



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 MARCH 2010

**REGISTERED CHARITY NO 1084696
COMPANY NO 03991440**

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School-Home Support Service (UK)
Annual Report and Financial Statements
For the year ended 31 March 2010

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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) Gaynor Cashin (to 10/9/09) Richard Evans (Chair from 18/5/10) Angela Jarman Rob Phillips Alexander Scott-Barrett (Chair of Finance Committee) Sharon Shea (to 18/12/09) Mike Simpkin Peter Stickings David Wansbrough (to 16/7/09) Inigo Woolf Elizabeth Wolverson
Finance Committee	Alexander Scott-Barrett (Chair) Julia Carter (to 8/9/09) David Wansbrough (to 16/7/09) Inigo Woolf Richard Evans (from 5/5/09)
Chief Executive	Jan Tallis
Company Secretary	Jan Tallis
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	Littlejohn LLP Chartered Accountants and Statutory Auditors 1 Westferry Circus Canary Wharf London E14 4HD
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

Foreword from Lady Julia Carter

Imagine being scared to go to school in case your mother killed herself while you were away. Imagine not being able to listen to your teacher in class because the memory of last night's row between your parents crowded out all other thoughts. Imagine always being late for school because you had to dress, feed and take your younger brothers to school first. Imagine alcoholism, mental illness, bereavement, divorce, poverty, poor housing, being a refugee, debt, violence.

Thousands of Britain's school children do not need to imagine these things: they live with them every day. Often they fall behind in school, then they stop attending because they are afraid of being picked on, then they are excluded.

Forty-nine percent of prisoners in our jails today were excluded from school. Without basic levels of education our children are barred from work, from positive social lives and from self fulfilment. Without the opportunity to learn and develop, many children will repeat their parents' behaviours and so for generations the cycle repeats again. At SHS we get to know the child and their parents. We go to the heart of the problem and we don't blame or judge anyone. We believe that every parent wants to do the best for their child and we help them to do just that.

Unlike teaching staff, our practitioners have the time to go into the children's homes, to work with parents like Jemma, a mother whose son is out of control, to whom we teach parenting skills – setting boundaries, making warnings of punishment that are realistic and that can be carried out, offering rewards for good behaviour. Her son's attendance at school has improved dramatically, his behaviour in the classroom is transformed and he is no longer at risk of exclusion. Meanwhile his mother is coming into school to join the classes our practitioner leads and she is thinking of taking an access course to get back into formal education and training.

We recently had a thank you letter from a father whose ex-wife had been admitted to a mental hospital in Belgium and his children 'returned' to him. Traumatized, confused and anxious the girls had only the clothes they stood up in and the father had only a one bed-roomed flat. Taking time off work to sort out his daughters' lives meant losing his job and income. In his letter he told us that the SHS practitioner was the only person who had helped him sort things out, went with him to social services, provided money from our welfare fund for food and clothes for the girls. 'Without you,' he wrote 'we would have starved.'

Now the girls are settled into their new life, have contact by phone and letter with their mother and a new home with their father. They are doing well at school and looking forward to staying in England.

Ian was orphaned when his mother was killed by a car as she dropped him off at school. Looked after by over-conscientious, elderly, grandparents he became withdrawn at school, isolated and seriously depressed. He was referred to the SHS practitioner who slowly found out what was wrong, helped him to come to terms with his bereavement, got to know his elder sister who was happy for him to move to her, negotiated the move with social services and disappointed, angry grandparents. Ian is now doing so well at school that he is planning for university, he is enjoying friends and relationships again and even has Sunday lunch with his grand-dad, accompanied by his SHS practitioner!

Developing the trust of the children and parents, building their self-confidence and the skills to become an effective parent or student takes a special type of practitioner, an enormous amount of time and patience, and above all it takes money. Our schools contribute towards the cost of their practitioners but many cannot afford the full amount and that's when we turn elsewhere for funds. We are most grateful to all those who have supported us over the years and enabled us to grow so that we helped 20,000 children and families last year. Our annual budget this year is £6.8m and is made up of £5.1m paid by the schools themselves and £1.7m from voluntary sources. With significant cuts in public sector spending we expect the gap to get bigger, with greater demand on fundraised income.

If you can help us to fill the gap, think of parents like Jemma and children like Ian who we support and please do get in touch. I look forward to hearing from you.



Lady Julia Carter, former Chair of Trustees, SHS

For the year ended 31 March 2010

Introduction

The Trustees, who are also Directors of the charitable company, present their report for the year ended 31 March 2010. In presenting this report, the Trustees have complied with the Statement of Recommended Practice, Accounting and Reporting by Charities (the Charities' SORP), 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 year 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, SHS advertises externally for these. Prior to inviting applications, the Trustees review the results of their skills' audit in order to attract members with the relevant experience and skills that may augment the Board's effectiveness.

The Trustees meet four times each year with the Executive Team which comprises the Chief Executive, the Director of Support Services, the Director of Fundraising & Communications and the National 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 a trustee handbook 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. 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.

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 year 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 Year

Aim 1: Support and maintain SHS's current work

1.1 Deliver a high quality service to Children, Young People and their families

Last year we reached 19,000 children, young people and their families and SHS's service continues to receive excellent feedback from those that commission it.

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

The main source of income for SHS is that raised from its charitable activities in schools. Our growth in this activity in 2009-10 saw this rise by almost £1m compared to the previous year.

We also had a successful year with fundraising, achieving around £200,000 more in charitable donations than the target. The Director of Fundraising & Communications who took up post in late

March 2009 has introduced new strategies to engage donors and broaden our fundraising income streams

The Private Equity Foundation (PEF) continues to support SHS both financially and with expertise from companies such as Blackstone, Clifford Chance, PricewaterhouseCoopers, Ernst & Young, as well as PEF officers. Further financial investment was achieved during the year and we continue to have a close working relationship

1.3 Develop and implement a high quality service to schools and local authorities

During the year we undertook a full review of how the work in schools is supported. As a result we have commenced a consultation on practitioner supervision and management with all staff who would be affected by a change. It is anticipated that any resulting changes will be implemented in the second half of the summer term.

Finance systems have been greatly improved with the move to the Microsoft Dynamics GP system and improvements in our monitoring and evaluation mean the accuracy of practitioners' returns has been increased and we are able to interrogate the data in different ways. It has resulted in a reduction in the headline figures we report on our work with children, young people and families as individuals are now only counted once in the year, not every time there is an intervention. We have therefore re-based our targets in this area. The information schools and local authorities now receive is more detailed and enables schools to use it for their own reporting systems.

We have specific evaluations underway with a project in Darlington funded by the Paul Hamlyn Foundation and the second year results from that are extremely positive. Work with children who have been persistently absent from school has resulted in a significant increase in attendance. In Bristol the work we do in engaging parents is being evaluated and in Barking and Dagenham the Local Authority are analysing the impact of our work on absence and parental engagement. The Unlocking Potential project is being evaluated by the Institute of Education and is an opportunity for SHS to show the direct impact that our work can have on educational attainment. With these different strands of evaluation taking place, we will review how we report on our effectiveness.

1.4 Develop and implement a people strategy

The Head of HR has developed, in consultation with the organisation, a people strategy for SHS to support the achievement of the strategic goals. This guides a programme of activity over the next three years to enable SHS to attract and retain high calibre staff and to support and develop them in their time with the organisation.

Continuing to improve communications channels to, from and between staff remains a high priority. The electronic SHS News newsletter has not proved successful as practitioners find it time-consuming to access so this will be reviewed in the coming year.

The annual staff survey was repeated and again we had a high return rate of 79%, slightly up on last year. Our key measure of staff satisfaction showed 87% of staff stated they enjoyed working for SHS, a slight improvement on last year.

1.5 Engage and involve staff in the strategic direction of SHS

SHS's vision, mission and values are highlighted at every induction training session and highlighted in work plans, on the website and in our literature. This year a series of workshops have taken place around the country to engage staff in developing a set of behaviour values to sit alongside our practice values. The results are being compiled and will be communicated to all staff throughout the summer term.

1.6 Quality assure our service

We worked on achieving Investors in People this year. The external assessor's conclusion was that we have excellent practice in the organisation, specifically in our learning and development, and further work is needed on getting a consistent understanding of the role of a manager within SHS.

1.7 Raise the profile of SHS in current schools and build long-term loyalty

Resources did not allow us to implement this target, however the review of the service has identified what is needed and a retention strategy has been developed for action in 2010-11

1.8 Improve corporate governance

We were fortunate to have a partner at PricewaterhouseCoopers undertake a review of both the management and governance structures at SHS. An action plan was developed and will be implemented in the coming year. Our Chair of Trustees stepped down in May 2010 and the Chief Executive and the Executive Team will work with the new Chair on this

1.9 Review and improve Information Technology provision to meet current and future needs

The Executive Director of Support Services worked with our IT support providers to develop a medium term strategy to address SHS's information and communications technology requirements. Investment has been made in portable computers for those staff who need to travel to numerous sites and in software to support remote working for everyone who needs it. We have also invested in upgraded desktop computers for office based staff

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

This year saw substantial growth in the new areas of Bexley, Hillingdon, Harlow, Nottingham and Leicester. However, we have lost a high number of schools during the year and cost has been given as the main reason. To address issue, this a retention strategy has been developed.

The Unlocking Potential project was launched in September in twenty schools across England. This is a three year project in partnership with the Every Child a Chance Trust. SHS practitioners will support parents of children who are taking part in literacy and numeracy recovery programmes, with a view to increasing the effectiveness of the teaching interventions by guiding parents to enable them to provide on-going support and encouragement to their child

In July 2009 we ran our very first national conference showcasing SHS as a centre of excellence for school home support services. Inviting audiences from the education sector we tested the conference as a communications tool, however, results illustrated that more work is needed in raising our profile with national and local government as well as within the schools network. Moving forward the marketing team have selected established conferences relevant to our work where we can present as key speakers on selected topics. The aim is to raise our profile on the back of established and more cost effective conference platforms

Building on our experience of business development over the last year, it has been agreed that, alongside tender applications, our most viable method of developing new business is through building partnerships and showcasing our work through local networks.

2.1 Implement new business and growth strategy

One of the key findings of the strategic review was that business development did not fit well within the School Services department as operational matters meant that it did not get enough focus and time allocated to it. We have therefore separated out business development and policy and created a

new position which will report to the director of development (previously the fundraising and communications director). This will bring business development into the same department as fundraising and communications, giving a strategic resource for the organisation, which will be well supported by key teams

2.2 To raise funding to enable planned SHS expansion

As business development did not get a targeted focus, no specific areas for expansion were planned.

2.3 Understand, develop and implement a sustainable and effective organisation wide service delivery model to underpin business growth

Reviewing how practitioners and schools are supported has enabled us to develop a new model. Implementation will affect all practitioners and their managers. It is therefore in the process of being consulted on

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

There has been no resource to enable this work this year. However it has been identified as one of our strategic imperatives and resources have been allocated to recruit an information assistant by the end of the school year.

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

3.1 Establish SHS as a high quality training service

Our external training and consultancy has been very successful this year with contracts throughout England.

3.2 Refine products and develop and implement a marketing strategy

A brochure was produced setting out the services available and distributed through our schools and local authority networks and other strategic partners. At the same time we also developed a micro-site that showcased our Training and Consultancy offer and have set up a number of on-line links to key potential audiences. However, the success of the training and consultancy service has been in tailored services, not the one-day open courses we developed

3.3 Evaluate new products viability

With support from PEF we have developed a project to assess how best to take training and consultancy forward in future years. It will report in July 2010.

Aim 4: Develop specifically targeted work

As planned, no specific activity was undertaken under this aim in 2009-10.

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 has been undertaken to broaden the group and increase its impact. Further work is planned in this area.

As well as speaking and delivering workshops at other organisations' conferences, as earlier mentioned, we ran our first national conference for school-home support work. It was successful in achieving its objectives setting ourselves as a centre of excellence and we now plan to build on this to plan for leading as key speakers at targeted national conferences.

5.2 Continue to develop as a learning organisation

The work done by the external assessor on our Investors in People application highlighted the effectiveness of our organisational learning and development and she commented that SHS is as near to a learning organisation as she has ever seen.

Plans for Future Years

A strategic review was undertaken during the year which resulted in the Trustees reaffirming our strategic aims. Within the permanent aims, we have identified five in-year strategic imperatives for the year:

- Reduce the attrition rate of schools
- Review price to ensure competitiveness
- Boost our fundraising capacity
- Improve market intelligence
- Greater focus on policy and influence

They are embedded within the agreed annual development plan as set out below

In order to deliver these effectively, we have reviewed the executive and senior management structure to strengthen our Fundraising and Business Development. This process was started in 2009-10 and will be implemented in 2010-11 and is budgeted to cost an additional £181,346

Aim 1: Support and maintain SHS's current work

- 1.1 Deliver a high quality service to Children, Young People and their families
- 1.2 Raise £1.719m in voluntary funds from trusts, major donors, corporate and community supporters
- 1.3 Develop and implement an effective programme of school stewardship to embed SHS across the whole school and reduce school attrition
- 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
- 1.5 Raise awareness of SHS brand
- 1.6 Improve corporate governance
- 1.7 Improve measurement and tracking of SHS outcomes to prove value to stakeholders
- 1.8 Improve Information Technology provision to meet current and future needs and improve efficiency of working
- 1.9 Develop the management structure to meet future needs of the organisation

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 year end FTE of 170
- 2.2 Gather, collate and analyse intelligence on potential new areas to feed into the marketing strategy

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
- 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
- 3.3 Develop a marketing plan for all SHS training and consultancy activity to achieve participation and income targets
- 3.4 Evaluate all training and consultancy provided
- 3.5 Continue to develop T&C products and services

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

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

5.2 Continue to develop as a learning organisation

Review of Financial Position

2009/10 has been a much improved year financially, resulting in an operating surplus of £314k. Increased stability in the stock market resulted in an unrealised gain on investment of £78k. A realistic budget, improved credit control and management of costs have contributed to the surplus.

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 £1,156k include £11k valued pro-bono work and constitutes 22% of incoming resources (2009 £1,540k 33%) with fundraising costs of £283k, constituting 24% of fundraised income (2009 £286k 19%). Fundraised income has fallen by £384k, reflecting the difficult economic conditions. New fundraising initiatives have been set in place for 2010-11 to maintain this income.

Fee Income

Income from charitable activities increased by 32% (2009 6%) from £3.1m to £4.1m, of which £1.5m related to PSA block contracts with Local Authorities and £107k of which related to new training and consultancy work.

Costs

The cost of charitable activity has increased by 4% to £4.6m (2009 4% £4.4m), reflecting effective cost control for 2009-10. No pay award was made for 2009-10 due to the uncertain economic conditions. Included within this is £11k valued pro-bono work.

Balance Sheet

The operating surplus and increase in the value of investments have increased reserves by 94% to £810k (2009 £417k). The cash position has strengthened considerably, reflecting improved debtor management during 2009-10.

Reserves Policy

The level of reserves required are subject to review by the Trustees each year. 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.

Investment Policy

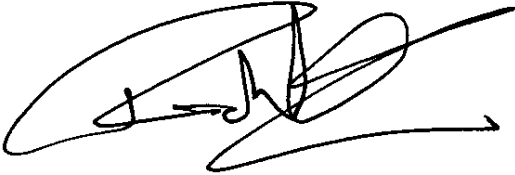
During the year, and under difficult financial conditions, the Trustees reviewed the investment policy and agreed to retain the holding in the M&G Charifund, a unit trust, recognising that the decision to retain the investment is part of a long-term balanced investment strategy. The policy remains to 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

The Trustees will review their audit contract for 2010-11.

A handwritten signature in black ink, appearing to be 'Richard Evans', written in a cursive style.

Richard Evans
Chair

Date.

13 July 2010

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

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 year ended 31 March 2010 which comprise the Statement of Financial Activities incorporating an Income and Expenditure Account, Balance Sheet and the related notes. These Financial Statements have been prepared under the accounting policies set out therein.

This report is made solely to the charitable Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of Directors and Auditors

The Trustees' (who are also the Directors of the Company for the purposes of company law) responsibilities for preparing the Annual Report of the Directors and the Financial Statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and for being satisfied that the Financial Statements give a true and fair view are set out in the Statement of Directors' Responsibilities.

Our responsibility is to audit the Financial Statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the Financial Statements give a true and fair view and have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and have been prepared in accordance with the Companies Act 2006. We also report to you whether, in our opinion, the information given in the Report of the Directors is consistent with those Financial Statements.

In addition we report to you if, in our opinion, the charitable Company has not kept adequate accounting records, if the charitable Company's Financial Statements are not in agreement with the accounting records and returns, if we have not received all the information and explanations we require for our audit, or if certain disclosures of Directors' remuneration specified by law are not made.

We read the Report of the Directors and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of Audit Opinion

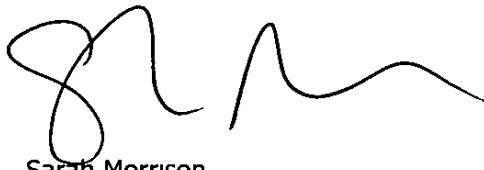
We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the Financial Statements. It also includes an assessment of the significant estimates and judgments made by the Directors in the preparation of the Financial Statements, and of whether the Accounting Policies are appropriate to the charitable Company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the Financial Statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the Financial Statements.

Opinion

In our opinion

- the Financial Statements give a true and fair view of the state of the charitable Company's affairs as at 31 March 2010 and of its incoming resources and resources expended for the year then ended;
- the Financial Statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice,
- the Financial Statements have been properly prepared in accordance with the Companies Act 2006; and
- the information given in the Annual Report of the Directors is consistent with the Financial Statements.



Sarah Morrison
Senior Statutory Auditor

For and on behalf of
Littlejohn LLP
Statutory Auditors
1 Westferry Circus
Canary Wharf
London E14 4HD

3 September 2010

Year ended 31 March 2010
(incorporating an Income Expenditure account)

		Unrestricted Funds	Restricted Funds	Total Funds 2010	Total Funds 2009 as restated
	Note	£	£	£	£
Incoming Resources					
Incoming Resources from Generated Funds					
Voluntary Income	1	513,223	642,789	1,156,012	1,540,836
Investment Income		15,824	0	15,824	27,021
Total Incoming Resources from Generated Funds		529,047	642,789	1,171,836	1,567,857
Incoming Resources from Charitable Activities					
School-Home Support Services	2	3,835,801	296,143	4,131,944	3,134,506
Total Incoming Resources		4,364,848	938,932	5,303,780	4,702,363
Resources Expended					
Cost of generating voluntary income	4, 3	126,788	155,751	282,539	285,632
Charitable Activities		3,852,121	774,574	4,626,695	4,440,569
Governance		80,797	0	80,797	67,423
Total Resources Expended		4,059,706	930,325	4,990,031	4,793,624
Net Incoming/(Outgoing) Resources		305,142	8,607	313,749	(91,261)
Unrealised gains/(losses) on revaluation of investments	7	78,739	0	78,739	(134,186)
Net Movement in Funds		383,881	8,607	392,488	(225,447)
Balances at beginning of year		219,711	197,777	417,488	642,935
Balances at end of year	10	603,592	206,384	809,976	417,488

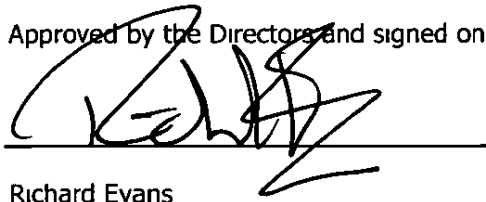
The Charity has no recognised gains or losses other than as stated above. All of the activities represent continuing activities of the Charity.

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

As at 31 March 2010

	Note	2010	2009 as restated
		£	£
Fixed Assets			
Tangible Fixed Assets	6	222,025	207,211
Investments	7	302,777	224,038
		<u>524,802</u>	<u>431,249</u>
Current Assets			
Debtors	8	234,351	298,549
Cash at bank		1,028,509	655,050
		<u>1,262,860</u>	<u>953,599</u>
Current Liabilities			
Creditors due within one year	9	756,019	722,360
Net Current Assets		<u>506,841</u>	<u>231,239</u>
Total Assets less Current Liabilities		1,031,643	662,488
Creditors due after more than one year	17	221,667	245,000
Net Assets		<u>809,976</u>	<u>417,488</u>
Represented by:			
Funds			
Unrestricted Funds	10	603,592	219,711
Restricted Funds	10	206,384	197,777
		<u>809,976</u>	<u>417,488</u>

Approved by the Directors and signed on their behalf


Richard Evans

13 July 2010
Date

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

For the year ended 31 March 2010

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 5 to 12. 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 March 2010**(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 year ended 31 March 2010

1 Donations and Grants

	Unrestricted Funds	Restricted Funds	Total Funds 2010	Total Funds 2009
Private Equity Foundation	0	376,000	376,000	403,000
Harvey McGrath Foundation	166,667	0	166,667	111,111
KPMG Foundation	0	83,333	83,333	0
Sofronie Foundation	0	83,333	83,333	0
The Mayors Fund for London	0	58,140	58,140	0
Bank of America Merrill Lynch	55,000	0	55,000	0
Esmée Fairbairn Foundation	0	51,422	51,422	46,380
HSBC Bank	0	50,000	50,000	0
The Schroder Foundation	35,000	0	35,000	0
Futurebuilders England Fund	0	34,350	34,350	10,000
Paul Hamlyn Foundation	0	32,884	32,884	23,515
Morgan Stanley International Foundation	0	23,500	23,500	20,000
Dulverton Trust	0	23,200	23,200	19,250
State Street Foundation	0	20,000	20,000	0
Anonymous/Welfare Fund	5,367	14,240	19,607	24,380
The Goldsmiths Company Charity	0	15,000	15,000	12,563
The Rayne Foundation	10,000	0	10,000	10,000
Equitable Charitable Trust	0	10,000	10,000	7,500
CHK Charities Ltd	10,000	0	10,000	0
Pro-Bono Work - Ernst & Young	7,000	0	7,000	0
PF Charitable Trust	0	5,000	5,000	3,750
Pro-Bono Work - Clifford Chance	4,188	0	4,188	41,911
Matrix Law	0	1,250	1,250	1,625
Barclays Bank	0	1,000	1,000	0
The Gatsby Charitable Foundation	0	0	0	449,383
Department for Children, Schools & Families	0	0	0	129,075
Positive Destinations jointly funded by BBC				
Children in Need and the Hunter Foundation	0	0	0	108,760
Man Group Plc Charitable Trust	0	0	0	110,167
Pro-Bono Work - McKinsey	0	0	0	70,000
Pro-Bono Work - Deloitte	0	0	0	35,000
The Economist Group Charitable Trust	0	0	0	18,491
UBS Investment Bank	0	0	0	18,325
Richard Reeves Foundation	0	0	0	14,690
Big Lottery Fund	0	0	0	11,132
The Waterside Trust	0	0	0	8,333
John Lyon's Charity	0	0	0	5,900
Boots Charitable Trust	0	0	0	4,416
The Cooperative Foundation	0	0	0	3,967
St Katherine and Shadwell Trust	0	0	0	1,333
The Worshipful Company of Weavers	0	0	0	1,313
	293,222	882,652	1,175,874	1,725,269
Taken directly to income		28,622	28,622	
Note 9 - recognised in year	(224,167)	(97,139)	(321,306)	(17,756)
Note 9 - deferred at year end	(4,166)	(174,262)	(178,428)	21,773
	64,889	639,873	704,762	1,729,286
Income included within note 2	0	(191,362)	(191,362)	(188,451)
Voluntary income	64,889	448,511	513,400	1,540,835

For the year ended 31 March 2010

2 Incoming Resources from Charitable Activities

	Unrestricted £	Restricted £	2010 Total £	2009 Total £
School Fees	1,691,529	0	1,691,529	2,288,193
Projects/Agencies	2,035,877	0	2,035,877	766,940
Donations and grants	0	296,143	296,143	59,826
Training and Consultancy	108,395	0	108,395	19,547
Total Incoming Resources from Charitable Activity	3,835,801	296,143	4,131,944	3,134,506

This includes £11,188 valued pro-bono consultancy work

3 Resources Expended

	Net Salaries £	Promotion & Marketing £	Travel & Subsistence £	Learning & Development £	Welfare Needs	Finance & Legal £	Other £	2010 Total £	2009 Total as restated £
Costs of generating voluntary income	159,385	39,824	2,636	0	55,937	0	24,757	282,539	285,632
Charitable activities	3,600,236	0	60,738	93,024	404,936	0	467,761	4,626,695	4,440,569
Governance	0	0	0	4,360	0	47,748	28,689	80,797	67,423
Total	3,759,621	39,824	63,374	97,384	460,873	47,748	521,207	4,990,031	4,793,624

Other costs include support costs as per note 4

This includes £11,188 valued pro-bono consultancy work

4 Analysis of Support Costs

	Management (CE Office) £	Human Resources £	Finance £	Office Admin/IT £	Communications & Marketing £	2010 Total £	2009 Total £
Costs of generating voluntary income	22,536	4,728	6,363	23,751	9,522	66,900	71,161
Charitable activities	196,059	190,046	110,708	383,313	85,695	965,821	1,020,975
Governance	6,761	1,891	10,180	9,857	0	28,689	35,148
Total	225,356	196,665	127,251	416,921	95,217	1,061,410	1,127,284

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 £7,050 (2009 - £6,791)

For the year ended 31 March 2010

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:

	2010 £	2009 £
Cost of generating funds	5	3
Charitable activities	188	171
	<u>193</u>	<u>174</u>

The FTE total for 2010 excludes 9FTE vacancies.

Staff Costs

Salaries	3,757,171	3,365,762
Social Security costs	336,221	305,350
Pension costs	58,766	63,982
Payments to self-employed consultants	77,957	107,490
	<u>4,230,115</u>	<u>3,842,584</u>

The number of employees whose emoluments fell within the band £70,000 - £80,000 was 1 (2009 1) and the pension contribution for this member of staff was £3,125 (2008 £3,124).

One Director received reimbursement of expenditure during the year of £537 (2009 £114) No Directors received any remuneration (2009 - nil)

6 Tangible Fixed Assets

	Leasehold Improvements £	Computer Equipment £	Office Furniture & Equipment £	Total 2010 £	Total 2009 £
Cost					
At beginning of year	290,613	163,957	79,188	533,758	311,645
Additions	0	82,818	0	82,818	0
Disposals	(159,397)	(83,921)	(46,813)	(290,131)	222,113
At end of year	<u>131,216</u>	<u>162,854</u>	<u>32,375</u>	<u>326,445</u>	<u>533,758</u>
Accumulated Depreciation					
At beginning of year	176,892	98,903	50,752	326,547	283,325
Charge for the year	26,221	35,008	6,775	68,004	43,222
Disposals	(159,397)	(83,921)	(46,813)	(290,131)	0
At end of year	<u>43,716</u>	<u>49,990</u>	<u>10,714</u>	<u>104,420</u>	<u>326,547</u>
Net Book Value					
At end of year	<u>87,500</u>	<u>112,864</u>	<u>21,661</u>	<u>222,025</u>	<u>207,211</u>
At beginning of year	<u>113,721</u>	<u>65,054</u>	<u>28,436</u>	<u>207,211</u>	<u>28,320</u>

The net book value at 31 March 2010 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 March 2010

7 Investments	2010	2009
	£	£
Quoted Securities		
Balance at beginning of year	224,038	358,224
Unrealised gains/(losses) in year	78,739	(134,186)
	<hr/>	<hr/>
Balance at end of year	302,777	224,038
	<hr/>	<hr/>

The Quoted Securities represents an investment in the M&G Charifund unit trust. The original cost of the holding was £300,000

8 Debtors	2010	2009
	£	£
Trade debtors	167,679	217,934
Prepayments and accrued income	63,558	41,768
Other debtors	3,114	38,847
	<hr/>	<hr/>
Total debtors	234,351	298,549
	<hr/>	<hr/>

9 Creditors	2010	2009
	£	as restated £
Trade Creditors	67,073	57,568
Tax and Social Security	99,158	94,254
Accruals	(8,167)	21,042
Deferred Income	178,428	321,306
- grants	379,268	221,571
- projects and schools	16,926	6,619
Other creditors	23,333	0
Loan repayment		
	<hr/>	<hr/>
Total creditors	756,019	722,360
	<hr/>	<hr/>

Deferred Income (grants)	Unrestricted	Restricted	Total
Balance brought forward	224,167	97,139	321,306
Recognised in the year	(224,167)	(97,139)	(321,306)
Income received in the year deferred at year end	4,166	174,262	178,428
	<hr/>	<hr/>	<hr/>
Balance carried forward	4,166	174,262	178,428
	<hr/>	<hr/>	<hr/>

For the year ended 31 March 2010

10 Analysis of Net Assets between Funds

	Unrestricted Funds £	Restricted Funds £	Total Funds 2010 £	Total Funds 2009 £
Fund balances at 31 March 2010 are represented by:				
Tangible Fixed Assets	222,025	0	222,025	207,211
Investments	302,777	0	302,777	224,038
Net current assets	300,457	206,384	506,841	231,239
Long Term Loan	(221,667)	0	(221,667)	(245,000)
Total Funds	603,592	206,384	809,976	417,488

11 Reconciliation of Movements on Funds

	Unrestricted Funds £	Restricted Funds £	Total Funds 2010 £	Total Funds 2009 £
Balances at beginning of year	219,711	197,777	417,488	645,221
Net movements in fund in year	383,881	8,607	392,488	(227,733)
Balances at end of year	603,592	206,384	809,976	417,488

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 £2,310 (2009 £2,310) for professional indemnity insurance cover in respect of all members of staff and Directors (Trustees).

For the year ended 31 March 2010

16 Operating Lease Commitments

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

	Land and Buildings £	Plant and Equipment £	Total 2010 £	Total 2009 £
Between two and five years	95,102	3,910	99,012	1,638

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 are due from 2008 with capital repayments commencing from 2010

	Capital Repayments £
Due between 2-5 years	140,000
Due in more than 5 years	81,667
	<u>221,667</u>

18 Post Balance Sheet Events

A restructure was finalised in April 2010 with additional staff costs budgeted to be £181,346

19 Prior year adjustment

	£
Reserves brought forward at 1 April 2009	415,202
Adjustment to uncapitalised creditor	<u>2,286</u>
Restated reserves brought forward at 1 April 2010	<u>417,488</u>