

Charity Registration No. 1085922

Company Registration No. 03895072 (England and Wales)

REFUGEE THERAPY CENTRE
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019



REFUGEE THERAPY CENTRE

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Dr A Alayarian	
	Z Arabaci	(Appointed 1 February 2019)
	Prof F Cacucci	(Appointed 10 February 2019)
	J Manson	(Appointed 10 February 2019)
	R Riahi	(Appointed 10 February 2019)
	V Namdari	(Appointed 11 April 2019)
Secretary	Dr A Alayarian	
Charity number	1085922	
Company number	03895072	
Registered office	1A Leeds Place Tollington Park London N4 3RF	
Independent examiner	Carl Graham FCA Simpson Wreford LLP Wellesley House Duke of Wellington Avenue Royal Arsenal London SE18 6SS	

REFUGEE THERAPY CENTRE

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REFUGEE THERAPY CENTRE

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2019

The trustees present their report and financial statements for the year ended 31 March 2019.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's governing document, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2016).

Objectives and activities

The main objective of the Refugee Therapy Centre (RTC) is to benefit refugees with psychological problems and stress by: providing intercultural psychoanalytic psychotherapy, developing access to psychotherapy and facilitating the provision of education and training.

When planning our activities for the year, the Trustees have considered the Charity Commission's guidance on public benefit. The principal activity of the Company during the 2018/19 period was to provide support, psychotherapy, counselling and associated treatments to refugees and asylum seekers. Priority was given to children, young people and families and those that have been in the UK for less than ten years.

Structure and management reporting

The trustees are ultimately responsible for the charity and meet on a regular basis to discuss any current issues and make decisions regarding strategy and other important matters. The Treasurer is a Finance Professional. Two of the Board Members are experienced psychotherapists and all have management experience within their own professions in the voluntary, statutory and private sectors. Staff, volunteers and contract staff are from a range of cultural and religious backgrounds, reflecting the communities that we serve. Trustees have a personal and professional understanding of the issues facing the refugees, asylum seekers and destitute using the Centre.

The Chief Executive has overall responsibility for the organisation and works closely with the team to ensure that the delivery and development of the clinical and associate work is in line with the Centre's financial resources and criteria stipulated by funders. The CEO resigned and left the RTC at the end of the June 2018.

Staff of the Refugee Therapy Centre have fortnightly Business Meetings. At these meetings members of staff are consulted and their views are then fed back to the trustees. Members of staff are also informed about decisions made by the trustees. The trustees meet once every two months and at least 5 times a year, and the Chief Executive of the Centre attends these meetings. Decisions taken at trustees' meetings are fed back and discussed at Business Meetings.

The staff and trustees of the Centre historically have had extensive experience of delivering and managing high quality intercultural psychoanalytic psychotherapy services and associated services. Due to a personal health issue, the Centre CEO/Clinical Director (Aida Alayarian) after 18 years' service in March 2017 stepped down from working as a member of staff. She continues serving the RTC as a Trustee and Company Secretary. The Board recruited a Chief Executive who had experience of voluntary sector management, including financial management, staff management, HR and recruitment, fund-raising and project planning and management and started to work at the RTC in the capacity of CEO in January 2018 and stepped down in June 2018. The Refugee Therapy Centre is committed to ensuring that appropriate mechanisms are in place for its clients to provide feedback and be involved in the development of its services. However, because of the nature of intercultural psychoanalytic psychotherapy, it is vital that the clients' involvement strategy is carefully thought out and ensures that confidentiality and the boundaries of the therapy are adhered to. The Centre has been collecting feedback from clients for many years.

REFUGEE THERAPY CENTRE

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2019

Achievements and performance

In summary, in terms of activities undertaken to further our charitable purposes for the public benefit from 1 April 2018 to 31 March 2019, we have provided primarily three services: individual therapy, group therapy, and mentoring. We have offered 1680 sessions to 104 clients from 32 countries. Of these 55% were male and 45% female, and of these:

- 87 were offered psychotherapy & mentoring
- 12 were offered mentoring
- 56 were offered individual therapy
- 19 were offered group therapy

Some clients were offered more than one therapeutic activity. During this period we had the capacity to offer services in 9 languages, including: Albanian, Arabic, Bosnian/Croatian/Serbian, English, Farsi, Italian, and Turkish.

The Centre provides services of quality that reflects the needs of the community we serve. The regular feedback received by our clients including the progress report from therapists continues to be invaluable in measuring and evaluating the work of the Centre, and informs us of the positive benefit our work has in the community.

The Mentoring project was run on a smaller scale than before, and it provided weekly language sessions our clients, with the aim of easing the process of adaptation and integration into a new social and cultural environment and helping young people with their education.

The Intercultural Psychoanalytic Psychotherapy programme that RTC developed combines a psychoanalytic approach with intercultural perspectives.

We have been proud to offer a Professional Master and Doctorate in Intercultural Psychoanalytic Psychotherapy in collaboration with University of East London (UEL) and Queen Mary University of London. This is an innovative programme of study (three year full time or six years part time for Doctorate level; and four year part time for Masters level). The programme aims to adapt and provide innovative psychological interventions to people with histories of trauma and violence, taking into account the needs for an intercultural focus of psychoanalytic psychotherapy. The degree has a substantial taught and research component (50% each), and requires supervised clinical practice, as well as personal therapy. It provides an opportunity for research trained clinicians to work adopting evidence based methods in unique and challenging settings. The RTC's training programme was validated by the UK Council for Psychotherapy (UKCP) and the Council for Psychoanalysis and Jungian Analysis (CPJA) and RTC than can make recommendations for successful candidates to register with these professional bodies (UKCP-CPJA).

The Refugee Therapy Centre has been recruiting volunteers, with particular emphasis on attracting volunteers from refugee communities, providing people with an opportunity to improve their educational and/or employment prospects in the supportive atmosphere of the Centre. We have been fortunate for many years to have volunteers contributing to our work in areas such as office administration, web design, translation, mentoring and support work, and even psychotherapy and counselling.

Financial review

The Statement of Financial Activities shows a deficit for the year of £29,833 (2018 surplus - £28,244).

Reserves Policy

The designated building fund of £1,713,053 is the asset value of the land and buildings held as Tangible Assets on the Balance Sheet. As the designated building fund is tied up in the Tangible Assets, the amount of £1,713,053 does not represent readily available cash as it is the property from where the Charity operates. The purposes for which these assets have been designated have been set out on Note 18 of these accounts. The mortgage has been fully paid which increases the Centre's sustainability. The Trustees and the Management Committee discussed the level of reserves and are aiming to set reserves at a level to cover twelve months planned expenditure. The unrestricted reserves at the year end of £332,722 (2018 : £362,555) are in line with this policy. The level and aims of the reserves are reviewed by the Trustees on an annual basis.

REFUGEE THERAPY CENTRE

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2019

Risk Management

The Trustees consider that major risks are considered and mitigated. RTC Trustees and Directors formally reviewed the risks establishing a system to mitigate such risks at the last strategic away day in 2016 (these are usually held every 5 years). An organisational assessment was carried out by Aida Alayarian, the CEO at the time (in 2016) with close consultation with the Trustees and the Management Committee and at the time no serious risks have been identified.

A risk management policy and a risk register are in place. The policy forms part of the Refugee Therapy Centre's internal control and corporate governance arrangements. Its function is to:

- explain the Refugee Therapy Centre's approach to risk management;
- identify the roles and responsibilities of the trustees and the management team;
- outline the main aspects of the risk management process;
- identify the main reporting procedures; and
- describe the processes the trustees will use to evaluate the effectiveness of internal control procedures.

The trustees know that they have a major role in the management of risk and will:

- determine what types of risk are acceptable;
- determine the appropriate level of exposure to risk of the Refugee Therapy Centre;
- approve any decisions affecting the Refugee Therapy Centre's exposure to risk;
- monitor the management of significant risks to reduce the likelihood of unforeseen and unwanted events;
- ensure that the less significant risks are being actively managed, with the appropriate controls in place and working effectively;
- review the approach to risk management on an annual basis and approve any fundamental changes to processes and procedures.

Risk management is incorporated in the charity's system of internal control. The system includes several elements that, in combination, lead to an effective and efficient operation and enable the Refugee Therapy Centre to respond to risks in a timely manner.

Due to the lack of sufficient staff as well as management team and trustees and to prevent any potential risk, the Trustees considered that continuation of the RTC operations may create major risks. In order to mitigate these risks it was decided to proceed with a temporary closure of the Centre until such time as to have appropriate members of staff as well as sufficient number of Trustees. The Centre was closed by the end of December 2018 and the closure was intended to last for a maximum of one year.

Plans for future periods

1. One of our primary objectives for the next year is to reopen the centre to continue to deliver our services to those members of the public who are referred to us for help with provision of counselling, psychotherapy and associated treatment, giving priority to children, young people and their families.
2. To reapply to carry forward the delivery of professional training and re-register with the UKCP as a training organisation.
3. To look into new ways of fundraising for continuation of the work.
4. Further build appropriate partnerships to improve financial sustainability for the organisation.
5. To continue with research activity and to disseminate the outcome and development of resilient research.
6. To further recruit new members of staff to work towards clinical, management, funding and finance.
7. Working towards securing charitable and individual donor funding for the sustainability of the Centre's services and research, evaluations and disseminations of outcome.
8. Carry on contributing to campaign work related to our charitable objectives.

REFUGEE THERAPY CENTRE

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2019

Structure, governance and management

The charity company is limited by guarantee (Company Registration No. 03895072) and registered with the Charity Commissioners of England and Wales (Charity Registration No. 1085922). In the event of the charitable company being wound up during the period of membership, or within the year following, company members are required to contribute an amount not exceeding £1. The Company was established under a Memorandum of Association which established the objects and powers of the charitable company and is governed under its Articles of Association. The registered office is currently at 1A Leeds Place, Tollington Park, London, N4 3RF. The Trustees of the Company, who constitute its Board of Directors, have been appointed in accordance with the Charity's Articles of Association.

The Refugee Therapy Centre is governed by its trustees who are also directors of the company. The number of trustees shall never be less than three, and, until otherwise determined by a General Meeting, shall not be more than ten. All trustees shall be members of the company or the authorised representative of a member organisation. The trustees may from time to time appoint any member of the company as a trustee, either to fill a casual vacancy or by way of addition to their number, provided that the prescribed maximum shall not be exceeded. Any member so appointed shall retain office only until the next Annual General Meeting, but shall then be eligible for re-election. Observers may be invited to meetings of the trustees but shall not be allowed to vote at such meetings.

The Board of Trustees carries out an audit of its members from time to time to identify relevant skills and experience gaps. Prospective trustees make an application and meet with the trustees before they are co-opted to the board. Training sessions on governance and responsibilities take place on a regular basis. New trustees shadow another member of Trustees and or the staff team in order to become familiar with the work, in particular with an area of work which is not their specialism.

The trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

Dr A Alayarian	
Z Arabaci	(Appointed 1 February 2019)
Prof F Cacucci	(Appointed 10 February 2019)
J Manson	(Appointed 10 February 2019)
R Riahi	(Appointed 10 February 2019)
V Namdari	(Appointed 11 April 2019)
Dr J F Klein	(Deceased 23 November 2018)
Dr M Ascoli (Chair)	(Resigned 9 August 2018)
L Thomas	(Resigned 18 September 2019)

REFUGEE THERAPY CENTRE

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2019

Recruitment and appointment of trustees and directors' interests

At the Refugee Therapy Centre we recruit Trustees with specific skills and experience, after a period of joining the Management Committee. The process of finding and welcoming new trustees to an established board is an excellent opportunity to evaluate and improve on the Centre's effectiveness. The recruitment process is open and transparent, by advertising in appropriate websites and posting to state the responsibilities involved. This process has been successful, as during the process of being part of the Management Committee, the candidate will have a comprehensive induction and is provided with the key information they need to be a Trustee. The Board of Trustees also pay respect to diversity in the widest sense of skills, age, gender, race, sexual orientation, ethnicity, disability and background.

As a comparatively small charity, the Refugee Therapy Centre does not have a formal and structured approach to recruitment. We do think as a small charity we benefit from considering the need and simplifying the positions needed and have implemented this into our recruitment process. In recruitment and selection we pay attention to the new skills needed by the organisation. Finding new Trustees with the right skills has always been challenging. We recognise that recruitment of Trustees from people we know and from word of mouth could give the perception of exclusivity. Therefore, during the years we have learned and developed our approach to have inclusive methods of recruitment, which has attracted the right kind of Trustees and Management Committee members.

We check that prospective Trustees are eligible to act and not legally disqualified, although no Trustee with exception of those working at the Centre and provide service has direct contact or access to information about the vulnerable people we are serving, we do ask for enhanced DBS checks. Failure to provide the DBS clearance that is less than a year old or that which does not comply with current legislation will automatically mean the person is ineligible to become a Trustee.

None of the Trustees has any beneficial interest in the company. All of the Trustees are members of the company and guarantee to contribute £1 in the event of a winding up.

The Patrons of the Centre during this period were:

Jeremy Corbyn MP
Professor Eva Hoffman
Professor Roland Littlewood
Claude Moraes MEP
Peter Stefanovic

The Board of Executive Management Committee is made up of all Trustees and other co-opted Management Committee Members.

Disabled persons

The charity's policy is to consult and discuss with employees, through unions, staff councils and at meetings, matters likely to affect employees' interests.

Information of matters of concern to employees is given through information bulletins and reports which seek to achieve a common awareness on the part of all employees of the financial and economic factors affecting the group's performance.

The trustees' report was approved by the Board of Trustees.



Prof F Cacucci

Trustee

Dated: 16 December 2019

REFUGEE THERAPY CENTRE

STATEMENT OF TRUSTEES' RESPONSIBILITIES FOR THE YEAR ENDED 31 MARCH 2019

The trustees, who are also the directors of Refugee Therapy Centre for the purpose of company law, are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

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

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

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the 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.

REFUGEE THERAPY CENTRE

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF REFUGEE THERAPY CENTRE

I report to the trustees on my examination of the financial statements of Refugee Therapy Centre (the charity) for the year ended 31 March 2019.

Responsibilities and basis of report

As the trustees of the charity (and also its directors for the purposes of company law) you are responsible for the preparation of the financial statements in accordance with the requirements of the Companies Act 2006 (the 2006 Act).

Having satisfied myself that the financial statements of the charity are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of the charity's financial statements carried out under section 145 of the Charities Act 2011 (the 2011 Act). In carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5) (b) of the 2011 Act.

Independent examiner's statement - matter of concern identified

I have completed my examination. I have identified a matter of concern in my report because appropriate accounting records were not kept in respect of the company as required by section 386 of the 2006 Act. As a result of the closure of the Centre, as detailed in the Trustees Report, inadequate records of accounting entries were retained and therefore verification of income and costs was not always possible. I have not seen any evidence of misappropriation of funds. The charity trustees have been made aware of the importance of maintain proper records.

I confirm that no other matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

- the financial statements do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination; or
- the financial statements have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

I confirm that there are no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the financial statements to be reached.

Carl Graham FCA

for and on behalf of
Simpson Wreford LLP
Wellesley House
Duke of Wellington Avenue
Royal Arsenal
London
SE18 6SS

Dated: 16 December 2019

REFUGEE THERAPY CENTRE

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 MARCH 2019

		Unrestricted funds general 2019 £	Unrestricted funds designated 2019 £	Restricted funds 2019 £	Total 2019 £	Total 2018 £
	Notes					
<u>Income and endowments from:</u>						
Donations and legacies	3	763	-	-	763	6,480
Charitable activities	4	60,710	-	-	60,710	130,618
Investments	5	226	-	-	226	359
Other income	6	1,424	-	-	1,424	47,840
Total income		63,123	-	-	63,123	185,297
<u>Expenditure on:</u>						
Raising funds	7	-	-	-	-	13,670
Charitable activities	8	92,956	-	-	92,956	143,383
Total resources expended		92,956	-	-	92,956	157,053
Net (expenditure)/income for the year/ Net movement in funds		(29,833)	-	-	(29,833)	28,244
Fund balances at 1 April 2018		362,555	1,713,053	3,168	2,078,776	2,050,532
Fund balances at 31 March 2019		332,722	1,713,053	3,168	2,048,943	2,078,776

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

REFUGEE THERAPY CENTRE

BALANCE SHEET AS AT 31 MARCH 2019

	Notes	£	2019 £	£	2018 £
Fixed assets					
Tangible assets	12		1,757,931		1,784,020
Current assets					
Debtors	14	-		8,122	
Cash at bank and in hand		294,012		300,766	
			294,012	308,888	
Creditors: amounts falling due within one year	15	(3,000)		(14,132)	
Net current assets			291,012		294,756
Total assets less current liabilities			2,048,943		2,078,776
Income funds					
Restricted funds	17		3,168		3,168
<u>Unrestricted funds</u>					
Designated funds	18	1,713,053		1,713,053	
General unrestricted funds		332,722		362,555	
			2,045,775		2,075,608
			2,048,943		2,078,776

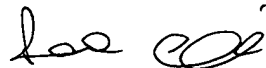
For the financial year ended 31 March 2019 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The directors acknowledge their responsibility for complying with the requirements of the Act with respect to accounting records and for the preparation of accounts.

No members have required the company to obtain an audit of its financial statements for the year in question in accordance with section 476 of the Companies Act 2006.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the Trustees on 16 December 2019



Prof F Cacucci

Trustee

Company Registration No. 03895072

REFUGEE THERAPY CENTRE

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

1 Accounting policies

Charity information

Refugee Therapy Centre is a private company limited by guarantee incorporated in England and Wales. The registered office is 1A Leeds Place, Tollington Park, London, N4 3RF.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's governing document, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2016). The charity is a Public Benefit Entity as defined by FRS 102.

The charity has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

The Trustees are of the opinion that considering 12 months from the date of signing the financial statements, the charitable company is a going concern.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives unless the funds have been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are subject to specific conditions by donors as to how they may be used. The costs of raising and administering such funds are charged against the specific fund. The purposes and uses of the restricted funds are set out in the notes to the accounts. Statutory grants which are given as contributions towards the Company's core services are treated as unrestricted.

1.4 Incoming resources

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Turnover is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods and services provided in the normal course of business, net of discounts, VAT and other sales related taxes.

REFUGEE THERAPY CENTRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2019

1 Accounting policies

(Continued)

1.5 Resources expended

Resources expended are recognised in the year in which they are incurred. Resources expended include attributable VAT which cannot be recovered.

Certain expenditure is directly attributable to specific activities and has been included in those cost categories. Certain other costs, which are attributable to more than one activity, are apportioned across cost categories on the basis of staff costs spent on those activities.

Charitable activities costs include the direct cost of providing services, as well as a share of overheads.

Governance costs include the cost of compliance with the charity's constitutional and statutory requirements.

The cost of generating funds relate to the costs incurred by the charity in raising funds for charitable work.

Depreciation on capital items is charged to the appropriate capital fund.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Land and buildings	2% straight line
Fixtures, fittings & equipment	25% straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

1.7 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment annually, and whenever there is an indication that the asset may be impaired.

1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

REFUGEE THERAPY CENTRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2019

1 Accounting policies

(Continued)

1.9 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

1.10 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

1.11 Retirement benefits

The company operates a defined contribution pension scheme. Contributions are charged to the Statement of Financial Activities as they become payable in accordance with the rules of the scheme.

1.12 Leases

Rentals payable under operating leases, including any lease incentives received, are charged as an expense on a straight line basis over the term of the relevant lease.

REFUGEE THERAPY CENTRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2019

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Donations and legacies

	Unrestricted funds general 2019 £	Total 2018 £
Donations and gifts	763	1,480
Grants receivable for core activities	-	5,000
	<hr/> 763	<hr/> 6,480
	<hr/>	<hr/>
Donations and gifts		
Other	763	1,480
	<hr/> 763	<hr/> 1,480
	<hr/>	<hr/>

REFUGEE THERAPY CENTRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2019

4 Charitable activities

	Unrestricted	Restricted	Total 2019	Total 2018
	2019	2019		
	£	£	£	£
Course fees and professional consultation	875	-	875	2,070
Islington CAMHS	27,784	-	27,784	30,000
Performance related grants	-	-	-	50,172
Charitable rental income	31,742	-	31,742	45,770
Other income	309	-	309	2,606
	<u>60,710</u>	<u>-</u>	<u>60,710</u>	<u>130,618</u>
Analysis by fund				
Unrestricted funds - general	60,710	-	60,710	80,446
Restricted funds	-	-	-	50,172
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
For the year ended 31 March 2018				
Unrestricted funds - general	80,446	-	80,446	80,446
Restricted funds	-	50,172	50,172	50,172
	<u>80,446</u>	<u>50,172</u>	<u>130,618</u>	<u>130,618</u>

REFUGEE THERAPY CENTRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2019

5 Investments

	Unrestricted funds general 2019 £	Total 2018 £
Interest receivable	226	359

6 Other income

	2019 £	2018 £
Volunteer time and other income	1,424	47,840

7 Raising funds

	2019 £	2018 £
<u>Fundraising and publicity</u>		
Staff costs	-	5,976
Depreciation and impairment	-	6,814
Support costs	-	880
Fundraising and publicity	-	13,670
	-	13,670

REFUGEE THERAPY CENTRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2019

8 Charitable activities

	General	Resilience	Children and adolescent	Total 2019	Total 2018
	2019 £	2019 £	2019 £	£	£
Staff costs	40,897	-	-	40,897	42,094
Depreciation and impairment	26,089	-	-	26,089	19,393
Sundry	10,641	-	-	10,641	51,005
Other costs	-	-	-	-	15,478
	<u>77,627</u>	<u>-</u>	<u>-</u>	<u>77,627</u>	<u>127,970</u>
Share of support costs (see note 9)	10,946	-	-	10,946	7,431
Share of governance costs (see note 9)	4,383	-	-	4,383	7,982
	<u>92,956</u>	<u>-</u>	<u>-</u>	<u>92,956</u>	<u>143,383</u>
Analysis by fund					
Unrestricted funds - general	92,956	-	-	92,956	96,379
Restricted funds	-	-	-	-	47,004
	<u>92,956</u>	<u>-</u>	<u>-</u>	<u>92,956</u>	<u>143,383</u>
For the year ended 31 March 2018					
Unrestricted funds - general	96,379	-	-		96,379
Restricted funds	-	26,832	20,172		47,004
	<u>96,379</u>	<u>26,832</u>	<u>20,172</u>		<u>143,383</u>

REFUGEE THERAPY CENTRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2019

9 Support costs

	Support costs	Governance costs	2019	2018
	£	£	£	£
Insurance	1,941	-	1,941	1,842
Repairs and maintenance	1,667	-	1,667	731
Postage and stationary	116	-	116	83
Telephone and fax	1,151	-	1,151	701
Accountancy	-	3,900	3,900	2,400
Sundry	737	-	737	273
Subscriptions	-	483	483	-
Bank charges	60	-	60	65
Utilities	5,274	-	5,274	4,616
Legal and professional	-	-	-	5,582
	<u>10,946</u>	<u>4,383</u>	<u>15,329</u>	<u>16,293</u>
Analysed between				
Fundraising	-	-	-	880
Charitable activities	<u>10,946</u>	<u>4,383</u>	<u>15,329</u>	<u>15,413</u>
	<u>10,946</u>	<u>4,383</u>	<u>15,329</u>	<u>16,293</u>

Governance costs includes payments of £2,400 (2018- £2,400) for independent examination/audit fees.

10 Trustees

Trustees Expenses

During the year, no trustees received reimbursement of expenses (2018: £596 in relation to travel).

Trustees Remuneration

No emoluments were paid to Trustee's for their work as trustees during the year (2018 : £1,069).

REFUGEE THERAPY CENTRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2019

11 Employees

Number of employees

The average monthly number of employees during the year was:

	2019 Number	2018 Number
Therapists	1	1
Administration	1	1
	<u>2</u>	<u>2</u>

Employment costs

	2019 £	2018 £
Wages and salaries	40,897	44,280
Social security costs	-	2,721
Other pension costs	-	1,069
	<u>40,897</u>	<u>48,070</u>

There were no employees whose annual remuneration was £60,000 or more.

12 Tangible fixed assets

	Land and buildings £	Fixtures, fittings & equipment £	Total £
Cost			
At 1 April 2018	2,032,406	26,760	2,059,166
At 31 March 2019	<u>2,032,406</u>	<u>26,760</u>	<u>2,059,166</u>
Depreciation and impairment			
At 1 April 2018	248,386	26,760	275,146
Depreciation charged in the year	26,089	-	26,089
At 31 March 2019	<u>274,475</u>	<u>26,760</u>	<u>301,235</u>
Carrying amount			
At 31 March 2019	<u>1,757,931</u>	<u>-</u>	<u>1,757,931</u>
At 31 March 2018	<u>1,784,020</u>	<u>-</u>	<u>1,784,020</u>

Included in the land and buildings is freehold land that cost £727,970 which is not being depreciated.

REFUGEE THERAPY CENTRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2019

13	Financial instruments		2019	2018
			£	£
	Carrying amount of financial assets			
	Debt instruments measured at amortised cost		-	8,122
			<u></u>	<u></u>
	Carrying amount of financial liabilities			
	Measured at amortised cost		3,000	8,315
			<u></u>	<u></u>
14	Debtors		2019	2018
			£	£
	Amounts falling due within one year:			
	Trade debtors		-	8,122
			<u></u>	<u></u>
15	Creditors: amounts falling due within one year		2019	2018
			£	£
		Notes		
	Deferred income	16	-	5,817
	Trade creditors		-	1,335
	Accruals and deferred income		3,000	6,980
			<u></u>	<u></u>
			3,000	14,132
			<u></u>	<u></u>
16	Deferred income		2019	2018
			£	£
	Other deferred income		-	5,817
			<u></u>	<u></u>

REFUGEE THERAPY CENTRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2019

17 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Balance at 1 April 2018 £	Movement in funds		Balance at 31 March 2019 £
		Incoming resources £	Outgoing resources £	
Resilience	3,168	-	-	3,168
	<u>3,168</u>	<u>-</u>	<u>-</u>	<u>3,168</u>

Purposes of revenue restricted funds

Balances on restricted funds represent unspent funds given specifically for individual projects. These balances will be carried forward and spent on each project in the following year. The purpose of each fund is described in the Trustees' report.

Sufficient resources are held in each fund to enable the funds to be applied in accordance with any restrictions.

18 Designated funds

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

	Balance at 1 April 2018 £	Movement in funds		Balance at 31 March 2019 £
		Incoming resources £		
Leeds Place - Refurbishment designated fund	51,210	-		51,210
Leeds Place - Fixed asset designated fund	3,010	-		3,010
Fixtures, fittings and equipment - designated fund	1,658,833	-		1,658,833
	<u>1,713,053</u>	<u>-</u>		<u>1,713,053</u>

Purposes of designated funds

The Building fund was set up in previous years to fund the purchase of the new building. The balance in the fund is to cover future work on the building.

The fixed asset fund represents the net book value of unrestricted tangible fixed assets less the mortgage outstanding on those assets at the year end.

REFUGEE THERAPY CENTRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2019

19 Analysis of net assets between funds

	Unrestricted funds £	Designated funds £	Total £
Fund balances at 31 March 2019 are represented by:			
Tangible assets	44,878	1,713,053	1,757,931
Current assets/(liabilities)	291,012	-	291,012
	<u>335,890</u>	<u>1,713,053</u>	<u>2,048,943</u>

20 Related party transactions

The accounts include a charge by Lennox Thomas, a former director, for £3,660 (2018 : £5,640) for the provision of expert supervisory, consultancy and teaching services to the Charity.

Donations were made by Mr Thomas to the charity of £120 (2018 : £120).

Remuneration of key management personnel

The remuneration of key management personnel is as follows.

	2019 £	2018 £
CEO	<u>5,452</u>	<u>4,173</u>