



**SUPPORTING AND
EMPOWERING
REFUGEES**

BRITISH REFUGEE COUNCIL

**Registered Charity No. 1014576
Registered Company No. 2727514**

TRUSTEES' ANNUAL REPORT AND ACCOUNTS

FOR THE YEAR ENDED 31 MARCH 2020



BRITISH REFUGEE COUNCIL

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Chief Executive's Introduction

When the dust settled on the decisive 2019 UK General Election result, we were resigned to the high likelihood of a tougher Government line on asylum and refugees. What we did not anticipate was that a global pandemic would force the suspension of normal Government business and make the health and welfare of people in the asylum system a Home Office priority.

Indeed, no sooner was the new Home Office Ministerial team in place, than Covid-19 forced a relaxation of the rules governing the asylum system and the welcome suspension of many of its harsher aspects. Regrettably, new refugee resettlement arrivals were also paused due to international travel restrictions, but for a few months this year, the UK asylum system was distinctly more humane and less punitive in its day-to-day operations, giving us all a glimpse of a different way of providing protection.

Whether or not Ministers come to appreciate that a robust refugee protection process can be compassionate too, and agree to include people seeking asylum in their acceptance of the need, post Windrush, for a more humane and empathetic immigration system, remains to be seen. What is clear, though, is that the Refugee Council will look back on 2019/20 as a year in which we reinforced our position as both the UK's largest provider of dedicated refugee services and a powerful advocate of system change, strengthening our ability to stand up and speak out for refugees, without fear or favour, whatever the future holds.

During the year, we enhanced the scope and depth of our integration, employment, therapeutic and resettlement services, and in doing so, increased the number of people we helped to over 11,000. We were instrumental in establishing the Asylum Reform Initiative as a vehicle for greater collaboration with our peer NGOs on achieving asylum system reform, and we championed the voices of those with lived experience of forced exile, enabling them to exert a growing influence on how we all think and talk about refugee protection, nationally and globally.

As a social business, we invested in the physical and management infrastructure of the charity, we grew our social media profile and digital fundraising income and we reduced significantly our overheads costs, not least by developing a new office hub in London that we named after our esteemed Patron, and former Chief Executive, Lord Alf Dubs. And when the Covid-19 lockdown loomed, we moved swiftly to a virtual operating model that enabled us not only to sustain the reach and impact of our existing services, but also to develop new ways of responding to the needs of our clients.

As ever, so much of what we achieved in 2019/20 was reliant on the willingness of our many volunteers, including our dedicated Trustees, to give freely of their time and expertise, and on the continuing generosity and commitment of our many donors, supporters and funders. Their abiding confidence in our ability to change refugees' lives for the better drives us to go the extra mile in all that we do.

Maurice Wren
10 September 2020

Strategic Report

Objectives and Activities

Objectives

The objects of the Refugee Council, set out in our governing documents, are:

- to provide relief for refugees and their dependents who are in conditions of need, hardship or distress;
- to preserve and protect the physical and mental health of refugees and their dependents;
- to advance the education and training of refugees and their dependents in need thereof so as to advance them in life and assist in their rehabilitation within a new community;
- to promote research into the condition of life of refugees throughout the world and ways of providing charitable relief for them, and to publish the results of all such research; and
- to advance public education about the position of refugees and the situations which give rise to refugee movements.

The Refugee Council aims to deliver these objectives through the provision of high quality services to refugees and asylum seekers to ensure that they fully understand their rights and responsibilities in the UK, obtain access to the legal, counselling, housing, employment, education and health care services they need, and are able to integrate successfully into British society. The charity also aims to promote positive images of refugees and asylum seekers, and to campaign and advocate to ensure that the rights enshrined in national and international law are not eroded.

Our Mission

To be a tenacious, resourceful and effective champion of refugee rights, transforming refugees' lives, holding governments to account and changing public attitudes for the better.

Our Vision

The UK will be a country that respects the dignity of everyone who seeks protection, regardless of the outcome of their claims, and ensures that those granted asylum are supported to live safe and fulfilling lives.

Our Values

- Empathy and respect drive everything we do, both inside and outside the organisation
- We focus on the humanity and dignity of the people we help, not their nationality or immigration status
- We believe that cooperation and collaboration are essential to achieving meaningful change
- We are resolute and creative in the promotion and defence of refugee rights
- We believe that transparency and openness are the keys to accountability

Our strategic goals for 2021 are

Goal 1:

To change for the better the way refugees are welcomed and treated in the UK

- We will achieve significant, progressive, changes to UK Government's refugee policy and will secure substantial operational improvements to the UK asylum system, informed by our extensive first-hand experience of working with refugees and people seeking asylum;
- We will use our service outcome and client feedback data to monitor the impact we have on the lives and prospects of our direct beneficiaries.

Goal 2:

To increase the number of refugees who access our specialist, transformative services

- Each year we will increase significantly the number of people we help directly, whether they are seeking asylum or have refugee status, by expanding our overall service capacity;
- We will establish service hubs in London, the South East, the Midlands and Yorkshire and Humberside, facilitating the expansion of our four service pillars: children, integration and employment, resettlement and therapeutic support;
- We will also develop in new areas where there is both demand and local support for our presence.

Goal 3:

To galvanise public attitudes to refugees and be instrumental in creating a powerful, popular movement for change

- We will increase public awareness of and support for our advocacy work by growing the number of our active supporters and the number of people with whom we engage digitally and via other channels;
- We will monitor shifts in public attitudes towards refugees to inform our supporter engagement strategies;
- Our Advocacy Network will be joined by individual subscribers, small grass-roots organisations, faith groups and NGOs, raising awareness of and widening participation in conversations about the big issues affecting refugees in the UK.

Goal 4:

To be a credible and trusted authority on the needs and aspirations of refugees in the UK

- Through our Advocacy Network, we will be in regular, two way, contact and dialogue with refugee and community-led groups across the UK, sharing information about changes that affect them and supporting them to influence policy decisions that affect their members;
- We will ensure that our priorities reflect refugees' concerns and interests by engaging with Refugee Community Organisations (RCOs) across the UK, including through an annual consultation process and by systematically analysing our service user feedback.

Goal 5:

To be an independent, accountable, value-led and sustainable organisation

- We will increase our investment in supporting and developing our staff and volunteers;
- We will expand our donor base substantially to ensure that voluntary income continues to provide a major source of our revenue and safeguard our independence;
- We will increase the diversity of our staff and volunteers.

Activities

The Refugee Council undertakes its work through the following six main areas of activities, which are the main classifications used throughout our financial accounts:

1. **Children's Services**, in particular working with separated children;
2. **Resettlement Services**, where people arrive in the UK with official refugee status, especially those from Syria;
3. **Therapeutic Services**, helping those who have suffered torture, trauma, violence or sexual exploitation;
4. **Integration Services**, helping newly recognised refugees to make the challenging first steps towards integrating in the UK;
5. **Advocacy and Awareness Raising** by drawing on evidence from our direct services, working to ensure that refugees have an influential voice in policy discussions that impact their lives and raising our supporters' and the public's awareness of the issues refugees and asylum seekers face;
6. **Destitution Services** by supporting those who are pushed to the brink of our society.

Impact

We measure the outcomes and impact of our services to clients with an outcomes framework that we have devised for services across the organisation. This framework covers five main categories of outcomes with a number of specific hard and soft outcomes under each one. Sample outcomes for this year are given below under each category which illustrate the range and quality of the impact of our service for our beneficiaries.

1. Improved ability to make informed choices

Self-assessed feedback this year from clients of one of our employment projects that works with Starbucks, showed that 76% reported improvement in their knowledge of employment rights;

2. Increased social inclusion

95% of young people participating in our Refugee Cricket Project reported a wider friendship group from making new friends as a result of taking part in the project;

3. Improved physical and mental wellbeing

Using the widely-used CORE tool (that measures change and outcome in routine practice in counselling and psychotherapy) with our therapeutic service clients, 96% of children and over 80% of adults reported an improvement at the end of the support we provided;

4. Improved economic and financial wellbeing

89% of clients of our Refugee Advice Project who were facing destitution reported being better able to meet basic needs;

5. Improved accommodation and safety

Our Private Rented Scheme in London secured 27 tenancies for clients in private rented accommodation. 70% of the project's clients reported an improvement in their ability to manage a tenancy and 62% reported an improvement in their knowledge of housing options.

2019/20 Achievements and performance against strategic goals

Goal 1 **To change for the better the way refugees are welcomed and treated in the UK**

Achievements The Home Office published their revised Domestic Abuse Guidance, setting out how the Home Office, accommodation providers and Migrant Help should respond to reports of domestic abuse. The guidance contains a number of new safeguards, which we had calling for and working with the Home Office to develop. One of the key new safeguards is the introduction of a funding mechanism allowing the Home Office to fund specialist refuge accommodation for women seeking asylum who are at risk of abuse. We played an instrumental role in developing this funding mechanism through our work in enabling dialogue between the Home Office and specialist refuge providers.

We were a partner in a joint report from Child Poverty Action Group and the Church of England looking at the effect of the government's two-child limit on welfare benefit payments, which affects many of our clients and we wrote a chapter on its effect on refugees. We subsequently spoke at the parliamentary launch of the report and continue to be involved in the 'All Kids Count' campaign.

We co-produced the 'Lessons not learned' report produced by Freedom from Torture which focused on the failures in asylum decision-making in the UK.

In response to the coronavirus pandemic, we produced a joint submission to the Home Affairs Committee about Home Office preparedness for COVID-19 and gave oral evidence to the Committee.

Goal 2 **To increase the number of refugees who access our specialist, transformative, services**

Achievements **In 2019/20 we provided services to 10,780 unique clients. This was an increase of 26% compared to last year. We saw 11,399 across all services where one client visited more than one service.** Much of the increase was due to increased number of clients resettled into the UK supported by our services, and an increase in Integration work, due to a full twelve months operation of our major New Roots integration programme which started mid-way through 2018/19.

Key achievements of our four service delivery pillars were:

Resettlement

A tiny number of the 6.3 million refugees who have fled the fighting in Syria are brought to the UK under the Government's Syrian Vulnerable Persons Resettlement Scheme (VPRS) and Vulnerable Children's Resettlement Scheme (VCRS). The Government also runs the Gateway programme in which a small number of refugees from other countries are selected for resettlement in the UK from refugee camps by the United Nations High Commissioner for Refugees. Under these programmes we provided support to resettled refugees across Yorkshire and Humberside, in Bassetlaw, Hertfordshire and Lewisham in London.

To support these vulnerable groups, we work in partnership with local councils to provide a full support service for at least 12 months, including taking them to their new home; and personalised support for access to the job market, education and training, healthcare and other mainstream services. We then provide ongoing support for a further four years where needed. We have met 100% of all Resettlement contractual Key Performance Indicators (KPIs). These KPIs all relate to our contractual requirements for the first month after arrival. Our intensive support however continues for all clients over a full 12 months for both Gateway and VPRS/VCRS. Following this, a bespoke Independent Living Advice Service is offered to clients on the VPRS/VCRS programme

for a further four years.

Going forward the intention is to begin a new resettlement programme, named the UK Resettlement Scheme (UKRS). This was due to start on 1st April 2020. However, due to the COVID-19 crisis the start of this programme has been postponed and no arrivals are scheduled to come into the UK for the immediate future.

Last year we supported 1,839 clients for resettlement

Children's Services

For over 25 years we have been the Government's designated, independent referral point for all unaccompanied children arriving in the UK, the only national service of its kind. Through this we make sure children understand the asylum process, are able to access their rights to foster care or appropriate accommodation through social services, support in education and legal aid during their asylum claim.

Thanks to voluntary funding we also provide a range of wrap around services. We continued to deliver My View therapeutic services and we have committed to continuing this very important life-line to the children who need it. This unique model of therapeutic counselling is based in London, Luton, Leeds and Birmingham. We provide intensive support for victims of trafficking to keep them safe from further exploitation. Our age disputes project provides unique support to those children who officials deem to be adults, supporting them through a proper process of age assessments. Our youth project for separated children provides a space for children to simply be children again through educational and social sessions, excursions and residential trips. We also run a cricket project for those who still need support as they reach 18 and beyond and enjoy sport. Many of these children and young people reach 18 but are still struggling with the asylum process and many other complexities that we try to help them with.

In June last year we held a joint conference with Red Cross, Uprising and The Refugee Council, on the successful ending of the Surviving to thriving project in London. This project feature all three organisations working in partnership to support the separated children in England. Refugee Council ran the My View therapeutic service, whilst Red Cross provided life skills training and Uprising ran workshops to raise the confidence of young people.

Last year these services supported 4,224 young people.

Integration services

These services primarily support newly recognised adult refugees who have arrived in the UK outside of formal resettlement programmes. Due to Government policy these people face disproportionate levels of destitution and homelessness and so we provide vital crisis and early intervention advice services to ensure they can access their entitlements to welfare.

In 2018/19 we successfully bid for Asylum and Migration Integration Fund funding to deliver our New Roots integration programme in London, Hull and Leeds from October 2018 for two years, delivering the programme in partnership with other agencies in Yorkshire and Humberside. This programme is also looking at best practice and an 'outcomes star' to help refugees monitor their progress. We are pleased that this programme has now been extended to at least 2021.

We continued our partnership with Starbucks to support refugees to become Baristas. We continued to run our advice project in Barnsley for refugees and asylum seekers. Our Health Access for Refugees Project (HARP) model where refugees and asylum seekers are supported to access health services across Yorkshire, continues to run successfully. This year this project worked in hotels that were commissioned to accommodate asylum seekers, which supported many people that were struggling in those environments.

Our Building Bridges project which retrain refugees with health professional backgrounds to secure work in the NHS was featured at a seminar convened by the British Medical Association with the aim of making the case for securing more mainstream health service funding for this route to refugee health professional recruitment. The cost of training a refugee doctor to work in the NHS is, at most, 10% of the cost of training a doctor from scratch in the UK.

Last year these services supported 4,679 people.

Therapeutic Services and Destitution

For 19 years we have been providing specialist and culturally sensitive therapeutic support to adults and children. Our approach is to create awareness that our clients are not victims but survivors of adversity. We familiarise people with mental health, a concept alien in many non-western cultures, help them learn how to articulate and disclose needs to professionals, and provide psycho-education sessions introducing key techniques such as mindfulness to better manage anxiety and distress.

One of our primary objectives over the past year has been to get the issue of mental health and well-being of refugees and asylum seekers squarely onto the agenda of mainstream health service providers and institutions, including Clinical Commissioning Groups, NHS England and Public Health England. We are now working with a number of Clinical Commissioning Groups to deliver therapeutic services to refugees.

Our destitution service supported 207 destitute asylum seekers with some very basic needs such as food, clothing and psychosocial activities, as well as case work to support their claims to asylum.

Last year we provided one-to-one counselling and group support to 657 adults and children.

Training

We have developed best practice and upskilling external people through external training, meetings and forums, and attending conferences. External training is provided to organisations, local authorities and groups of individuals such as foster carers on a range of specialist subjects by our staff. In overview, this year we delivered 56 training sessions, with a total of 726 participants, with 71% of participants who completed an evaluation form rating our training as excellent, and a whopping 93% of participants rating our training good or excellent.

Goal 3 **To galvanise public support for refugees and be instrumental in creating a powerful, popular, movement for change**

Achievements As part of our campaign to improve Refugee Family Reunion, we joined with partner organisations to deliver a petition of 75,000 signatures to the Home Secretary to change the rules.

We published the *Without my Family* report with Amnesty and Save the Children. The research highlights the impact on child refugees living in the UK of being separated from their families and calls for changes in the UK's refugee family reunion rules. We also launched a heart-rending animation on the same subject to illustrate the issue which achieved a very wide audience through Refugee Council's social media, as well as partner organisations.

We remain an active member of the Lift the Ban coalition which is campaigning to re-introduce the right to work for people seeking asylum. This coalition has much success in raising awareness of the issue and will continue to push for change.

We delivered a campaign to overturn a proposed cut in funding from the Asylum and Migration Integration Fund which would have seen support services for refugees cut

across the country. We mobilised quickly, secured significant media coverage, worked with parliamentarians and collected 49,260 signatures on an open letter to the Chancellor of the Exchequer in a two week period. Our campaign was successful and the funding was retained.

Goal 4 To be a credible and trusted authority on the needs and aspirations of refugees in the UK

Achievements We recruited 14 Refugee-led Community Organisation (RCO) to be the Refugee Council's co-production partners for the creation of the London RCO Advocacy forum which is funded by the City Bridge Trust. We delivered an advocacy training programme for participants covering planning, policy work, influencing parliament, public campaigning and collecting evidence, and well as sessions on public speaking and collaboration. We began the process of finalising the terms of reference for the Forum in order to support its functioning and assisted recruitment in year two if the project.

We co-chaired a very successful *Annual Tripartite Consultation on Resettlement (ATCR)* conference in Geneva. The two-day conference was attended by over 300 delegates from 30 countries. Five members of the Refugee Advisory Group we helped to establish attended the conference bringing the number of refugee participants to a record level. The group also made ATCR history by delivering the first ever 'Refugee Statement' during the opening session, calling on the international community to do more to increase the number of resettlement places made available and to improve resettlement processes and integration outcomes. The UNHCR were so impressed by the Refugee Statement that they have committed to making it a permanent fixture of the ATCR in the future.

Objective 5 To be an independent, accountable, value-led and sustainable organisation

Achievements Refugee Council is reliant on voluntary donations and without the support of our donors we simply couldn't carry out much of our work. In recent years we have seen a decline in the number of new donors supporting Refugee Council so in 2018/19 we explored new ways of raising much-needed funds and have developed a programme to test ways of recruiting donors which was rolled out in 2019/20. This has proved successful and this year we recruited 6,583 new donors against a target of 1,271. The majority of these donors were recruited via digital channels. To improve the way we communicate with them we have invested in a better donation platform and a new email system.

Legacies form a vital part of our income and we are very grateful to those supporters who chose to leave us a gift in their will. This year we wrote to our donors asking them to consider leaving us legacy and as a result 75 people told us that they had already pledged or intended to leave us a gift. We also received multi-year grants of over £1 million from trusts and foundations.

We continued our strategy to provide better support and infrastructure for our staff and volunteers, to better enable them to focus on their work with our beneficiaries.

We followed up on improvement areas identified in 2018's staff survey by implementing an action plan in 2019/20, and in December 2019 we measured progress against this via a follow-up spot survey. We were pleased to see improvements in the majority of areas targeted, including an increase in management supervisions conducted within target dates, better understanding of whistleblowing procedures, better staff training rates, and a significant drop in reported levels of workload overstretch.

During the year we reviewed our existing whistleblowing policy and expanded it into a combined 'Speaking Out and Whistleblowing' policy. This was developed having regard to best practice in this area, learning lessons from some of the grievous failures in the wider charity sector that had come to light in recent years. We supported the roll-out of the policy with a set of bespoke training workshops which were delivered across the

entire staff group in 2019/20, better enabling us all to enshrine and act in line with our culture of 'speaking out'.

Finally, 2019/20 saw the last of the major office moves arising from our strategy to provide better physical infrastructure to run our activities from. In September we left Gredley House, which had served as our Head Office since 2012. This property had been significantly too large for our needs for some time, and we had therefore been sub-letting out much of our initial leased space to other tenants in the building.

An opportunity arose early in 2019 to assign the entirety of the lease to one of these tenants, and move our head office functions to the vacant floor in Alf Dubs House, our service delivery office just down the road in Stratford, East London.

The decision was not straight forward, with the working space available significantly smaller than that we'd be vacating. However by consulting carefully with all staff affected, and working with team management to institute smarter working practices such as hot-desking and rotational working from home, the move was made, proving a resounding success. The switch into smaller, self-serviced offices saves us over £100,000 per year off our overheads, and has proved popular with both service and head office teams located at Alf Dubs House, who have very much benefitted from being under one roof again.

We were less successful with a planned office move in Leeds, our largest service office outside of London. Our landlord at our previous Oak House office gave notice for us to vacate the offices mid 2019/20, and we planned to let another similar self-contained bespoke office space. Despite seeing well over thirty offices across the city, we were ultimately unable to secure a long lease on offices that would meet our criteria for size, suitability, location, and budget.

Leeds services instead relocated to a serviced office property in September 2019 on shorter term annual agreements; which though sacrificing the control over our own space a full leased property would have given us, did give options on increasing and decreasing space as service levels require.

The significant reduction in our commitments on leased office space arising from these two major moves was, albeit by luck as much as by judgement, an extremely fortuitous set of decisions, given what was to come.

COVID-19

The Refugee Council, along with everybody else, started watching with increasing concern the rise and spread of coronavirus from its origins in China in late 2019, into the development of a full global pandemic by early spring 2020.

By February 2020 we had started internal processes on how to navigate the rapidly changing environment, producing and updating guidelines on working practices and issuing them through our existing health and safety and management structures. The Senior Management Team instituted daily meetings in early March to enable us to keep abreast of developments and make quick decisions as required, and there has been regular two way communication with the trustees, both using the formal framework of meetings, and supplemented as required outside of this, throughout this period.

At the very outset, we established two key principals on how we would respond to the COVID-19 threat. The first, was that the safety of our staff, volunteers and clients, is paramount. The second, is that as far as is reasonably possible without endangering that, or our sustainability as an organisation, we would seek to continue our vital work, which is needed by our clients more than ever, rather than seek to retreat and entrench our position as an organisation.

On the 16th March, a full week before full lockdown was introduced by the UK Government, the Refugee Council took the then-difficult decision to shut down all face-to-face work with immediate effect.

The transition to a virtual model of operations and service delivery, enabled in main by our pre-existing cloud-based IT and telecommunication systems was made over the following days and weeks. The speed, efficiency and innovation displayed by our exceptional workforce of staff and volunteers enabled services to most of our clients to continue almost uninterrupted. Many services were up and operational within days, switching delivery from a face to face model to using a diversity of video and telephone options to contact clients, facilitated by our ICT team at extremely short notice.

HR and our facilities teams supported our staff in the change in working conditions that remote working implied; supplying equipment, advice and support, and developing formal policies as required on matters such as the government's job retention 'furlough' scheme.

The organisation as a whole moved to a virtually paper-less operation within days, with new workflows put in place for financial and other processing tasks which meant there was no significant interruption to the key transactions and processes on which our operations rely.

Finance and Income Generation teams reviewed our key income streams, and were able to confirm the majority of major grant and contract income commitments would be honoured. Contracts for the delivery of Resettlement services are affected, as refugee resettlement into the UK is currently on hold, and a drop in fundraising income is expected over the medium to longer term; and there will be a financial impact from both of these factors.

However the forecasts on reduced net income are within the worst case scenario parameters of free reserves that had been set aside by trustees in last year's accounts; leaving the Refugee Council in a position where it has options, and time, for how it faces the major challenges for the future that these world-changing events will bring.

Plans for 2020/21

The Refugee Council would normally at the outset of a financial year make detailed plans for the year to come. With the impact of COVID-19, the extent to which we can expect our plans to be delivered unaltered is necessarily more than usually contingent on external events. We might say that an overarching plan is to continue progress against our strategic goals whilst keeping our staff, volunteers and clients safe, and maintain our financial and operational sustainability.

Goal 1:

To change for the better the way refugees are welcomed and treated in the UK

- We will achieve improvements to refugee family reunion rules, and improve policy and practice on integration;
- We will continue engagement with the Home Office to secure reform of the asylum system;
- We will work with peer NGOs, Government departments, Local Authorities, and charitable and civil society organisations to improve the services available to refugees in the UK and the policies and practices that affect their lives;
- We will ensure that all Refugee Council services collect relevant and accurate data on outcomes, trends and emerging issues, to be used to inform advocacy work and service development.

Goal 2:**To increase the number of refugees who access our specialist, transformative services**

- We expect to see 8,945 clients in 2020/21. Due to the disruptions arising from COVID-19, this is a 9% decrease to the numbers we saw in 2019/20.
- We will report on new work secured above budget.
- We will continue to develop best practice through the provision of external training, organising or participating in specialist meetings and forums, and attending conferences;
- We will pursue systemic change for access to appropriate mental health support for clients through statutory agencies and through a strategic bid for funding to the Lottery;
- We will complete the transition to a new client data base and improve on reporting capabilities;
- We will improve on ways to give clients participation and voice through Harp 2 and Outcomes Star;
- Develop our client consultation work through Building Capabilities fund.

Goal 3:**To galvanise public attitudes to refugees and be instrumental in creating a powerful, popular movement for change**

- We will undertake activities to support the coalition campaigns relating to refugee family reunion (Families Together) and the right to work for people seeking asylum (Lift the Ban);
- We will deliver our own public facing campaign focusing on the 28 day move on period for newly recognised refugees;
- We will implement a programme of communication with Refugee Council supporters to keep them up to date with our advocacy and campaigning work, to increase their engagement in campaigning activities;
- We will actively engage in the cross-sector Asylum Reform Initiative to develop and implement co-ordinated plans to achieve positive systems change.

Goal 4:**To be a credible and trusted authority on the needs and aspirations of refugees in the UK**

- We will publish at least two pieces of research on our key policy priority areas to present evidence of the impact of policies on refugees and people seeking asylum;
- We will support the London RCO Advocacy Forum to connect refugees directly with policy and decision makers;
- We will continue to engage with the Refugee Advisory Group established to support the design and delivery of the Annual Tripartite Consultations on Resettlement meetings in Sheffield and Geneva.

Goal 5:**To be an independent, accountable, value-led and sustainable organisation**

- We will deliver excellent stewardship to our donors and diversify the channels through which we communicate with them.
- We will increase the number of people making donations. By the end of 2020/21 we will have recruited 10,000 cash donors and 1,500 committed givers. We will do this by continuing to test and develop new ways of recruiting donors;
- We will support the organisation to operate in a COVID-19 world, safeguard the operational and financial sustainability of our activities, the health and welfare of our staff, and start developing a longer term infrastructure strategy for the future.

Principal Risks and Uncertainties

Risk management

The Trustees have overall responsibility for ensuring that appropriate systems of financial and other controls are in place. Trustees are responsible for safeguarding the assets of the charity, taking reasonable steps for the prevention and detection of fraud and other irregularities and providing reasonable assurance that:

- The Refugee Council is operating efficiently and effectively;
- Its assets are safeguarded against unauthorised use or disposal;
- Proper records are maintained, and financial information used internally or for publication is reliable, and;
- The charity complies with relevant laws and regulations.

The systems of internal control are designed to provide reasonable, although not absolute, assurance against material misstatement or loss. They include:

- The adoption of a Strategic Plan and an Annual Plan and Budget by the Board of Trustees;
- Regular review of financial and operational results by the Senior Management Team, Resources Committee and the Board of Trustees against these plans;
- A review carried out by the Resources Committee with the external auditors of any matters raised for the attention of management;
- Clear rules for delegation of authority for expenditure;
- Health and safety risk management, review and monitoring procedures;
- Critical incident reporting and review procedures; and
- Management by the budget holder and the fundraising team of funding partnerships.

Trustees review risk both using a traditional risk register approach on specific risks, and also through regular reporting on risks that threaten the success of our strategic and operational goals. The review includes looking at existing controls and plans for mitigation, and further required actions and improvements.

Through this review the following risks were identified as the highest category risks for the Refugee Council for the coming period, all stemming ultimately from the ongoing COVID-19 pandemic.

Risk	Mitigation Actions
Coronavirus – health risk to our clients, staff and volunteers from COVID; welfare risk to our staff if inadequately supported through COVID disruption; risk to our ability to provide services; risk to our financial position; reputational risk if matters ill-handled.	Extensive risk assessment protocols have been put in place for all activities, with mitigations at minimum meeting government guidelines and frequently exceeding them. Provision of welfare resources, training & support to staff on both the work and personal aspects of coping in a COVID-19 world. Put in place alternative remote delivery mechanisms for the vast majority of our activity. Coronavirus and its impact is the chief focus of trustees and the senior management team, who have increased their frequency of meeting to daily to ensure emerging issues are picked up and responded to without delay.
Failure to deliver on operational and strategic goals. This is always an underlying risk to any organisation, but with the current exceptional circumstances it is more than usually likely that re-prioritisation of plans may be needed	Additional resources have been brought in to provide capacity to respond to the specific challenges of COVID-19 response. Funding has been bid for and secured to fund this work. We are being clear and transparent with both staff and external stakeholders that 'business as usual' will not always be possible. Senior Management Team are being stringent about agreeing what can realistically be achieved in these current times.

Drops in income reducing ability to grow or even maintain the organisation's current portfolio of charitable activity.	<p>Working with external funders to establish funding levels for the future and ensuring we work within them.</p> <p>Staying abreast of general funding landscape and trends in view of COVID-19, and applying caution to future income assumptions.</p> <p>Maintenance of reserve levels sufficient to fund any short term drops in income until budget is adjusted if required to a sustainable position.</p>
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There are in addition to the above a number of other risks that whilst significant in aggregate, are not individually critical. The impact of these can in general be assessed to give an estimated financial impact; such as the likely range by which income may fall short of budgets, or the resources required to put right issues arising. The overarching insurance and mitigation against these risks is the holding of sufficient levels of free reserves to protect against them. The process for setting the level of reserves we hold is described in the Reserves section below.

Financial review

After several years of significant growth, 2019/20 represented a stabilisation of our overall income and expenditure. Total income reduced slightly from £10.6 million last year to £10.2 million, with total expenditure increasing £10.5 million to £10.8 million.

Our expenditure on our charitable activities increased across all service headings, from a total of £9.1 million to £9.6 million.

Expenditure on generating funds reduced slightly from £1.4 million to £1.3 million. The income raised from these activities in 2019/20 was £3.1 million; which is to say a surplus of just under £1.9 million was raised from these activities and put towards our charitable activity.

Within income, total donations and legacies reduced by £1.0 million from 2018/19, however this was due to the one-off receipt of a £1.0 million donation in 2018/19, rather than a drop of any of our regular income streams. Income from Charitable Activities meantime increased by £0.8 million, most of which increase was for Integration Services due to the full twelve months of the New Roots service funding that started midway through 2018/19.

The net £0.6m deficit in the financial year represents the planned drawdown of resources received in prior years against 2019/20's expenditure.

Reserves

Total funds at 31 March 2020 stood at £4.9 million; of which £1.0 million is restricted by donors to fund specific projects, and £0.1 million is a long term endowment fund. Neither of these balances are available for general use.

Of the balance of £3.8 million unrestricted funds, £1.5 million has been designated and set aside by Trustees at the year-end as funding for specific future purposes. These designations are:

- Following planned drawdown of £350,000 in 2019/20, the balance of the £925,000 unrestricted donation received in 2018/19 from one of our long standing donors stands at £575,000. We expect most of this, £525,000 of this balance to be used in 2020/21.
- The amount of our overall funds invested in our tangible fixed assets, chiefly the value of fitting our service provision offices out for our specialist activities, comprises £633,000. This funding is set aside from general reserves to recognise that this value can only be realised by disposing of these assets, and assuming we retain them, to fund the depreciation we will incur on these assets over the life of the leases. The leases complete in and reserve will be used up in 2028.

- £62,000 balance left of the investment fund we initially created in 2016/17; which will be used for the final phases of fundraising systems development in 2020/21;
- £230,000 funding designated as funding against specific services; of which around £150,000 is expected to be drawn down in 2020/21 and the balance in 2021/22.

That leaves the balance of free unrestricted general reserves at 31 March 2020 of £2.3 million, a decrease of just over £0.1 million from the £2.4 million held at the start of the year.

We had originally budgeted for a drawdown of £0.2 million, this represents an outturn broadly in line with, and in fact a little better, than original financial plans for the year.

Reserve setting and reserve policy

The level of free unrestricted reserves maintained by the organisation is determined by balancing two competing objectives. On the one hand, we must make maximum and speedy use of resources provided by our funders to deliver real impact for refugees and asylum seekers; while on the other we must ensure that we have adequate resources to continue to deliver our services through periods of financial challenge and uncertainty, so that we will be here for refugees and asylum seekers over the medium term.

The Trustees regularly assess the risks to which the Refugee Council is exposed, and determine a range for reserve levels in light of these risks. The principal risks include the requirement for unexpected additional expenditure, a sudden unexpected change in the level of our income, and a need to maintain services in the short term and allow a wind down in a phased manner as individual funding stream ends.

While this process cannot come up with a precise figure for reserves, after taking these risks into consideration and bearing in mind the worst-case potential drop in income from Coronavirus, at the date of this report the Trustees believe the current appropriate level for free reserves is between £1.5m and £2.3m.

In assessing the level of reserves we ignore restricted reserves and endowments, where the funds have to be spent in accordance with the donors' intentions, the fixed asset reserve (because this cannot easily be realised to protect against risks) and other designated reserves where the trustees have already specifically set aside monies for expenditure in future periods.

At March 2020 the level of free unrestricted reserves is £2.3 million, at the top of this target range for reserves. In 2020/21 trustees set a balanced budget, however with the unknown impact of this year it is possible that a net drawdown from unrestricted reserves may be needed. We do not expect the size of the drawdown to take reserves below the lower limit of the reserves range.

Approach to Fundraising

The vast majority of the fundraising undertaken by the Refugee Council is done directly by our own staff, which means we are able to fully control the standards to which the work is carried out.

This year we worked with an agency to promote payroll giving and a telephone fundraising agency to promote regular giving. We expect all third parties who work with us to meet the same high standards as our own fundraisers and have contracts in place to ensure this. We do not currently undertake any street fundraising or door to door fundraising.

We use a mixture of consent and legitimate interest as our legal basis for processing supporters personal data for marketing purposes. We ask all supporters how they would prefer us to communicate with them. We give them the option to let us know if they prefer less contact or no longer wish to hear from us, and we always respect their wishes. We do not sell or exchange lists of data with any other charities or companies. For further details please see our privacy policy at <https://www.refugeecouncil.org.uk/privacy-policy/>

Occasionally, supporters or businesses wish to undertake fundraising through methods which fall under the term of commercial participator. These are often small-scale ventures such as proceeds or profits from books or clothes. In all such cases we carry out due diligence and require that the other party complies with all relevant fundraising regulation, including, where applicable, how they will protect vulnerable people.

During the year there were four such agreements in place, through which funds of £6,000 were raised for the organisation.

The Refugee Council has been registered with the Fundraising Regulator since its inception in July 2016 and with its predecessor, the Fundraising Standards Board, before then. We fully comply with the Code of Fundraising Regulations issued by the Fundraising Regulator. We take supporter complaints seriously and have established a process to handle, quantify and respond to complaints. This year we received eight complaints, all of which were resolved to the complainant's satisfaction by our Supporter Care team. We review all complaints received to determine any changes we need to make, and we update our database whenever a donor requests this. Our Fundraising Complaints Procedure can be easily found on our website.

All of our staff follow best-practice guidelines for dealing with vulnerable people as outlined in our Acceptance and Refusal of Donations Policy and Procedures.

In July 2017 the Fundraising Regulator launched the Fundraising Preference Service (FPS) aimed at providing people with the means to stop direct marketing from specific charities without having to contact them directly. In this financial year, Refugee Council has received three such requests.

Structure, Governance and Management

This report covers the year to 31 March 2020.

Organisational Structure

The British Refugee Council ("the Refugee Council") is a company limited by guarantee and is registered as a charity with the Charity Commission. The Refugee Council's governing documents are its Memorandum and Articles of Association. As at 31 March 2020 there were 11 trustees who were also members, and who as required by the Memorandum and Articles of Association agree to contribute £1 in the event of the charity winding up. The Trustees perform their work on a voluntary and non-remunerated basis, and are only reimbursed for minor costs such as transport to meetings.

Appointment of Trustees

The Board of Trustees consists of up to thirteen members who are appointed on the basis of an open recruitment exercise. The Board undertakes a regular skills audit for existing trustees and matches that against the desired skills and experience before undertaking any new recruitment, in order to ensure that the Board remains well equipped to meet its governance function.

One third of the trustees must stand down at the Board meeting immediately preceding each AGM, with those standing down eligible for re-election subject to a maximum length of office of 9 years. The Board elects a Chair and Honorary Treasurer from among their members, who are able to serve in these posts for a maximum length of seven years.

One trustee resigned during 2019/20 and there was one further resignation after year end but before the issuing of these accounts.

Trustee induction and training

All Trustees receive a full induction upon being appointed to the Board of Trustees. The induction includes an introductory session with the Senior Management Team and visits to see some of the service delivery work first hand. Through this they receive an overview of the work of the Refugee Council and grant arrangements with key funders. Trustees receive an induction pack which provides details of the charity's strategic plan, minutes of Board meetings for the previous year, financial information including budgets and procedures and more general information on the requirements of being a trustee. Trustees are kept up-to-date with legal and statutory requirements through circulation of materials, links to e-bulletins focusing on the voluntary sector, and where appropriate through attending external trustee training and networking events.

Organisation

The Board of Trustees meets on a regular basis throughout the year, and met formally four times during the year. The main tasks of the Board are:

- Setting and maintaining the vision, mission and values of the organisation
- Agreeing major organisational policies and programmes
- Approving the strategic direction, annual plans and associated budgets
- Reviewing progress against these plans and financial performance
- Monitoring risks and the mitigation actions taken

The Board also has two sub-committees, the Resources Committee and the Nominations Committee. The Resources Committee comprises the Chair, Treasurer, and three other Trustees with relevant experience; it also met four times during the year. This sub-committee, which operates within guidelines set by the Board, gives a greater level of scrutiny on financial and operational issues, including meeting with the external auditors and approving expenditures where they exceed levels delegated to management.

The Nominations Committee comprises the Chair and two other trustees under terms of reference agreed by the Board, which includes overseeing the recruitment and selection of new trustees and supporting the Chair of the Board in ensuring effective Board performance.

Day-to-day management is the responsibility of the Chief Executive, who is appointed by the Trustees, and a Senior Management Team comprising Executive Directors of Services, Income Generation, Advocacy and Engagement, and Finance and Resources.

Public Benefit

The Charities Act 2011 requires charities to demonstrate that their work is of direct benefit to the public. When planning the Refugee Council's activities each year, the Trustees take due regard of the Charity Commission's general guidance on public benefit.

Within the constraint of resources, and subject to any eligibility criteria for a specific service, the Refugee Council's services, described above, are available to all refugees and people claiming asylum. Services are offered in many of our clients' languages, without charging fees, and recognising the difficulties many face in meeting travelling costs. Our work on sector capacity building, refugee integration and education of the general public about refugee issues benefits the whole community by supporting community cohesion. Our work on policy, legislation and advocacy advances human rights and access to employment, education and health care, and combats destitution.

Policies

Investment policy

The charity has opted not to pursue a policy of investing surplus funds on the equities or bonds markets. Due to the short-term nature of these funds, it has chosen to place them on short-term cash deposit.

Remuneration Policy

The Refugee Council has a job grading system in place that, on the basis of a number of criteria, matches posts against the pay spine used by the National Joint Council for Local Government. This system is used for all posts in the organisation with the exception of executive staff. Employees normally join the organisation at the bottom of the scale for their post and move up the scale on an annual basis. In exceptional circumstances a market supplement may be paid in order to attract a candidate in a difficult to recruit to post. An annual cost of living award is paid to staff in line with that agreed by the National Joint Council. This resulted in an annual increase of 2% in April 2019. No bonuses are payable to any staff.

For executive staff the Refugee Council has to balance a number of factors, including the esteem and value of working for a charity, and the limited number of applicants for senior roles with experience and knowledge in some key functions. The Board are conscious that executive salaries need to remain competitive with the

sector whilst ensuring that there is appropriate consistency on remuneration across the organisation. Therefore in determining levels of executive pay, the Refugee Council will usually reference pay data from employment agencies, charities of a comparable size and sector competitors, and will consider the ratio between executive and median employee data. Annual cost of living awards for executive staff are normally comparable to any increases paid to non-executive staff. Senior management received annual cost of living increases of 2% in April 2019. Benefits received by executive staff are in line with those available to all staff.

The Board is directly responsible for the annual setting of the salary level of the Chief Executive, who in turn has delegated responsibility for other executive staff. Every two years the Board reviews the level of executive salaries based on benchmarking data, to ensure that salaries are still comparable to the median level of similar sized charities. Such an exercise was last taken in 2018/19, when the Board agreed that there was no requirement to adjust the salary of the Chief Executive other than the cost of living increase.

The ratio of the Refugee Council Chief Executive's salary to the median of staff salaries at March 2020 was 2.7 (March 2019 - 3.1).

Employees

The charity recognises the importance and commitment of its staff in the delivery of our plans and activities. Employees are kept up to date on matters affecting the charity through regular staff briefings and email updates. With staff spread over a number of offices, the Senior Management Team seek to ensure that they visit all the offices on a regular basis to provide organisational updates and for staff to raise questions.

The organisation holds an all-staff conference every two years, to which volunteers are also invited, to foster a spirit of sharing and co-operation. We formally recognise the trade union Unison, and meet with union representatives quarterly in order to consult on issues affecting employees' interests, and the Chair of the Board also meets the union once a year.

Volunteers

Volunteers are critical to the work we are able to achieve and their support makes the impact that we have so much greater. The contribution of volunteers amounted to some 51,431 hours of support during the year. Whilst we do not account for the value of this time in our financial statements, we can note that if we were to value their support to our work at only £10 per hour, which would amount to £514,310 worth of time, or the equivalent of 32 full time staff. Not only do staff appreciate their value but also our beneficiaries who are at the receiving end of their valuable time. This year we have put resources into supporting volunteers and improving our support of them alongside our work to renew our external accreditation, the Investing in Volunteers Award.

Each year Brian Marsh, chair of the Marsh Christian Trust, sponsors awards for volunteering. We held several volunteer celebrations in the year and gave out five Marsh Awards for the best volunteer ideas and an award for the Volunteer of the Year. Thank you Brian Marsh.

The Trustees and staff give a big thank you to all the very talented volunteers who work to support and help us improve the lives of refugees.

Statement of Trustees' responsibilities

The Trustees are responsible in accordance with applicable law and regulations for preparing the Annual Report of the Trustees and the Strategic Report, as well as the financial statements.

Company law requires the Trustees to prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including income and expenditure, of the charity for that period.

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

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting 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; and
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that the charity will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy the financial position of the charity at any time, 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 charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Financial statements are published on the charity's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements, which may vary from legislation in other jurisdictions. The trustees' responsibility also extends to the ongoing integrity of the financial statements contained therein. The maintenance and integrity of the charity's website is the responsibility of the trustees.

Provision of information to auditor

Each of the persons who is a trustee at the date of approval of this Report confirms that:

- so far as the trustee is aware, no relevant audit information has been withheld from the company's auditor; and
- the trustee has taken all the steps that he or she could reasonably be expected to have taken as a trustee in order to make himself or herself aware of any relevant audit information, and has established that this information has not been withheld from the auditor.

Auditor

A resolution to re-appoint Moore Kingston Smith LLP as the Company's auditor will be proposed at the forthcoming Annual General Meeting.

This Trustees' Report, incorporating the Strategic Report, was approved and authorised for issuance by the Council on 10 September 2020 and signed on its behalf by:

Andrew Halper
Chair



10 September 2020

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BRITISH REFUGEE COUNCIL

Opinion

We have audited the financial statements of British Refugee Council ('the company') for the year ended 31 March 2020 which comprise the Statement of Financial Activities (including the Income and Expenditure Account), the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 'The Financial Reporting Standard Applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

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 2020 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.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs(UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the strategic report and the trustees' annual report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the trustees' annual report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the trustees' annual report.

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

- 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.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 15, 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, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs (UK) we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the charitable company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charitable company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Use of our report

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.

Moore Kingston Smith LLP

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Andrew Stickland (Senior Statutory Auditor)

for and on behalf of Moore Kingston Smith LLP, Statutory Auditor

Date: 16 September 2020

Devonshire House
60 Goswell Road
London
EC1M 7AD

STATEMENT OF FINANCIAL ACTIVITIES

Including Income and Expenditure Account

	Notes	Unrestricted Funds £'000	Restricted Funds £'000	Endowment Funds £'000	2019/20 Total £'000	2018/19 Total £'000
Income from:						
Donations and Legacies	2 & 5	2,292	575	-	2,867	3,894
Charitable Activities	3 & 5	181	6,924	-	7,105	6,307
Other Trading Activities	4	258	-	-	258	348
Investments		13	1	-	14	17
Total Income		2,744	7,500	-	10,244	10,566
Expenditure on:						
Raising Funds:						
Fundraising		1,006	-	-	1,006	1,031
Premises rentals		255	-	-	255	349
Total Raising Funds		1,261	-	-	1,261	1,380
Charitable Activities:						
Resettlement		140	2,784	-	2,924	2,771
Children's Services		209	2,420	-	2,629	2,648
Integration		131	2,522	-	2,653	2,517
Advocacy and Awareness Raising		479	174	-	653	556
Therapeutic Services		83	546	-	629	528
Destitution		2	87	-	89	97
Total Charitable Activities		1,044	8,533	-	9,577	9,117
Total Expenditure	6a - d	2,305	8,533	-	10,838	10,497
Net Income/(Expenditure)		439	(1,033)	-	(594)	69
Transfers between Funds	15	(878)	878	-	-	-
Net movement in funds		(439)	(155)	-	(594)	69
Reconciliation of funds:						
Total funds brought forward		4,228	1,181	110	5,519	5,450
Total funds carried forward		3,789	1,026	110	4,925	5,519

The statement of financial activities includes all gains and losses recognised in the year. All incoming resources and resources expended are derived from continuing activities.

The accompanying notes form an integral part of this Statement of Financial Activities.

BALANCE SHEET
FOR THE YEAR ENDED 31 MARCH 2020
REGISTERED COMPANY NO: 2727514

	Notes	31 March 2020 £'000	31 March 2019 £'000
Fixed Assets:			
Tangible assets	8	704	899
Investments		<u>4</u>	<u>4</u>
Total Fixed Assets		<u>708</u>	<u>903</u>
Current assets:			
Debtors	9	2,683	2,504
Cash at bank and in hand	10	<u>3,049</u>	<u>3,597</u>
Total Current Assets		<u>5,732</u>	<u>6,101</u>
Creditors: Amounts falling due within one year	11	<u>(1,415)</u>	<u>(1,242)</u>
Net current assets		<u>4,317</u>	<u>4,859</u>
Total assets less current liabilities		5,025	5,762
Provision for liabilities	12	<u>(100)</u>	<u>(243)</u>
Total Net Assets		<u>4,925</u>	<u>5,519</u>
The funds of the charity			
Unrestricted funds:			
Designated funds		1,500	1,824
General Reserves		<u>2,289</u>	<u>2,404</u>
Total Unrestricted Funds		<u>3,789</u>	<u>4,228</u>
Restricted Income Funds		1,026	1,181
Endowment Funds		110	110
Total charity funds	13 - 15	<u>4,925</u>	<u>5,519</u>

These accounts, including this balance sheet and the notes on pages 26 to 42, were approved by the Board of Trustees of the British Refugee Council on 10 September 2020, and are signed on its behalf by:



Nick Whitaker FCA

Treasurer

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2020

	Notes	2019/20 Total £'000	2018/19 Total £'000
Cash flows from operating activities:			
<i>Net cash provided by / (used in) operating activities</i>	(i)	<u>(467)</u>	<u>277</u>
Cash flows from investing activities:			
Dividends, interest and rents from investments		14	17
Proceeds from the sale of property, plant and equipment		-	-
Purchase of property, plant and equipment		(95)	(626)
<i>Net cash provided by / (used in) investing activities</i>		<u>(81)</u>	<u>(609)</u>
<i>Change in cash and cash equivalents in the year</i>		<u>(548)</u>	<u>(332)</u>
Cash and cash equivalents at the beginning of the year		3,597	3,929
Cash and cash equivalents at the end of the year	(ii)	<u>3,049</u>	<u>3,597</u>
(i) Reconciliation of net income/(expenditure) to net cash flow from operating activities			
Net income/(expenditure) for the year		(594)	69
Adjustments for:			
Depreciation charges		127	96
Loss on sale of fixed assets		163	-
Interest		(14)	(17)
(Increase)/decrease in debtors		(179)	380
Increase/(decrease) in creditors & provisions		30	(251)
Net cash provided by/(used in) operating activities		<u>(467)</u>	<u>277</u>
(ii) Analysis of cash and cash equivalents			
Cash in hand		1,684	2,241
Notice deposits (less than 3 months)		1,365	1,356
Total cash and cash equivalents		<u>3,049</u>	<u>3,597</u>

STATEMENT OF CASH FLOWS CONT'D**ANALYSIS OF CHANGES IN NET DEBT
FOR THE YEAR ENDED 31 MARCH 2020**

	At 01 April 2019	Cash-flows	At 31 March 2020
	£'000	£'000	£'000
Cash in hand	2,241	(557)	1,684
Cash equivalents	1,356	9	1,365
TOTAL	3,597	(548)	3,049

NOTES TO THE FINANCIAL STATEMENTS**1. ACCOUNTING POLICIES****(a) Basis of accounting**

The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value. The financial statements have been prepared in accordance with the Statement of Recommended Practice – Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) effective 1 January 2015) – (Charities SORP (FRS 102), the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Companies Act 2006. The principal accounting policies adopted in the preparation of the financial statements are set out below.

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

Following the emergence of the COVID-19 pandemic an extensive review of the income and cash streams that fund The Refugee Council was conducted, and has been updated regularly. We are expecting a drop of voluntary income in the medium to longer term, but the size of this is well within the levels of unrestricted reserves set aside. As the organisation already had cloud software, there has been little in the way of additional transition costs to working remotely. There has been some impact on IT and HR costs, but we have been able to successfully bid into emergency funding rounds to cover these costs. We are saving running costs, as travel and subsistence and room hire budgets in particular are not required during remote working. Almost all of our major income streams continue and will fund working remotely. Refugee Resettlement is on hold during the time of Coronavirus disruption, and we will see a funding shortfall on that activity. However we are dealing with the immediate effects of that by use of the government furlough scheme, supplemented by offering secondment opportunities to staff; and we do not therefore expect the net costs of this funding drop to be critical.

In summary, whilst we do expect some impact of the current COVID-19 pandemic on our operating and financial planning, this will certainly not be existential, and in fact have a reasonable level of expectation will be within the range of annual variability we would normally experience.

Based on the above and the level of reserves, the trustees consider therefore that there are no material uncertainties about the Refugee Council's ability to continue as a going concern and accordingly the financial statements continue to be prepared on the going concern basis.

The functional currency of the charity is pounds Sterling.

(b) Income

Income is recognised in these accounts where there is entitlement to the income, where it is probable that the income will be received, and where the amount can be measured reliably. Income received in advance of these criteria being met is deferred as a liability.

Income from Donations and Legacies

Donations and legacies includes donations and gifts, legacies, and all other income that is in substance a gift made on a voluntary basis. It also includes grants of a general nature provided by government and charitable foundations which are not conditional on delivery of certain levels or volumes of a service. The donation may be made towards the general aims of the Refugee Council (unrestricted), or towards a specific service or aim (restricted). Donations are recognised on receipt of the donation, or if earlier, at the point where there is a written obligation for a donor to pay a specified donation. Legacies are recognised at the point of probate being granted and the estate value can be estimated reliably.

NOTES TO THE FINANCIAL STATEMENTS

Income from Charitable Activities

Income from charitable activities includes income earned from the supply of services under contractual arrangements, and from grants that specify the provision of a particular charitable service.

Income under contractual arrangements is recognised when the income falls due under the terms of the contract.

Income from grants that are subject to performance or other conditions are recognised when the conditions are deemed met. Where a grant agreement states that funding is conditional on eligible expenditure having been made, such as our provision of the Gateway Resettlement service, our entitlement to income matches expenditure incurred and so we recognise income when eligible expenditure is made. Where a performance related grant is given for charitable activity to be performed over a specified period of time, the entitlement arises and the income is recognised for the period of activity for which it is awarded. For example multi-year grants approved on the basis of annual budgets are recognised over the life of the multi-year charitable activity in line with the approved annual budgets.

Income from Other Trading Activities

Comprises primarily rental income received on renting out surplus office space. Rental income is recognised on a straight line basis over the term of the rental agreement..

(c) Expenditure

All expenditure is accounted for on an accruals basis and has been classified under the related activity. The expenditure comprises direct expenditure including direct staff cost attributable and allocated support cost. Support costs represent central operational overheads such as Finance, Human Resources, Information Technology, and Office Services incurred in provision of services and the costs of governing the organisation. Support costs are allocated to activities on the basis of a percent on top of the expenditure supported as this is deemed the most appropriate measure of how such resources are used.

Expenditure on raising funds are those costs incurred in attracting donations and legacies.

Charitable activities include grants payable and expenditure associated with the provision of service to the beneficiaries and stakeholders of the charity, and covers both direct cost and allocated support cost relating to these activities. Grants payable are accounted for when the directors have created a constructive obligation to make the grant. The value of grants approved and communicated but still to be paid are included in the balance sheet as current liabilities.

Charitable activities have been classified into the following main activities of the charity:

- Resettlement – where we work in partnership with local authorities in providing high quality services to integrate refugees in England;
- Children's Services – where we provide services to separated children, children who have been trafficked and or suffered traumatic experiences;
- Integration – where we support those with newly granted refugee status to move into mainstream support systems;
- Advocacy and Awareness Raising – where we promote the rights of refugees and to ensure that UK immigration legislation and European directives are responded to in a co-ordinated manner, including the use of research, public campaigns, policy influencing, parliamentary lobbying and media work;
- Therapeutic Services – where we offer a holistic response to the complex needs of refugees who have suffered traumatic experiences;
- Destitution – where we provide immediate personal support to those at risk of destitution and also access to advice.

NOTES TO THE FINANCIAL STATEMENTS

(d) Fund accounting

The charity maintains various types of funds as follows:

Unrestricted funds

General unrestricted funds represent funds which are expendable at the discretion of the Trustees in the furtherance of the objects of the charity.

Designated funds are unrestricted funds transferred from general funds and set aside at the discretion of the Board of Trustees for particular purposes. The Trustees review the composition of the funds annually in order to assess their continued use and make new reserves in line with the future strategy of the charity.

The current status of designated and general funds is disclosed in note 15a.

Restricted funds

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by the donors. The aim and use of key restricted funds are set out in note 15b to the financial statements.

Endowment funds

The charity holds one endowment fund which capital sum is to be held in perpetuity with the interest on the balance used to support refugees' education. The aim and use of this endowment fund is set out in note 15c to the financial statements.

Transfers

Transfers in certain situations may be made between categories of funds. Funds may be transferred between Unrestricted and Designated funds at the discretion of the Board of Trustees to set aside resources for a particular purpose. Where expenditure against a primarily restricted funded project exceeds the restricted funding available from donors in the year, funding is transferred from unrestricted funds to meet the excess cost.

(e) Tangible fixed assets and depreciation

Tangible fixed assets purchased for the Refugee Council's purposes and costing more than £2,000 are capitalised and included at cost, including any incidental expenses of acquisition. Depreciation is calculated so as to write off tangible assets on a straight line basis over the expected useful lives as follows:

Freehold buildings	50 years
Leasehold property improvements	lesser of 10 years from date of purchase or lease period
Computer equipment	3 years
Motor vehicles, furniture, fixtures and equipment	5 years

(f) Value added tax

Irrecoverable Value Added Tax is included in the relevant costs in the Statement of Financial Activities.

NOTES TO THE FINANCIAL STATEMENTS

(g) Pensions

The organisation operates a defined contribution pension scheme for employees and the amount charged to the Statement of Financial Activities in respect of pension costs and other post-retirement benefits is the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments in the balance sheet.

(h) Finance and operating leases

Rentals applicable to operating leases, where substantially all the benefits and risk of ownership remain with the lessor, are charged to the Statement of Financial Activities over the period in which the cost is incurred. The Refugee Council has no assets under finance leases, which confer rights, and obligations similar to those attached to owned assets.

(i) Provision for liabilities

Provision for liabilities only arises where the charity has a legal or constructive obligation to meet future liabilities. The following liabilities have been recognised in the accounts:

Dilapidations

Provision is made for dilapidation works due to arise on leasehold properties. The Refugee Council has a contractual obligation to absorb such future costs.

(j) Critical accounting estimates and areas of judgement

In the view of the trustees in applying the accounting policies adopted, no judgements were required that have a significant effect on the amounts recognised in the financial statements nor do any estimates or assumptions made carry a significant risk of material adjustment in the next financial year.

(k) Other financial instruments**i. Cash and cash equivalents**

Cash and cash equivalents include cash at banks and in hand and short term deposits with a maturity date of three months or less.

ii. Debtors and creditors

Debtors and creditors receivable or payable within one year of the reporting date are carried at their transaction price.

NOTES TO THE FINANCIAL STATEMENTS

2. Donations and legacies	Unrestricted Funds £'000	Restricted Funds £'000	2019/20 Total £'000	Unrestricted Funds £'000	Restricted Funds £'000	2018/19 Total £'000
Donations and gifts from individuals	1,592	208	1,800	2,663	185	2,848
Legacies	401	-	401	347	-	347
Trust income & general grants	299	367	666	26	673	699
Total	2,292	575	2,867	3,036	858	3,894

3. Charitable activities	Unrestricted Funds £'000	Restricted Funds £'000	2019/20 Total £'000	Unrestricted Funds £'000	Restricted Funds £'000	2018/19 Total £'000
Resettlement	28	2,725	2,753	26	2,651	2,677
Children's Services	81	1,841	1,922	158	1,934	2,092
Integration	20	1,944	1,964	11	1,121	1,132
Advocacy and Awareness Raising	50	176	226	25	113	138
Therapeutic Services	2	238	240	2	227	229
Asylum Support	-	-	-	39	-	39
Total	181	6,924	7,105	261	6,046	6,307

4. Other Trading Activities	Unrestricted Funds £'000	Restricted Funds £'000	2019/20 Total £'000	Unrestricted Funds £'000	Restricted Funds £'000	2018/19 Total £'000
Premises sublets and rentals	258	-	258	348	-	348
Total	258	-	258	348	-	348

NOTES TO THE FINANCIAL STATEMENTS

5a. Grants included within donations and legacies:

Activity	Funder	Grant For	2019/20 £'000	2018/19 £'000
Integration	Various trusts	Employment, Refugee Advice Project, Private Rented Scheme	51	217
Integration	Fresh Leaf Foundation	Refugees into Jobs	16	-
Children's Services	Various trusts	Various Children's Projects	186	213
Children's Services	The Austin and Hope Pilkington Trust	My View Birmingham	5	-
Children's Services	Croydon Council Community Grants	Youth Development	15	-
Children's Services	Schroder Charity Trust	Youth Development	8	-
Children's Services	Islamic Relief	Trafficked Children's Project	23	-
Integration	Starbucks	Employment	20	101
Children's Services	The Rayne Foundation	My View: Therapeutic Services for Refugee Children	-	40
Resettlement	Reset Communities and Refugees	Capacity Building for Community Sponsorship of Refugees Programme	8	13
Therapeutic Services	Various trusts	Adults Therapeutic Services	5	10
Resettlement	Skills for Care	Supporting newly qualified social workers to complete ASYE	-	2
Destitution	Various trusts	Destitution	3	8
Destitution	West Hackney Parochial Charity	Destitution	4	-
Various	Other funders	Other grants	28	73
Other Trust and Statutory Grants			368	677
Total Grants included within donations and legacies			368	677

5b. Grants included within charitable activities:

Activity	Funder	Grant For	2019/20 £'000	2018/19 £'000
Resettlement	Leeds City Council	Yorkshire & Humberside Syrian Vulnerable Persons Relocation Scheme	1,625	1,782
Children's Services	Home Office	Children's Panel and Kent Intake Unit	1,600	1,600
Integration	Asylum Migration & Integration Fund (AMIF)	New Roots	1,230	511
Resettlement	Sheffield City Council	Gateway Resettlement Programme	626	476
Integration	Health Education England	Building Bridges	340	291
Resettlement	Various Hertfordshire Councils	Hertfordshire Syrian Vulnerable Persons Resettlement Scheme	285	302
	Lewisham Council	Lewisham Resettlement	141	-
Integration	National Lottery Community Fund	Health Access for Refugees Programme (HARP 2)	119	68
Integration	National Lottery Community Fund	Barnsley Refugee Advice Project	116	114
Therapeutic Services	Leeds City Council	VPRS South Yorkshire	75	43
Therapeutic Services	Cambridge & Peterborough CCGs	VPRS - Cambridge & Peterborough	55	52
	Birmingham CCG	Birmingham Therapeutic Services	48	-
	Migration Fund	My View Birmingham	40	-
Resettlement	Bassetlaw District Council	Syrian Vulnerable Persons Refugee Programme	33	75
	Sheffield CCG	Client Consultation	5	-
Therapeutic Services	Ipswich CCG	VPRS- Ipswich	8	42
Government Grants			6,346	5,356

NOTES TO THE FINANCIAL STATEMENTS

5b. Continued: Grants included within charitable activities:

Activity	Funder	Grant For	2019/20 £'000	2018/19 £'000
Children's Services	People's Postcode Lottery	From Surviving to Thriving	4	164
Integration	World Jewish Relief	Regional Employment Programme	125	133
Integration	City Bridge Trust	Refugee Community Organisation Capacity Building	-	26
Therapeutic Services	Comic Relief	Safer Refugee Women	21	50
Mixed	Comic Relief	Core Grant	100	50
Children's Services	Comic Relief	Refugee Cricket Project	92	-
Children's Services	Comic Relief	Age Disputes	-	48
Children's Services	Comic Relief	My View (London, Boys)	52	46
Children's Services	Children in Need	My View (London, Boys)	10	-
Children's Services	Children in Need	Youth Development	39	44
Therapeutic Services	City Bridge Trust	Improving Londoners' Mental Health	-	39
Advocacy and Awareness Raising	Other Funders	Detention Forum	20	60
Advocacy and Awareness Raising	Barrow Cadbury Trust	Detention Forum	23	23
Advocacy and Awareness Raising	The Bromley Trust	Detention Forum	5	5
Various	Others	Others	183	66
Other Trust and Statutory Grants			674	754
Total Grants included within charitable activities			7,020	6,110

There are no unfulfilled conditions and other contingencies attaching to government or other grants that have been recognised in income. There has not been any other forms of government assistance from which we have directly benefitted.

NOTES TO THE FINANCIAL STATEMENTS

6a. Expenditure comparitors	Unrestricted Funds £'000	Restricted Funds £'000	2019/20 Total £'000	Unrestricted Funds £'000	Restricted Funds £'000	2018/19 Total £'000
Raising Funds:						
Fundraising	1,006	-	1,006	1,031	-	1,031
Premises sublet	255	-	255	349	-	349
Total Raising Funds	1,261	-	1,261	1,380	-	1,380
Charitable Activities:						
Resettlement	140	2,784	2,924	84	2,687	2,771
Children's Services	209	2,420	2,629	237	2,411	2,648
Integration	131	2,522	2,653	127	2,390	2,517
Advocacy and Awareness Raising	479	174	653	493	63	556
Therapeutic Services	83	546	629	122	406	528
Destitution	2	87	89	10	87	97
Total Charitable Activities	1,044	8,533	9,577	1,073	8,044	9,117
Total Expenditure	2,305	8,533	10,838	2,453	8,044	10,497

6b. Expenditure analysis	Staff Costs £'000 Note 7(a)	Other Direct Costs £'000	Grant expenditure £'000 Note 6(d)	Subtotal £'000	Support Costs £'000 Note 6(c)	Total £'000
2019/20 Expenditure on:						
Raising Funds:						
Fundraising	486	377	-	863	143	1,006
Premises sublet	-	255	-	255	-	255
Total Raising Funds	486	632	-	1,118	143	1,261
Charitable Activities:						
Resettlement	1,997	504	-	2,501	423	2,924
Children's Services	1,654	604	1	2,259	370	2,629
Integration	1,289	538	507	2,334	319	2,653
Advocacy and Awareness Raising	370	124	75	569	84	653
Therapeutic Services	365	178	-	543	86	629
Destitution	43	33	-	76	13	89
Total Charitable Activities	5,718	1,981	583	8,282	1,295	9,577
Support Costs (Note 6(c))	887	551	-	1,438	(1,438)	-
Total	7,091	3,164	583	10,838	-	10,838
2018/19 Expenditure on:						
Raising Funds:						
Fundraising	571	324	-	895	136	1,031
Premises sublet	-	349	-	349	-	349
Total Raising Funds	571	673	-	1,244	136	1,380
Charitable Activities:						
Resettlement	1,856	546	-	2,402	369	2,771
Children's Services	1,609	659	37	2,305	343	2,648
Integration	955	409	931	2,295	222	2,517
Advocacy and Awareness Raising	324	160	6	490	66	556
Therapeutic Services	319	142	-	461	67	528
Destitution	44	33	-	77	20	97
Total Charitable Activities	5,107	1,949	974	8,030	1,087	9,117
Support Costs (Note 6(c))	631	460	-	1,091	(1,091)	-
Total	6,309	3,082	974	10,365	132	10,497

NOTES TO THE FINANCIAL STATEMENTS

6c. Support Costs	2019/20 £'000	2018/19 £'000
Central Premises and Business Support	445	466
Finance and Payroll	306	236
Human Resources	295	241
Gredley House - Disposal Fit-Out Asset	102	-
Information & Communication Technology	122	179
Governance Costs	107	102
Digital & Web development	7	83
Senior Management	54	51
VAT provision made / (released)	-	(135)
Total Support Costs	1,438	1,223

The above support costs are allocated pro-rata to the expenditure of activities supported (see Note 1c.)

6d. Grant Expenditure

	For	Activity	2019/20 £'000	2018/19 £'000
Institutional Grants to				
London Metropolitan University	Building Bridges	Integration	139	126
Goodwin Trust	New Roots	Integration	113	37
Refugee Education & Training Advice Service	New Roots	Integration	97	35
Student Action for Refugees	STAR grant	Advocacy and Awareness Raising	75	-
PATH Yorkshire	New Roots	Integration	67	20
Glowing Results	Building Bridges	Integration	34	19
Barnsley CVS	Refugee Advice Project	Integration	31	24
Humber Community Advice Services	New Roots	Integration	26	13
ECPAT	Trafficking Training	Childrens	1	37
Counterpoint Arts	Refugee Week	Advocacy and Awareness Raising	-	6
i) Expenditure on Grants to Institutions			583	317
Individual Grants paid under				
Syrian Refugee Grants Fund	Education and Employment	Integration	-	657
ii) Expenditure on Grants to Individuals			-	657
Total Grant Expenditure			583	974

Support costs are incidental to the costs of making institutional grants and so there were no support costs allocated to institutional grants in the current or prior year.

There were no grants and so no cost of administering the Syrian Refugee Grants Fund in 2019/20. The cost in 2018/19, including the cost of processing applications, awarding grants, making payments, and monitoring and reporting on the fund, was £77k.

7a. Staff costs and employee benefits

	2019/20 £'000	2018/19 £'000
Wages and salaries	5,823	5,247
Social security costs (employer's National Insurance)	560	504
Employer's contribution to defined contribution pension	238	187
Salaried Employees	6,621	5,938
Wages and salaries	447	477
Social security costs (employer's National Insurance)	15	15
Employer's contribution to defined contribution pension	8	7
Sessional Workers	470	499
Total staff costs	7,091	6,437

NOTES TO THE FINANCIAL STATEMENTS

The number of employees whose remuneration as defined for taxation purposes amounted to £60,000 and upwards in the year was as follows:

	2019/20	2018/19
£60,000 - £69,999	3	3
£80,000 - £89,999	1	1
Total	4	4

Pensions payments in respect of the above in 2019/20 were £16k (2018/19: £12k).

The remuneration of the senior executives is set in accordance with the policy set out in the Trustees Report. In 2019/20 the below posts were classified as Senior Executive. The actual remuneration (including amounts paid in respect of employer's National Insurance and Pension contributions) paid for the individuals who were in post during the year is shown below, and the names of the post holders can be found on p42.

As some individuals were part time or only in post for part of the year, the Full Time Equivalent (FTE) full year salary on which their remuneration is based for the current year is also shown for comparison.

	FTE Salary for Post £	Actual Salary paid £	Employer's NI paid £	Employer's Pension paid £	Total Remuneration £	Total Remuneration £
	2019/20	2019/20	2019/20	2019/20	2019/20	2018/19
Chief Executive	85,938	85,938	10,669	4,297	100,904	98,930
ED Services	67,117	58,402	6,860	2,917	68,179	74,438
ED Advocacy and Engagement	64,953	64,953	7,773	3,248	75,974	74,488
ED of Income Generation	64,505	64,505	7,711	2,580	74,796	72,702
ED Finance and Resources (to 30 September)	0	0	0	0	0	41,658
ED Finance and Resources	64,770	64,770	7,748	3,239	75,757	37,137
Total Senior Executive Remuneration		338,567	40,761	16,280	395,610	399,353

7b. Average Staff Numbers

The average full time equivalent (FTE) and count of salaried employees within the year was as follows:

	2019/20		2018/19	
	FTE	Headcount	FTE	Headcount
Charitable Activities:				
Resettlement	51	58	53	60
Children's Services	42	46	46	50
Integration	35	40	20	23
Therapeutic Services	9	16	7	11
Advocacy & Engagement	8	9	8	9
Destitution	1	1	1	1
Total Charitable Activities	147	169	136	154
Raising Funds	13	14	15	16
Support	20	21	17	19
Total Staff Employed	180	204	168	189

In addition to salaried employees, the Refugee Council uses sessional workers on an ad hoc bookings basis, chiefly for the provision of interpretation. In 2019/20 we paid a total of 198 sessional workers (2018/19: 245).

NOTES TO THE FINANCIAL STATEMENTS

8. Tangible Fixed Assets	Leasehold property improvement	Computer equipment	Furniture, fixtures and equipment	Total
	£'000	£'000	£'000	£'000
Cost				
<i>At beginning of the year - 1 April 2019</i>	1,253	411	281	1,945
Additions	96	(1)	-	95
Disposals	(599)			(599)
At end of the year - 31 March 2020	750	410	281	1,441
Depreciation and impairments				
<i>At beginning of the year - 1 April 2019</i>	416	396	235	1,047
Depreciation	113	5	9	127
Depreciation on Disposals	(437)			(437)
At end of the year - 31 March 2020	92	401	244	737
<i>Net book value at beginning of the year</i>	837	15	46	898
Net book value at end of the year	658	9	37	704

9. Debtors	31 March 2020 £'000	31 March 2019 £'000
Accrued income	1,892	1,152
Prepayments	155	286
Trade Debtors	568	997
Other debtors	68	69
Total Debtors	2,683	2,504

Trade and other debtors are recognised at the settlement value due, net of any discounts offered or impairment provision.

10. Cash at bank and in hand	31 March 2020 £'000	31 March 2019 £'000
Cash on short term deposit	1,365	1,356
Cash at bank and in hand	1,684	2,241
Total Cash at bank and in hand	3,049	3,597

NOTES TO THE FINANCIAL STATEMENTS

11. Creditors: Amounts falling due within one year	31 March 2020 £'000	31 March 2019 £'000
Trade creditors	98	157
Other creditors	178	160
Taxation and social security	369	159
Accruals	274	284
Deferred income (i)	496	482
Total Creditors falling due within one year	<u>1,415</u>	<u>1,242</u>

Creditors are recognized where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party, and the amount due can be measured or estimated reliably.

Deferred income includes funding received in advance of funding conditions being met, and contract payments received in advance.

(i) Movement on Deferred Income	2019/20 £'000	2018/19 £'000
Deferred income at 1 April	482	144
Income released from the previous year	(482)	(144)
Funding received and deferred	496	482
Deferred income at 31 March	<u>496</u>	<u>482</u>

12. Provisions

Dilapidations provisions result from constructive obligations arising under leaseholder agreements.

Dilapidations Provisions	2019/20 £'000	2018/19 £'000
Provided at 1 April	243	163
Movement in provisions in the year	(143)	80
Provided at 31 March	<u>100</u>	<u>243</u>

NOTES TO THE FINANCIAL STATEMENTS

13. Movement on Funds Summary

	Unrestricted Funds £'000	Restricted Funds £'000	Endowment Funds £'000	Total Funds £'000
2019/20				
Balance at 1st April	4,228	1,181	110	5,519
Income	2,744	7,500	-	10,244
Expenditure	(2,305)	(8,533)	-	(10,838)
Net Income / (Expenditure)	439	(1,033)	-	(594)
Transfers	(878)	878	-	-
Net Movements in funds	(439)	(155)	-	(594)
Balance at 31st March	3,789	1,026	110	4,925

2018/19

Balance at 1st April	3,620	1,720	110	5,450
Income	3,657	6,909	-	10,566
Expenditure	(2,453)	(8,044)	-	(10,497)
Net Income / (Expenditure)	1,204	(1,135)	-	69
Transfers	(596)	596	-	-
Net Movements in funds	608	(539)	-	69
Balance at 31st March	4,228	1,181	110	5,519

14. Funds assets and liabilities

	Unrestricted Funds £'000	Restricted Funds £'000	Endowment Funds £'000	Total Funds £'000
2019/20				
Fixed Assets & Investments	708	-	-	708
Debtors	748	1,935	-	2,683
Cash at bank and in hand	2,587	352	110	3,049
Total Assets	4,043	2,287	110	6,440
Creditors	(154)	(1,261)	-	(1,415)
Provision for liabilities	(100)	-	-	(100)
Liabilities	(254)	(1,261)	-	(1,515)
Net Assets and Funds Total	3,789	1,026	110	4,925

2018/19

Fixed Assets & Investments	903	-	-	903
Debtors	740	1,764	-	2,504
Cash at bank and in hand	3,513	(26)	110	3,597
Total Assets	5,156	1,738	110	7,004
Creditors	(146)	(1,096)	-	(1,242)
Provision for liabilities	(243)	-	-	(243)
Liabilities	(389)	(1,096)	-	(1,485)
Net Assets and Funds Total	4,228	1,181	110	5,519

NOTES TO THE FINANCIAL STATEMENTS

15. Funds Details

15a. Unrestricted Funds	Balance at 1 April 2019 £'000	Income £'000	Expenditure £'000	Net I&E before Transfers £'000	Transfers £'000	Balance at 31 March 2020 £'000
General Fund	2,404	2,744	(2,186)	558	(673)	2,289
Designated Funds:						
(i) Fixed Asset Reserve	819	-	(119)	(119)	(67)	633
(ii) Investment Fund	80			-	(18)	62
(iii) Major Trust Services Fund	-			-	230	230
(iv) Major Donor Services Fund	925			-	(350)	575
Total Designated Funds	1,824	0	(119)	(119)	(205)	1,500
Total Unrestricted Funds	4,228	2,744	(2,305)	439	(878)	3,789

(i) The Fixed Asset Reserve represents unrestricted funds invested in tangible fixed assets for use by the charity, which are not available for other purposes. Fixed asset depreciation is charged to these balances. The transfer out is the net of funding transferred to fund the write out of carrying balances on the Gredley House fit-out on assignment of the lease, and funding set aside in respect of fit-out works at The Grove (Alf Dubs House)

(ii) The investment fund programme substantially finished in 2019/20, with the final balance remaining in respect of fundraising investment balances. We expect to spend the remaining balance in 2020/21.

(iii) In 2019/20 the Ajahma Charitable Trust closed and granted £230k towards services in future years. The gift was made as an unrestricted donation, but as we had planned to use this against specific services, trustees ring-fenced this against those services by creation of a designated reserve.

(iv) In 2018/19 we received a gift of £1m from one of our loyal supporters. With the exception of £75k the donor requested we restrict towards funding for another refugee support charity, shown within restricted fund xiv) below, the donor was content for this gift to be used in line with our overall charitable objects. As a major and one-off gift, trustees agreed to designate this against the three year period 2019/20 - 2021/22's budget as continuity funding for our core services. £350k of this funding was used in 2019/20 to fund our work with children, and our provision of therapeutic services.

The net £905k (2018/19: £596k) transfer out of unrestricted and into restricted funds represents our use of unrestricted resources to part fund restricted charitable expenditure. For the most part this is in the case where we have planned for an activity to be funded from a mix of unrestricted and restricted income, but can also arise where funder rules preclude their funding of the full cost of the activity.

15b. Restricted Funds:	Balance at 1 April 2019 £'000	Income £'000	Expenditure £'000	Net I&E before Transfers £'000	Transfers £'000	Balance at 31 March 2020 £'000
(i) Children's Advice Service	58	1,600	(1,602)	(2)	1	57
(ii) Other Children's Services	48	574	(801)	(227)	286	107
(iii) From Surviving to Thriving (PPL)	16	4	(17)	(13)	(3)	-
(iv) Gateway Resettlement	82	626	(694)	(68)	87	101
(v) Syrian VPRS Resettlement - Y&H	68	1,625	(1,633)	(8)	57	117
(vi) Syrian VPRS Resettlement - Hertfordshire	195	287	(244)	43	-	238
(vii) Syrian Grant Fund (GSG)	264		(170)	(170)	-	94
(viii) Employment Programme (WJR)	-	126	(143)	(17)	17	-
(ix) Integration including New Roots	18	1,253	(1,498)	(245)	277	50
(x) Building Bridges	7	340	(328)	12	-	19
(xi) Starbucks Refugee Employment	83	20	(104)	(84)	1	-
(xii) Barnsley Refugee Advice Project (BLF)	13	116	(116)	-	-	13
(xiii) Therapeutic Services	27	205	(427)	(222)	198	3

(xiv) Other	302	724	(756)	(32)	(43)	227
Total Restricted Funds	1,181	7,500	(8,533)	(1,033)	878	1,026

(i) The Children's Advice Service (previously referred to as Children's Panel) works mainly with unaccompanied children. The service helps children access education, training, health care and legal advice, as well as providing independent advocacy on their behalf. This activity is funded by the Home Office, with the transfer in representing unrestricted funding of the small balance of costs. The balance carried forward represents funding set aside to match increases in redundancy rights accrued by staff in the delivery of the service.

(ii) Other Children's services include support to trafficked young boys and girls, assistance to age disputed children, and youth development and activities including our Refugee Cricket Project. The income is from a variety of individual and institutional donors.

(iii) Funded by the People's Postcode Lottery, 'Surviving to Thriving' is a partnership project between British Red Cross, Refugee Council and UpRising that provides practical support to young refugees through life skills and advice and mental health support.

(iv) The Gateway resettlement projects provide integration support to refugees resettled through the Gateway programme in the Yorkshire & Humberside region.

(v) and (vi) The Refugee Council helps with the integration support to refugees resettled into the UK under the Vulnerable Persons Resettlement Scheme and Vulnerable Children's Resettlement Scheme, operating in Yorkshire and Humberside and in Hertfordshire.

(vii) Goldman Sachs Gives have provided grant support to set up the Syrian Refugees Fund, a fund which will make small grants to Syrian households resettled to the UK through the Vulnerable Persons Resettlement Scheme, towards education and employment aims. The grant also funds a project to support refugee employment in Hertfordshire & Hull.

(viii) World Jewish Relief have provided funding for us to deliver the Regional Employment programme, which will help Syrian Refugees in Leeds and Sheffield progress towards employment.

(ix) The Refugee Council provides support to newly granted refugees to integrate into the UK. We support refugees at every stage in their integration, including helping secure access to housing and other rights on initial grant of refugee status, through to social integration activities, to supporting settled refugees find employment. In 2018/19 the Refugee Council secured significant funding from the EC Asylum Migration and Integration Fund (AMIF) for this work, and used it to set up the 'New Roots' project, which has allowed us to expand this work in London, and working in collaboration with delivery partners, extend it to Hull and Leeds.

(x) Building Bridges helps refugee doctors and other health professionals qualify for working in the NHS.

(xi) As part of their commitment to support refugee employment globally, Starbucks fund Refugee Council to provide pre-employment training and one-to-one support to refugees followed by a guaranteed job interviews for Barista roles within Starbucks stores across London.

(xii) The Barnsley Refugee Advice Project supports advice and integration to refugees and asylum seekers in Barnsley

(xiii) The Refugee Council runs a number of projects providing therapy and psycho-social support to refugees and asylum seekers. Funding for this work comes from a mix of voluntary grants, commissioning contracts from CCGs, and unrestricted funding.

(xiv) Other restricted funds represent a large number of smaller streams of income or balances (each individual income stream or balance below £100k), restricted to a range of our specialist service and advocacy projects. Many of these activities are planned to be funded by a mix of restricted and unrestricted income, with the transfer in representing the allocation of unrestricted funds against these activities.

15c. Endowment Funds	Balance at 1 April 2019 £'000	Income £'000	Expenditure £'000	Net I&E before Transfers £'000	Transfers £'000	Balance at 31 March 2020 £'000
(i) John Frank Fund	110	-	-	-	-	110
Total Restricted Funds	110	0	0	0	0	110

(i) The John Frank Fund is used to provide assistance to refugees who need to gain further qualifications and training to enhance their employment prospects in the United Kingdom. The capital element of the fund is invested in a low risk cash deposit and the interest arising from it is used to meet grant requests.

NOTES TO THE FINANCIAL STATEMENTS

16. Trustees Expenses

None of the Trustees of the Charity received any remuneration during the current or prior year.

Travel and subsistence expenses were incurred by trustees in the course of carrying out their duties, and re-imbursed as below was £94.60 (in 2018/19 £268 was claimed in total by 3 trustees.)

	2019/20 £'000	2018/19 £'000
Total expenses	-	-
	2019/20	2018/19
Number of trustees claiming expenses	2	3

17. Related parties

Salah Mohamed was a trustee of the Refugee Council until 27 September 2019, and during that time was also the Chief Executive of the Welsh Refugee Council (WRC). WRC uses the 'Joint Client Database' (JCDB) and 'Inform' client databases which are hosted and administered by the Refugee Council, and pays a contribution to the Refugee Council towards the running costs of the systems. The contribution levels are set each year by reference to the cost of the system and the amounts of use by the partners. In 2019/20 there was income from WRC totalling £18k towards the JCDB and Inform, of which £9k was outstanding at 31 March 2020. (2018/19: £8k income, £4k outstanding at 31 March 2019.)

The Refugee Council Trustee Anne McLoughlin is the Chair of the Board of Management of Innisfree Housing Association. In February 2019 The Refugee Council entered into a service level agreement with Innisfree for the provision of support services to clients nominated by ourselves and housed by Innisfree at one of their properties. In 2019/20 there was income from Innisfree of £10k in respect of this SLA of which £3k was outstanding at 31 March 2020 (2018/19: £3k income, £3k outstanding at 31 March 2019.)

In November 2018 Executive Director of Advocacy and Engagement Lisa Doyle was elected to the Board of the European Council Refugees and Exiles (ECRE). The Refugee Council works with ECRE on their Asylum Information Database (AIDA) project, for which there was income and receipt of £3k in 2019/20 (2018/19: £3k.)

The Refugee Council received a total of £1,710 unrestricted donations from its trustees in 2019/20 (2018/19: £1,298)

18. Fees payable to auditor

	2019/20 £'000	2018/19 £'000
Statutory audit fee	15	14
Total	15	14

NOTES TO THE FINANCIAL STATEMENTS

19. Operating leases

19a. Expenditure under operating leases

	2019/20 £'000	2018/19 £'000
Operating lease expenditure	544	685

19b. Expenditure commitments under operating leases

The Refugee Council is committed to paying the following amounts in respect of non-cancellable operating leases for each of the following periods following the balance sheet date:

	31 March 2020 £'000	31 March 2019 £'000
Within one year	336	680
Between two and five years	1,360	1,868
Over five years	940	1,217
Total future minimum lease payments	2,636	3,765

The Refugee Council had no capital commitments as at 31 March 2020 (2018/19: £26k in respect of the fit out of Alf Dubs House).

19c. Operating lease income

The Refugee Council has two sublets for rental of surplus head office space, the terms and amounts of the leases exactly match that of the head lease.

Future payments receivable under these non-cancellable operating leases for each of the following periods following the balance sheet date are:

	31 March 2020 £'000	31 March 2019 £'000
Within one year	-	219
Between two and five years	-	441
Over five years	-	-
Total future minimum lease payments	0	660

Reference and Administrative Details of the Charity, its Trustees and Advisors

Charity number 1014576

Chief Executive

Maurice Wren

Company Secretary

Nicola Kelly

Executive Director of Services

Una Barry MBE

Executive Director of Advocacy and Engagement

Lisa Doyle

Executive Director of Income Generation

Lee Green

Executive Director of Finance and Resources

Nicola Kelly

Principal and Registered Office

Alf Dubs House
134 – 138 The Grove
London
E15 1NS

Company number 2727514

Auditor

Moore Kingston Smith LLP
Devonshire House
60 Goswell Street
London
EC1M 7AD

Bankers

National Westminster Bank plc
Piccadilly & New Bond Street
63 Piccadilly
London
W1J 0AJ

Solicitors

Stone King LLP
Boundary House
91 Charterhouse Street
London
EC1M 6HR

Pension Advisers

Creative Benefits
2 Cherry Orchard Road
Croydon,
Surrey
CR0 6BA

Trustees of the company

The Refugee Council Trustees serve as the directors of the company and members of the Board of Trustees. The following were members of the Board of Trustees at the date the report was signed or served during the year 2019/20:

Andrew Halper (Chair)

Nick Whitaker (Honorary Treasurer)

Zaeem Haq

Aneil Jhumat

Vaughan Jones

Resigned 4 May 2020

John Kerr

Anne McLoughlin

Salah Mohamed

Resigned 27 September 2019

Rachael Orr

Clare Paterson

Gerry Power

Lyndall Stein