £	Learning & Development £	Welfare Needs £	Finance & Legal £	Other £	2011 Total £	2010 Total £
Costs of generating voluntary income	256,350	25,357	6,198	0	55,333	0	15,893	359,131	282,539
Charitable activities	5,418,673	4,369	92,471	123,680	601,419	0	1,021,723	7,262,335	4,626,695
Governance	0	0	0	0	0	60,677	0	60,677	80,797
	5,675,023	29,726	98,669	123,680	656,752	60,677	1,037,616	7,682,143	4,990,031

Other costs include support costs as per note 4

This includes £322,062 valued pro-bono consultancy work (2010 £11,188)

4 Analysis of Support Costs

	Management (CE Office) £	Human Resources £	Finance £	Office Admin/IT £	Communications & Marketing £	2011 Total £	2010 Total £
Costs of generating voluntary income	28,266	10,221	9,960	10,657	2,156	61,259	66,900
Charitable activities	240,257	298,439	169,323	124,138	0	832,157	965,821
Governance	14,133	4,088	19,920	3,190	0	41,331	28,689
	282,656	312,748	199,203	137,985	2,156	934,747	1,061,410

Support costs are allocated on a basis consistent with the use of resources eg premises cost (within office admin) allocated on floor space occupied, HR on headcount and CE Office and Finance on time spent

Governance costs include audit fees of £10,982 (2010 £7,050)

For the period ended 31 August 2011

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

	2011 £	2010 £
Cost of generating funds	4	5
Charitable activities	154	188
	<u>158</u>	<u>193</u>

Staff Costs

Salaries	5,675,023	3,757,171
Social Security costs	525,935	336,221
Pension costs	79,752	58,766
Payments to self-employed consultants	41,574	77,957
	<u>6,322,284</u>	<u>4,230,115</u>

The number of employees whose emoluments fell within the band over £80,000 was 1 (2010 £70,000-80,000 1) and the pension contribution for this member of staff was £4,582 (2010 £3,125)

Two Directors received reimbursement of expenditure during the year of £321 (2010 £537) No Directors received any remuneration (2010 - nil)

50 staff were made redundant during the 17 month period at a cost of £58,449

6 Tangible Fixed Assets

	Leasehold Improvements £	Computer Equipment £	Office Furniture & Equipment £	Total 2011 £	Total 2010 £
Cost					
At beginning of year	131,216	162,854	32,375	326,445	533,758
Additions	0	23,896	0	23,896	82,818
Disposals	0	0	0	0	(290,131)
At end of year	<u>131,216</u>	<u>186,750</u>	<u>32,375</u>	<u>350,341</u>	<u>326,445</u>
Accumulated Depreciation					
At beginning of year	43,716	49,990	10,714	104,420	326,547
Charge for the year	37,213	59,647	9,212	106,072	68,004
Disposals	0	0	0	0	(290,131)
At end of year	<u>80,929</u>	<u>109,637</u>	<u>19,926</u>	<u>210,492</u>	<u>104,420</u>
Net Book Value					
At end of year	<u>50,287</u>	<u>77,113</u>	<u>12,449</u>	<u>139,849</u>	<u>222,025</u>
At beginning of year	<u>87,500</u>	<u>112,864</u>	<u>21,661</u>	<u>222,025</u>	<u>207,211</u>

The net book value at 31 August 2011 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 period ended 31 August 2011

7 Investments	2011	2010
	£	£
Quoted Securities		
Balance at beginning of year	302,777	224,038
Encashment of asset	(149,543)	0
Realised (losses)/gains in year	(4,235)	78,739
Unrealised (losses)/gains in year	(1,841)	0
Balance at end of year	147,158	302,777

The Quoted Securities represents an investment in the M&G Charifund unit trust. The original cost of the encashed holding was £150,000, which was realised in November 2010. The historic cost of the total holding is £300,000.

8 Debtors	2011	2010
	£	£
Trade debtors	148,635	167,679
Prepayments and accrued income	206,540	63,558
Other debtors	2,240	3,114
Total debtors	357,415	234,351

9 Creditors	2011	2010
	£	£
Trade Creditors	15,368	67,073
Tax and Social Security	92,852	99,158
Accruals	27,219	(8,167)
Deferred Income - grants	484,367	178,428
- projects and schools	260,218	379,268
Other creditors	2,512	16,926
Loan repayment	34,790	23,333
Total creditors	917,326	756,019

Deferred Income (grants)	Unrestricted	Restricted	Total
Balance brought forward	4,166	174,262	178,428
Recognised in the year	(4,166)	(174,262)	(178,428)
Income received in the year deferred at year end	31,273	453,094	484,367
Balance carried forward	31,273	453,094	484,367

For the period ended 31 August 2011

10 Analysis of Net Assets between Funds

	Unrestricted Funds £	Restricted Funds £	Total Funds 2011 £	Total Funds 2010 £
Fund balances at 31 August 2011 are represented by:				
Tangible Fixed Assets	139,849	0	139,849	222,025
Investments	147,158	0	147,158	302,777
Net current assets	51,673	239,518	291,191	506,841
Long Term Loan	(203,522)	0	(203,522)	(221,667)
Total Funds	135,158	239,518	374,676	809,976

11 Reconciliation of Movements on Funds

	Unrestricted Funds £	Restricted Funds £	Total Funds 2011 £	Total Funds 2010 £
Balances at beginning of year	603,592	206,384	809,976	417,488
Net movements in fund in year	(468,434)	33,134	(435,300)	392,488
Balances at end of year	135,158	239,518	374,676	809,976

12 Contingent Liabilities

There were no contingent liabilities as at 31 August 2011 or 31 March 2010

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 (2010 £2,310) for professional indemnity insurance cover in respect of all members of staff and Directors (Trustees)

For the period ended 31 August 2011

16 Operating Lease Commitments

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

	Land and Buildings £	Plant and Equipment £	Total 2011 £	Total 2010 £
Between two and five years	119,938	6,212	126,150	99,012

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 were due from 2008 with capital repayments commencing from 2010.

	Capital Repayments £
Due between 2-5 years	162,131
Due in more than 5 years	41,391
	<u>203,522</u>

18 Pro-Bono support

SHS benefited from £322,062 pro-bono support in the following categories

	Total 2011 £	Total 2010 £
Publicity & Marketing	180,120	0
Business Development	121,888	4,188
Venues & Refreshments	8,481	0
Staff Development	7,500	7,000
Other	4,073	0
	<u>322,062</u>	<u>11,188</u>

19 Post Balance Sheet Events

SHS agreed to hold funds on behalf of the National Home School Development Group, a small community organisation. These totalled £927.