



BRITISH REFUGEE COUNCIL

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

TRUSTEES' ANNUAL REPORT AND ACCOUNTS

FOR THE YEAR ENDED 31 MARCH 2021

BRITISH REFUGEE COUNCIL

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Chief Executive's Introduction

It has been a year of considerable challenge and change for our staff and volunteers, for the refugees and people seeking asylum we work with and for all our partners. The government continues to take a tough stance against those who reach our shores seeking asylum, differentiating between those it wants to help through safe routes, such as the new resettlement programme for Afghans, and everybody else it labels as 'illegal immigrants'. Yet as this annual report and accounts demonstrates the Refugee Council is in a good financial position and well placed to move forward to meet the challenges.

The last year was, of course, dominated by the Covid-19 pandemic which initially led to a relaxation of the rules governing the asylum system and the welcome suspension of some of its harsher aspects. However, this did not last long and the system soon became harsher and conditions more inhumane. People seeking asylum, housed in disused army barracks and budget hotels, including children arriving alone, were too often treated with a lack of compassion and humanity. They told us they felt abandoned without the support they need and some, who were in such a terrible state of despair, described how they became suicidal.

In response to the pandemic with a grant from the National Emergencies Trust we quickly set up a national helpline for people seeking asylum and were able to work with hundreds of people placed in hotels. The funding also allowed us to extend our much needed therapeutic and mental health support. The impact of the hostile environment that remains entrenched in the asylum and immigration system continues to have a devastating impact on the mental and emotional well being of all those we work with. The overall expansion of our services meant we either provided advice and /or casework support to over 14,800 individual men, women and children.

We drew on the evidence from our direct work to powerfully demonstrate the failings of the asylum system and make a strong case for reform. Our report documenting the housing challenges for refugees in the capital was welcomed by the re-elected London Mayor, Sadiq Khan, and his team. In response to the government's proposed radical reforms, set out in its New Plan for Immigration, we produced a powerful impact analysis, informed by our practice knowledge that was widely quoted in the media and by parliamentarians.

Instead of making the refugee protection system more efficient, effective and fair the government's reforms will punish and expel those who are forced, through no fault of their own, to reach safety in the UK often at the hands of people smugglers. The proposals fly in the face of the UN Convention, which was 70 years old in June 2021, and which the UK helped shape. The Convention clearly sets out that how a person arrives does not matter. What matters is why - escaping the Taliban in Afghanistan or oppressive regimes elsewhere.

It is also our 70th year and given the world we are now working in our presence is more important than ever before. Following my arrival as CEO at the end of 2020 we have appointed two new Executive Directors and gone through a strategic review. Our new strategy sets out a new vision, purpose and set of values for the organisation as well as clear strategic goals to be achieved by 2025. It builds on our strengths and achievements while supporting us to shift our approach to meet our challenging context.

The coming year will be a significant one as we put in place a new business plan and start to transition to focusing on the delivery of our new strategy. The commitment, dedication and generosity of our staff, volunteers, supporters and funders is so important to us. Together we will continue to make even greater impact.

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 newly refreshed Vision, Purpose, and Values, as set out in our new Strategic Plan 2021 – 2025 are:

Our Vision

Refugees are welcome to live safe and fulfilling lives contributing to the UK.

Our Purpose

To work with refugees to transform their experience of seeking protection in the UK.

Our Values

Inclusion	We are inclusive . We work with- not for - refugees and people seeking asylum, so they have an equal voice, co-producing projects and ensuring their expertise and experiences are at the heart of what we do.
Collaboration	We are collaborative . Working with others is a priority in order to have the collective impact that is vital to achieve policy and practice reform.
Courage	We speak truth to power . We always stand up for what we believe is the right thing to do to transform the experiences of those seeking protection in our country.
Respect	We are respectful of all those we interact with. We treat everyone – our staff, volunteers, beneficiaries, partners and people we disagree with – with the same respect, professionalism and understanding.

Our strategic goals for 2021 were

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**, enabling separated children seeking asylum to navigate the complex asylum system;
2. **Resettlement Services**, where people arrive in the UK with refugee status to rebuild their lives in the UK;
3. **Therapeutic Services**, supporting adults and children who have suffered torture, trauma, violence or sexual exploitation;
4. **Integration Services**, enabling newly recognised refugees to make the challenging first steps as they emerge from the asylum system to rebuild their lives 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 enabling people seeking asylum who are homeless to access housing, financial support, legal advice and therapeutic support and resume their asylum journey.

Impact

We measure the impact of our services for people seeking asylum and refugees through an outcomes framework we have developed. This framework describes how we aim to improve the experience of claiming asylum, integrating after receiving refugee status, and resettling as a refugee in the UK. It identifies the key changes we aim to achieve with the people using our services. It includes five key outcome areas drawn from our 70 years of delivering services with people seeking asylum and refugees. Here we have shared indicators under each outcome area which illustrate the range and quality of the impact of our services delivered this year.

1. Improved ability to make informed choices

Our services aim to improve people's ability to understand their rights and the services available to assist them to meet their needs, and to develop the confidence to access them as they navigate the asylum system and rebuild their lives in the UK. This year:

- 72% of therapeutic services clients reported an improved ability make informed choices about the services and support that they needed and their ability to access it;
- 64% of Destitution Project clients were supported to access solicitors, and 100% of integration services clients reported that they had acquired improved understanding of their legal rights and entitlements;
- 45% of clients in London reported being able to make better choices about the services they need to rebuild their lives;
- Self-assessed feedback 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

Our services aim to enable people to increase their ability to participate in their local community by improving their English language skills, access to social activities including volunteering, and how to access local services. This year:

- 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;

- 79% of our Therapeutic services clients reported improved social inclusion;
- 24% of refugees with limited English proficiency reported improved English language skills, and 30% an improvement in their confidence participating in community life. This is a testament to their determination to learn given that this support was largely delivered via WhatsApp and zoom classes this year due to the pandemic.

3. Improved physical and mental wellbeing

Our therapeutic services for children and adults strengthened people's ability to manage their health and wellbeing by enabling them to access specialist health services, improve their emotional wellbeing, and access social support. We use the widely-accepted CORE tool to assess the change and outcome in routine practice in counselling and psychotherapy with our therapeutic service clients. This year:

- 83% of children and 78% of adults reported benefitting from our specialist counselling and psychotherapy;
- 89% of children and over 83% of adults reported improvement in their mental and physical wellbeing following our support and assistance to access specialist health services.

4. Improved economic and financial wellbeing

Our services enable people seeking asylum and refugees to access financial support and independence by developing their employability skills, increasing access to volunteering, and enabling access to asylum or welfare support. This year:

- 90% of clients of our Refugee Advice and Destitution Projects who were facing destitution reported being better able to meet basic needs through our support to access benefits, emergency financial support, and asylum support;
- 20% of refugees supported by our employability programmes in London, Yorkshire & Humberside, and Herefordshire secured jobs, significantly lower this year due to the economic downturn caused by the coronavirus.

5. Improved accommodation and safety

Our services enable people seeking asylum and refugees to access safe housing that is appropriate to their needs by assisting them to secure housing, understand safeguarding protections for adults and children, and understand how to respond if they feel unsafe. This year:

- We assisted 921 adults to live with dignity in Home Office hotels by providing them with clothing, shoes, phones and emergency financial support;
- We helped 44 adults and their families to secure a private housing tenancy through our unique Private Rented Scheme in London, a 70% increase since 2020;
- 86% of the project's clients reported an improvement in their ability to manage a tenancy and 94% reported an improvement in their knowledge of housing options;
- 80% of therapeutic services clients reported feeling greater safety following the service they received from our therapists and casework support team to address their essential living needs including access to housing appropriate to their needs and / or addressing safeguarding issues with statutory services such as domestic abuse.

Over the next year we will be reviewing our high level outcomes for our services, with the aim of strengthening our approach to impact measurement and improving our ability to demonstrate how we transform the lives of those seeking protection in the UK.

2020/21 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 COVID-19 pandemic resulted in a rapid refocusing of priorities. Early on it became very clear that there was an urgent need to be pushing the Home Office to change policies and procedures to ensure that people in the asylum system were not put at additional risk because of the way that the system works. We worked with other refugee organisations to advocate for changes; the Home Office adjusted many practices, which helped to keep people seeking asylum safer, including not evicting people seeking asylum from Home Office accommodations when they received a decision on their claim, not requiring people to report in person to the Home Office and providing a cash allowance to people seeking asylum being accommodated in hotels.

In March, the Government launched its New Plan for Immigration which proposes sweeping changes to the way the UK fulfils its international obligation to those seeking asylum, most notably by proposing differential treatment according to the way a refugee arrived in the UK. This was followed by a six week consultation period and will inform a Borders Bill to be introduced in the coming year. Our response to the publication of the plan was carried extensively across the media and we quickly briefed Parliamentarians about our concerns. The Government majority means that the Bill is likely to pass easily, but we are working to try to minimise harm and to use the passage of the Bill to raise awareness of flaws in the system and their impact on refugees and people seeking asylum.

In the light of increasing concerns about the dysfunctional National Transfer we wrote an open letter to Children's Minister Vicky Ford calling for every unaccompanied child to receive the specialist care they need. The letter was co-signed by a number of leading children's charities and led to a meeting with Vicky Ford and Immigration Minister Chris Philp to discuss how to encourage local authorities to participate in the National Transfer Scheme and how to address the issues that cause local authorities to be reluctant to participate. The government subsequently relaunched the scheme with additional funding.

We published a guide for refugees on opening bank accounts. Having a bank account can be crucial in enabling newly recognised refugees to obtain accommodation and an income. We worked in partnership with the Financial Conduct Authority to produce the guide and have translated it into Arabic, Farsi, Kurdish, Pashto and Tigrinya.

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

Achievements **In 2020/21 we provided services to 14,819 unique clients. This was an increase of 37% compared to last year. We saw 16,011 across all services where one client visited more than one service. This increase was primarily due to the 3,508 new clients – 33% more than the previous year – we were able to support through our National Emergency Trust (NET) Coronavirus Emergency Programme.**

This funding enabled us to assist people seeking asylum who were isolated, homeless, and without food, clothing and health care via:

- Hotels outreach and support for people unable to meet their essential needs;
- An Infoline for people to access local organisations or specialist services;
- Advice for separated children who have had their age disputed;
- Therapeutic support for adults.

Key achievements of our four service delivery pillars were:

Resettlement

A tiny number of the world's 29 million refugees who have fled war, conflict, torture and trauma are brought to the UK under the Government's Vulnerable Persons Resettlement Scheme (VPRS), Vulnerable Children's Resettlement Scheme (VCRS), and the Gateway programme. Under these programmes this year **we assisted 7,934 refugees to rebuild their lives in cities and towns across Yorkshire and Humberside, Hertfordshire, and Lewisham in London.**

We work in partnership with local councils to provide intensive support for at least the first 12 months after people's arrival. During this time our focus is enabling people to access housing, financial support, education for children and English for adults, health care, and other mainstream services tailored to their individual needs. In some areas we provide a further four years of support to enable people to recover from the trauma of war and exile, and rebuild their lives in the UK through our bespoke Independent Living Advice Service. It can take many years to regain their health, education, skills and confidence to thrive in the UK. We have met 100% of all resettlement services contractual Key Performance Indicators (KPIs).

The COVID-19 crisis led to significant delays in the arrivals of refugees for resettlement under the new resettlement programme, the UK Resettlement Scheme (UKRS). This finally began in April 2021. During this time our resettlement teams have continued to support families to rebuild their lives in the UK as illustrated by this case study:

Our Independent Living Advisors (ILA) within our resettlement teams provide refugees with tailored advice and support after their first year of intensive support. In Rotherham we linked our client Ahmed with our STEP employment project for help to prepare for and find work. Initially he had wanted to work under 16 hours per week to limit the impact on his welfare benefits. Soon after Ahmed accepted a full-time job. He contacted our Independent Living Advice helpline frequently anxious about the changes his increased salary made to his rental payments and council tax support. After several months of support from Refugee Council to adjust to the changes to his in-work benefits and settling into his new job, Ahmed contacted the Independent Living Advisors less frequently. Ahmed was less anxious and more satisfied with his increased income, as were his family. Our staff observed that Ahmed had moved from welfare benefits to full-time employment gradually at his own pace with tailored support from STEP and the Refugee Council ILA team.

Children's Services

Each year approximately 5000 separated children arrive in the UK to seek asylum. Like adults they've experienced unimaginable trauma due to war and conflict in their home countries, and during their journey to the UK. As well as legal advice and information to lodge their asylum claim, they need social services care to ensure that their needs as children are met in accordance with the Children Act 1989. We provide expert, child-centred casework and integration support to separated children that ensures their legal, social, economic, and cultural rights are met. **This year our children's services supported 3,398 separated children.**

For over 26 years we have provided the Government's designated, independent referral point for all separated children arriving in the UK – the only service of its kind in the UK. Our Children's Advice Project ensures that separated children understand the asylum process, and can access their rights to Local Authority-provided care, education, and legal aid-funded legal advice to submit their asylum claim. We provide a range of wrap around services for children funded by charitable donations and grants, including: My View provides children with our unique therapeutic counselling support in Kent, London, Luton, Leeds and Birmingham; Trafficking Project delivers intensive support for victims of trafficking to keep them safe from further exploitation; and Age Disputes project assists children who have been incorrectly assessed by statutory authorities as adults to review that decision and secure age-appropriate support, as illustrated by this case study:

Okot and Mustafa were accommodated in NASS accommodation in South London where they met Refugee Council Age Dispute Project advisors. Home Office Social Workers in Dover had assessed Okot as 20 years old. While he did not know his date of birth, his parents had told him he was 14 years old when he left Afghanistan a year earlier. The Home Office had recorded Mustafa's birth date as 18 years old instead of 17 years old due to a poor translation. He was born in Sudan and had never had any formal education. Okot presented as very young. While Mustafa looked older, he too presented as very young. Our Age Dispute Advisors referred both young people to a solicitor who quickly secured social services care for them. Okot was placed in semi-independent accommodation and was unable to cope. On seeing his level of vulnerability, the local authority reassessed him as younger and moved him to a foster placement. Mustafa was placed in semi-independent accommodation. Refugee Council Children's Advice Project staff acted as the appropriate adult during his age assessment after which the Local Authority accepted his age as 17 years old.

We also provide social integration and support services. Our youth project for separated children provides them with a youth space to access educational and social sessions, day and residential trips. We run a cricket project for young people who need support as they reach 18 and beyond and enjoy sport. We also support young people who reach 18 and have not yet received a decision on their asylum claim, to access solicitors and secure housing and financial support. During the COVID-19 lockdown our children's service provided a lifeline for isolated young people to continue their education and access vital services using digital platforms, we provided English, art and music classes, and vital therapeutic support.

Integration services

These services primarily support adults who the Home Office has recently recognised to be refugees having claimed refugee protection in the UK. Due to Government policies, people who secure refugee status in the UK are ineligible for the housing, benefits, and tailored casework offered to refugees who are resettled by the British Government in the UK. This results in them experiencing disproportionate levels of poverty, homelessness, and unemployment. We provide vital crisis and early intervention advice services to enable them to access financial support, accommodation, and develop their employability. **This year our integration services supported 8,537 refugees to rebuild their lives in the UK.**

Since 2018 we have delivered our New Roots integration programme funded by the Asylum Migration Integration Fund and delivered in London as well as Hull and Leeds 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 2022.

Our Barnsley for refugees and asylum seekers project (BRAP) continues to offer vital coordinated information, advice and advocacy for people living in the town. Our Health Access for Refugees Project (HARP) continues to enable refugees and people seeking asylum to access health services across Yorkshire and advocate for policy and practice changes that improve people's health and wellbeing. This year HARP supported over 1,500 people living in hotels and initial accommodation provided by the Home Office to provide short term accommodation for people seeking asylum; many people found living in temporary accommodation, unable to access basic amenities for over six months harmed their physical and mental health.

We grew our work with employers to enable refugees to secure their first crucial job opportunity in the UK. We continued our partnership with Starbucks to support refugees to become Baristas. Our now 10 year old Building Bridges project has played a vital role this year retraining refugees with health professional backgrounds to secure work in the NHS, 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. Our internship programme is increasingly popular with employers giving people UK work experience. This year we launched new employment and training partnerships with PwC, DLA Piper, ServiceNow, and Ikea. The impact of our STEP programme in Yorkshire & Humberside supporting refugees to gain employment is illustrated below:

Omar joined STEP in September 2020. He has received one to one coaching and assistance to develop his work aspirations and capability. Business in the Community supported Omar to apply for work at Royal Mail, which he just missed out on. He applied for a job at Amazon and was successful. After working for a couple of months at Amazon we supported him to become qualified as a CCTV operator, which will enable him to leave his job at Amazon and move into better paid, more sustainable employment working for the NHS as a health worker.

Therapeutic Services and Destitution

For 19 years we have been providing specialist, culturally sensitive therapeutic support to adults and children. Our aim is to raise awareness that our clients are survivors rather than victims of adversity. We familiarise clients with the concept of mental health, an idea which is often alien in many non-western cultures, and support them to articulate and disclose their needs to professionals. We provide them with psycho-education sessions to develop new ways to manage their anxiety and stress such as meditation and breathing techniques. **This year we provided one-to-one counselling and group support to 950 adults and children.**

We continued to advocate for accessible, inclusive health services for refugees and people seeking asylum. As co-chair the Home Office Mental Health Forum, we have been instrumental in securing commitment to a joint committee with the Department of Health to address enduring barriers to appropriate health provision for people seeking refugee protection. We are delighted to be partnering with several new Clinical Commissioning Groups, NHS England and Public Health England to deliver these vital services and improve the accessibility of their clinical practice.

Our destitution service supported 39 destitute asylum seekers with some basic needs such as food, clothing and psychosocial activities, as well as case work to support their claims to asylum.

In Birmingham our Therapeutic Services supported Abdul who was living in Home Office hotel accommodation. Abdul had been tortured physically and emotionally by authorities in his country of origin. He described feeling tired and frustrated with his confinement, isolation, limited choices, lack of information about his dispersal and the asylum process, and a fear of going outside due to the pandemic. He struggled to access food, lacked money and access to activities; he stayed in his room all day which increased his distress. Abdul's very low mood, anxiety and symptoms indicated Post Traumatic Stress Disorder. He described the emotional abuse he had suffered which caused frequent nightmares and flashbacks. He was very tearful during his therapeutic sessions and said he hardly slept and struggled to focus his mind for any length of time. Our therapist referred Abdul for specialised trauma therapy. Meantime, our therapist supported Abdul to develop grounding skills to help him feel safe including: breathing exercises, standing against a wall, holding an object that represented safety, which all helped to reduce the impact of flashbacks. Bearing witness was a crucial part of the therapy; through his therapeutic relationship Abdul was able to connect with his resilience. Being able to express his emotions, which had previously overwhelmed him, and practicing grounding techniques, gradually restored Abdul's control of his mental wellbeing.

Training

We have developed best practice and upskilling external people through external training, meetings and forums, and attending conferences. External training is provided by our staff to organisations, local authorities and groups of individuals such as foster carers on a range of specialist subjects. This year we delivered 40 training sessions, with a total of 433 participants, with 90% of participants rating our training good or excellent. The majority of people accessing our training are frontline practitioners in the health or social care sectors, alongside voluntary sector practitioners, researchers and academics.

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

Achievements We launched a campaign focused specifically on the London Mayoral campaign, calling on the next Mayor to help prevent homelessness among newly recognised refugees. We published a report outlining the problems new refugees face, drawing on evidence from our services and Freedom of Information requests. The campaign called for the Mayor to set up a fund to provide deposits which will help refugees to secure tenancies in the private rented sector. We wrote to candidates about this, and Refugee Council supporters in London took email actions which were sent to candidates. This work raised the profile of the issue and will lead to influencing work with the Greater London Authority and London Assembly in the coming year.

Alongside other members of the Families Together Coalition, we launched an open letter to the Prime Minister calling for a to change family reunion rules to allow child refugees to sponsor relatives to join them in the UK. The Coalition engaged celebrity supporters who signed and publicised the letter on their social media channels to amplify the message. The Refugee Council now hosts and co-Chairs the Families Together Coalition.

We have been instrumental in the development and funding of the Asylum Reform Initiative which aims to build a broad movement of support across the UK to stand up for, and with, people seeking asylum and refugees. The public face of the Initiative, Together with Refugees, will co-ordinate work across and beyond the refugee sector to push for positive change.

We secured funding to work with British Future on a project to mark the 70th anniversary of the Refugee Convention. We developed messages and stories to promote to a broad audience to raise awareness of the Convention and Britain's role in protecting refugees over seven decades.

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

Achievements Due to COVID, there was a period when changes to policy and practice relating to refugees and people seeking asylum were being made on a daily basis. In order to help people keep informed and up-to-date with these changes, we set up a page on our website which was reviewed each time new developments occurred. We received feedback from other sector organisations, funders and statutory organisations that this page became a key, trusted source of information for a wide range of stakeholders.

The London RCO Advocacy Forum has launched, having agreed the Terms of References and elected a Board, Chair and Vice-Chair. This Forum aims to support and enable Refugee-led Community Organisations to influence policies and practice affecting refugees and people seeking asylum in London. Forum members have identified two priority areas to work on in the coming year and have developed action plans for these areas of work. A further 15 organisations will be recruited to join the Forum in the coming year.

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 had seen a decline in the number of new donors supporting Refugee Council so in 2018/19 we developed a programme to test ways of recruiting donors. Last year we set an ambitious target of recruiting 11,433 new donors. Unfortunately, the impact of COVID-19 meant that we only recruited 6,989. While this is disappointing it still represents significant growth.

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 a legacy and we also offered a free online Will writing service through Farewill.

We are extremely grateful to the trusts and foundations who continued their support throughout the year and in particular to the National Emergencies Trust who made a grant of £1,520,000 to our consortium partnership with Scottish Refugee Council, Welsh Refugee Council and Bryson's Care in Northern Ireland. This allowed us to help meet some of the increased needs of refugees and asylum seekers across the UK.

We continued pre-existing actions to further develop our support to staff and the wider organisation. Projects including: raising the percent of staff supervisions to above target levels by the end of the financial year; further developing our model of reflective practice group supervisions for our front line staff to provide a consistent level and quality of support; and developing our reporting on staff including a refresh of diversity reports for our staff group.

The rise of the Coronavirus pandemic in the UK from the Spring of 2020 onwards, of course, had an enormous impact on our clients, our staff and volunteers, and The Refugee Council as an organisation.

Coronavirus

By February 2020 we had already started to appreciate the impact of the rising pandemic, and started to put into place measures to respond to it.

Initial response

In March 2020 we moved to daily Senior Management Team (SMT) meetings, to assess and respond to the rapidly changing environment. We established two key principles to guide our COVID-19 response. First, was that the safety of our staff, volunteers and clients, was paramount. Second, without compromising safety, 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 2020, a week before the full mandatory UK lockdown, we decided to shut down all face-to-face work with immediate effect. The following days and weeks were characterised by an extraordinary spirit of innovation and flexibility, underpinned by our staff's, volunteers', and supporters' dedication to our clients and cause. Within weeks, we moved to an almost entirely remote delivery model.

The transition to a virtual operating model was enabled by our pre-existing cloud-based IT and telecommunication systems. The speed, efficiency and innovation displayed by our exceptional workforce enabled most of our services to continue almost uninterrupted. Many services were operational within days, switching delivery from face to face to primarily digital and telephone options to contact clients, facilitated by our ICT team at extremely short notice.

HR and our facilities teams supported our staff to adapt to their remote working conditions; supplying equipment, advice and support, and developing new formal policies on matters such as the government's job retention 'furlough' scheme.

The organisation moved to a virtually paper-less operation within days. We created new workflows for financial and other resource activities that our operations rely on to ensure seamless support.

During the first quarter of 2020/21, Finance and Income Generation teams reviewed our key income streams, and confirmed that most major grant and contract income commitments would be honoured. We are grateful to our funders for their support and flexibility during this time, enabling us to adjust our delivery plans to changes in our clients' needs and the operating context.

This review highlighted some serious concerns about our ability to maintain our fundraising income at the levels we had targeted pre-pandemic, and one major contract where income drop-offs were projected to provide a major challenge. However we were glad to be able to confirm that the worst case scenario income drop would still be within the range of reserves we had put aside – and that therefore, there was not a risk to our overall financial sustainability as an organisation.

Coronavirus response structures

We adapted our normal framework for governance and management of the organisation to enhance our ability to respond to the wide range of complex threats to our plans that Coronavirus presented. These adaptations included:

- Enhanced communication between Trustees and SMT in-between the formal meeting cycle;
- Daily SMT meetings between April and December 2020, twice weekly from January 2021;
- Regular and timely communication to all staff and volunteers on matters arising from the pandemic, and The Refugee Council's response;
- Recruitment of an interim Head of Human Resources, who provided additional capacity to support SMT and the HR team to respond to the challenges arising from the pandemic. This helped us provide a range of support to our staff, disseminated through regular staff welfare newsletters;
- Establishment of several COVID response 'streams', each with their own dedicated structure to gather input from across the organisation on specific challenges, provide answers, and implement

new ways of working. These included IT and technology, offices and health and safety, and work with external stakeholders and partners.

Refugee Council's activity during the pandemic

Thanks to the hard work of everybody involved and a shift to remote working, the Refugee Council continued to deliver most of its work for refugees despite pandemic conditions. The achievements against our goals set out above, including providing support to nearly 15,000 clients, is testament to our skill, agility, and dedicated supporters.

There were some minor exceptions to this. Some of our activities, such as our provision of support to children coming through the Port of Dover, are inextricably place-based: these activities were supported with strict health and safety risk assessment and mitigation procedures to get back onsite as soon as practical, safe and permitted by government restrictions. Some staff were unable to work safely or effectively at home; during the periods that the government restrictions allowed, offices were opened on a 'skeleton' and COVID-secure basis, to provide working facilities for these staff.

Despite all best efforts from ourselves, our funders, and our support teams, there were some areas where work could not continue as previous. In circumstances where funding was impacted by the pandemic, or where there was no practical or safe way to facilitate certain work being undertaken, we used the Coronavirus Job Retention 'Furlough' Scheme to protect jobs and service continuity for the future.

Looking forward

As with many organisations, despite all the challenges of working in pandemic conditions, we have found many benefits too. Remote working has enabled us to reach client groups and combinations we haven't before, and the enshrining of video-conferencing as a day to day meetings tool has enabled significant efficiencies in both internal and external collaboration work.

However, the other side of this is that there will always be some client groups, and service models, that are better delivered in person. We also that believe there are wider benefits of communication and creativity that arise from face to face human interaction.

The latter part of 2020/21 therefore focussed on how we move forwards into a mixed or 'hybrid' working model: taking all the benefits of remote working such as efficiency, and greater work-life balance, whilst retaining a core of place-based work to the extent this is practicable and desirable.

Work on this has continued in 2021/22, and we moved to a gradual return to partial but organisation-wide place-based working from the second quarter of 2021/22.

Refugee Council's Strategic Plan to 2025

In June, our Board signed off our new strategy for 2021 – 2025. Our Strategic Ambitions, and how we will achieve them, are set out below:

Ambition 1:

We will successfully press Government and other agencies to take action that significantly improves refugee protection.

- We will play a leading role in securing **one or more 'landmark-wins'** in terms of policy wins or strategic legal judgements that materially influence the experience of refugees;
- We will campaign vigorously alongside our allies to make **tangible progress** to reverse the hostile environment imposed on those coming to our country;
- We will make **measurable progress** in the fight to reduce poverty and hardship for refugees.

Ambition 2:

We will significantly improve access to quality support for refugees in crisis and those seeking to integrate into the UK.

- We will ensure that refugees receive **early access to information, advice and support** to prevent or de-escalate crisis;
- We will work with refugees to build on their **strengths and resilience** and develop the **skills, knowledge and experience** to integrate into local communities;
- We will **strengthen local support systems** by working with refugees and partners to improve service quality.

Ambition 3:

We will successfully influence public attitudes to refugees in new and imaginative ways to reform the hostile environment that impacts their lives.

- We will build a much **wider base of public support** around the shared values of humanity, compassion and justice;
- We will build a **diverse, active coalition of supporters** from across society to champion our calls for change;
- We will put the **voices and stories of those with lived experience** of the refugee protection system at the centre of the design and delivery of strategic communications and campaigning.

Plans for 2021/22

Our strategic enablers run through all our ambitions. They are critical to how we will develop our organisation going forward. The work planned against these enablers for the coming year is set out below:

Enabler 1: LIVED EXPERIENCE

We will ensure people with lived experience of refugee protection are at the heart of what we do by developing a whole organisation approach to their engagement and involvement in our work.

- We will complete a review of all our current lived experience and user engagement projects
- We will develop a cross organisational strategy setting out how we define and will develop lived experience work
- We will allocate appropriate resource and staffing to ensure we have the necessary capabilities to deliver the strategy
- We will prioritise ensuring the voices and experiences of those with lived experience are at the centre of our campaigning and strategic communications

Enabler 2: COLLABORATION

We will collaborate with like-minded supporters and partners to secure cut-through in our campaigning and systems change work

- We will play a central role in the Together with Refugees initiative
- We will build new partnerships and alliances to reach wider public and political audiences
- We will expand our supporter base to build a more diverse and active coalition
- We will develop new collaborations working with refugees and partners to achieve systems change and better service provision in London and Yorkshire and Humberside

Enabler 3: PEOPLE, RELATIONSHIPS, SYSTEMS & LEARNING

We will develop our staff, invest in our systems and processes, prioritise a learning approach and ensure we attract the resources to deliver our mission and ambitions

- We will carry out an IT review and develop a new IT strategy including putting in a place a new fundraising database and CRM, and a digital HR function
- We will conduct a staff survey, and use the outcomes in conjunction with our organisational strategy to develop a new people strategy
- We will transition back to a hybrid model of place based and remote working, combining and starting to deliver against our IT and people strategies
- We will take action on equality, diversity and inclusion, starting by initially developing a race equality action plan in collaboration with our Black Minority Ethnic and Refugee Staff group

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 decision making and the incurring of expenditure;
- Health and safety risk management, review and monitoring procedures;
- Serious incident reporting and review procedures; and
- A framework for joint working between delivery managers, fundraising, and finance for whole-life management of external funding and partnerships.

Trustees review risk using a traditional risk register approach as a formal report and review of the organisation's key risks, with the review including looking at existing controls and plans for mitigation, and further actions and improvements required. Risk management techniques are also thoroughly embedded throughout the organisation's decision making and control mechanisms, an organisational strength which has strengthened our effective response to the higher level risk environment from COVID-19.

At the current time the following risks were identified as the highest category risks for the Refugee Council; with the Coronavirus pandemic continuing to play a part in the risk environment in which we operate.

Risk	Mitigation Actions
<p>Failure to sustain income levels at levels required to fund our ambitions</p> <p>Whilst our outturn for 2020/21 was better than originally forecast when the pandemic initially arose, much of the emergency financial support we received was one-off and short term.</p> <p>We also have ongoing risks on our contract income, particularly within resettlement services where the impacts of COVID-19, the crisis in Afghanistan, and uncertainty over government funding commitments for the long term, present considerable uncertainties to our future funding position.</p> <p>We will also be competing in a more crowded fundraising market, and a post-COVID economic environment which is likely to squeeze many households' income.</p>	<p>We are maintaining close relations with all our funders in order to best respond with them to any changing levels in funding going forwards.</p> <p>We will be moving our fundraising information to a new database, which will provide a better donor experience for our supporters, and a platform for Refugee Council to maximise fundraising income.</p> <p>We have set a target to grow our individual giving income, which will therefore increase the income over which we have control of allocation. We also intend to expand our corporate partnership work, providing a further diversity of funding and partners.</p> <p>However we will also at all times maintain our level of free reserves at a level to safeguard against the potential financial impact of these risks. See Financial Review, below, for more on this.</p>
<p>Significant Safeguarding Issue</p> <p>The risk of harm to our beneficiaries, staff, volunteers or other stakeholders, due to inadequacies of Safeguarding policies or practice at the Refugee Council.</p> <p>The second-order risk of reputational damage arising from such an incident, including threat to our ability to collaborate effectively, could create fundraising risk, as well as risk to our clients' trust in us.</p>	<p>The Board of Trustees have agreed a plan for strengthening our safeguarding approach. This will include a review of our policies and procedures, and ensuring all trustees, managers, staff and volunteers receive relevant training.</p> <p>Quarterly reporting to trustees and the appointment of a safeguarding lead trustee on the Board will improve oversight and scrutiny on this area.</p>
<p>Staff Wellbeing and Coronavirus</p> <p>Whilst a great deal of work has taken place to provide a safe working environment for our staff, operating in a pandemic inevitably means some health risk to our staff, volunteers or clients from COVID itself. There is also the risk to our staff and volunteers' wellbeing arising from the wider difficulties the pandemic causes in both personal and professional lives.</p> <p>Our mixed remote and onsite delivery model is now well embedded and generally working very well, but this way of working continues to present some challenges to service delivery.</p> <p>Second order reputational risk also exists if the continued crisis is not seen to be handled well;</p>	<p>Extensive health and safety policies and guidance are in place and reviewed frequently in order to ensure any place-based working is COVID secure.</p> <p>Extensive work to support staff wellbeing continues, with multiple clear routes for communication and feedback on concerns.</p> <p>IT solutions have been provided to enable effective remote working, and these are being reviewed to provide more efficient platforms for the future.</p>

including impact on staff & volunteer relations, or the impact on our reputation with clients, funders, and partners.	
<p>IT</p> <p>Our current IT infrastructure was put in place ten years ago, with maintenance and upgrades of the systems since that time but no complete overhaul.</p> <p>For most of this time the systems have operated reliably, if not as efficiently or effectively as we'd like, particularly in recent years where the functionality has fallen well behind what is possible.</p> <p>However since the beginning of 2021/22 we have experienced a number of IT failures which cast doubt on the resilience of our IT systems. Given our hybrid remote / onsite working model, IT systems are absolutely business critical. The likelihood of catastrophic failure is not deemed high, but the impact of any such failure would be significant.</p>	<p>We are working with our IT provider to ensure each incident will not re-occur. We have held contract meetings at the highest level and will be setting and monitoring a broader improvement and action plan to ensure resilience of our systems.</p> <p>We have given notice to our current IT provider for the end of the current contract in early 2022, and are working with a charity sector specialist IT consultancy to secure a new provider from that point.</p> <p>Once the new provider is selected we will then be upgrading our basic IT infrastructure to provide improved performance, quality of IT experience, and resilience for the future.</p>

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

Financial Impact of COVID-19

At the start of the year Refugee Council, like many charities, was facing the potential for major financial loss due to the escalation of the Coronavirus pandemic. At the end of the first quarter we were forecasting a risk to our income of up to £700k, and even assuming the implementation of cuts to operating budgets to offset, a potential overall deficit of £300k.

Income would indeed go on to be heavily affected in certain areas, most significantly on our Resettlement grants where the pandemic put a halt to client arrivals in the year, and income and spend fell accordingly by £0.5m.

However a number of factors turned the financial situation around, such that by the end of 2020/21 our Income and Expenditure Account showed an overall surplus of £1m, of which we were able to post £0.6m as an increase to our free unrestricted reserves.

The first major factor was the generosity of our supporters, both individual and institutional, in response to the potential financial crisis we were facing at the outset of the year. Our supporters gave generously in response to our emergency appeal; our existing funders worked with us to be flexible on the use of their funding in the new operating environment; and new emergency COVID funding was offered and won, to help us meet the additional infrastructure and adaptation costs of responding to the pandemic.

The second was the availability of the Coronavirus Job Retention 'Furlough' Scheme, which part funded those staff we were obliged to furlough during the year, particularly on the Resettlement programme, thus

helping us address one of our larger financial risks.

The third major factor was for one of our major grants, the Asylum Migration and Integration Fund, to increase the percent the fund would meet of our projects, from 75% to 90% of the project cost – a funding increase worth some £0.3m.

Lastly, we were able to reduce costs in a number of areas – most significantly on travel and expenses budgets – from the year of working mostly remotely.

Overall Financial Review

In 2020/21 we recorded a total income of £12.6m, a £2.4m increase from the £10.2 million in 2019/20. Total expenditure increased accordingly from £10.8 million to £11.6 million.

£1.5m of this increase was due to funding received from the National Emergencies Trust's Coronavirus Appeal Programme. This was emergency funding provided on a UK-wide basis; administered via the Refugee Council, to respond to the urgent and critical needs of our clients in the pandemic.

Despite the £0.5m decrease in Resettlement expenditure, our expenditure on our charitable activities increased overall from £9.6 million in 2019/20 to £10.3 million in 2020/21, with the biggest increases of expenditure on our Integration (£0.9m) and Therapeutic (£0.3m) services.

Expenditure on raising funds was £1.24 million, a small decrease from the £1.26 million last year. The income raised from these activities in 2020/21 was £4.5 million; which is to say the net income from raising funds for our charitable activity in 2020/21 was £3.2 million.

Reserves

Total funds at 31 March 2021 stood at just under £6.0 million; of which £1.6 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 £4.3 million unrestricted funds, £1.4 million has been designated and set aside by Trustees at the year-end as funding for specific future purposes. These designations are:

- The balance of the £925,000 unrestricted donation originally received in 2018/19 from one of our long standing donors stands at £250,000, which we will be applying against the 2021/22 budget.
- 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 £571,000. 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.
- An allocation of a further £320,000 into our investment fund. £250,000 of the fund's balance has been set aside for IT and other investments that will generate efficiency savings for the organisation in the longer term. The remainder £133,000 will fund investments in our donor database, and fundraising acquisition.
- £146,000 funding designated as funding against specific services, which we expect to draw down to fund expenditure in 2021/22.

After these designations, our free unrestricted general reserves at 31 March 2021 stand at £2.9 million, an increase of £0.6 million from the £2.3 million held at the start of 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 financial 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 streams end.

While this process cannot come up with a precise figure for reserves, after taking these risks into consideration, and bearing in mind the generally increased risk environment and economics of a post-COVID world, Trustees believe the current appropriate level for free reserves is between £2.1m and £3.0m.

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 2021 the level of free unrestricted reserves is £2.9 million, towards the top of this target range for reserves.

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 was one such agreement in place, through which funds of £2,269 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 four 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 four such requests.

Structure, Governance and Management

This report covers the year to 31 March 2021.

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 2021 there were 10 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 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 2020/21.

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 six 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 two 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 but below levels reserved to the Board.

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 2.75% in April 2020. 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 2.75% in April 2020. 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. The Board usually reviews the level of executive salaries every two years 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 2021 was 2.6 (March 2020 - 2.7).

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, and onsite visiting constrained due to COVID-19, the Senior Management Team held regular all staff 'Question Time' sessions to maintain direct contact with the wider staff group, to supplement other formal communication channels.

The organisation usually holds an all-staff conference every two years, to which volunteers are also invited, to foster a spirit of sharing and co-operation. This conference was due to take place in 2021, but as we did not deem a remote conference to be an effective replacement, we have deferred this until such time as Coronavirus conditions allow.

We formally recognise the trade union Unison, and meet with union representatives quarterly in order to consult on issues affecting employees' interests, with the Chair of the Board also meeting 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 305 volunteers this year amounted to some 26,183 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, this would amount to £261,830 worth of time. Not only do staff appreciate their value but also our beneficiaries who are at the receiving end of their valuable time. We are grateful for the continuing support of our volunteers especially during the unprecedented challenges presented by the COVID-19 pandemic for refugees and people seeking asylum.

The number of volunteers reduced significantly due to the pandemic, 305 down from 649 in 2020, due to the difficulties recruiting and supporting volunteers under the constraints of working from home/remotely. Nevertheless we did recruit 30 new volunteers overall, and we are confident that we will attract more volunteers to support our work as we transition to our new strategy and hybrid way of working. It is evident that volunteers will continue to play a crucial role alongside our expert caseworkers and practitioners to inform, support and guide people on their refugee protection journey. Next year, we will review our volunteer management policy, systems, and structures to ensure that volunteers are getting the support that they require under our new strategy and hybrid service model.

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 twelve Marsh Awards for the best volunteer ideas to support refugees and people seeking asylum to meet new people, develop skills, and participate in their local community. 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 and people seeking asylum.

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

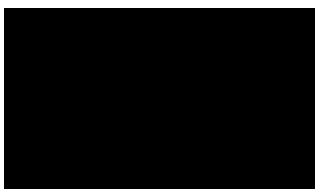
Each of the persons who is a trustee at the date of approval of this Report confirms that:

- 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 29 September 2021 and signed on its behalf by:



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

Opinion

We have audited the financial statements of the British Refugee Council ('the company') for the year ended 31 March 2021 which comprise the Statement of Financial Activities, the Summary 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 2021 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

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

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 has 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.[or]
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption in preparing the Trustees' Annual Report and from preparing a Strategic Report.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 23, 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

The objectives of our audit in respect of fraud, are; to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses to those assessed risks; and to respond appropriately to instances of fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests

with both management and those charged with governance of the charitable company.

Our approach was as follows:

- We obtained an understanding of the legal and regulatory requirements applicable to the charitable company and considered that the most significant are the Companies Act 2006, the Charities Act 2011, the Charity SORP, and UK financial reporting standards as issued by the Financial Reporting Council.
- We obtained an understanding of how the charitable company complies with these requirements by discussions with management and those charged with governance.
- We assessed the risk of material misstatement of the financial statements, including the risk of material misstatement due to fraud and how it might occur, by holding discussions with management and those charged with governance.
- We inquired of management and those charged with governance as to any known instances of non-compliance or suspected non-compliance with laws and regulations.
- Based on this understanding, we designed specific appropriate audit procedures to identify instances of non-compliance with laws and regulations. This included making enquiries of management and those charged with governance and obtaining additional corroborative evidence as required.

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.

.....
Andrew Stickland (Senior Statutory Auditor)

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

Date:

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	2020/21 Total £'000	2019/20 Total £'000
Income from:						
Donations and Legacies	2 & 5	2,672	1,814	-	4,486	2,867
Charitable Activities	3 & 5	100	8,008	-	8,108	7,105
Other Trading Activities	4	6	-	-	6	258
Investments		2	-	-	2	14
Total Income		2,780	9,822	-	12,602	10,244
Expenditure on:						
Raising Funds:						
Fundraising		1,060	173	-	1,233	1,006
Premises rentals		6	-	-	6	255
Total Raising Funds		1,066	173	-	1,239	1,261
Charitable Activities:						
Resettlement		16	2,420	-	2,436	2,924
Children's Services		84	2,674	-	2,758	2,629
Integration		13	3,560	-	3,573	2,653
Advocacy and Awareness Raising		460	66	-	526	653
Therapeutic Services		26	898	-	924	629
Destitution		-	95	-	95	89
Total Charitable Activities		599	9,713	-	10,312	9,577
Total Expenditure	6a - d	1,665	9,886	-	11,551	10,838
Net Income/(Expenditure)		1,115	(64)	-	1,051	(594)
Transfers between Funds	15	(630)	630	-	-	-
Net movement in funds		485	566	-	1,051	(594)
Reconciliation of funds:						
Total funds brought forward		3,789	1,026	110	4,925	5,519
Total funds carried forward		4,274	1,592	110	5,976	4,925

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 2021
REGISTERED COMPANY NO: 2727514

	Notes	31 March 2021 £'000	31 March 2020 £'000
Fixed Assets:			
Tangible assets	8	634	704
Investments		4	4
Total Fixed Assets		<u>638</u>	<u>708</u>
Current assets:			
Debtors	9	2,197	2,683
Cash at bank and in hand	10	<u>5,098</u>	<u>3,049</u>
Total Current Assets		<u>7,295</u>	<u>5,732</u>
Creditors: Amounts falling due within one year	11	<u>(1,857)</u>	<u>(1,415)</u>
Net current assets		<u>5,438</u>	<u>4,317</u>
Total assets less current liabilities		6,076	5,025
Provision for liabilities	12	<u>(100)</u>	<u>(100)</u>
Total Net Assets		<u>5,976</u>	<u>4,925</u>
The funds of the charity			
Unrestricted funds:			
Designated funds		1,350	1,500
General Reserves		<u>2,924</u>	<u>2,289</u>
Total Unrestricted Funds		<u>4,274</u>	<u>3,789</u>
Restricted Income Funds		1,592	1,026
Endowment Funds		<u>110</u>	<u>110</u>
Total charity funds	13 - 15	<u>5,976</u>	<u>4,925</u>

These accounts, including this balance sheet and the notes on pages 32 to 48, were approved by the Board of Trustees of the British Refugee Council on 29 September 2021, and are signed on its behalf by:



STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2021

	Notes	2020/21 Total £'000	2019/20 Total £'000
Cash flows from operating activities:			
<i>Net cash provided by / (used in) operating activities</i>	(i)	<u>2,072</u>	<u>(467)</u>
Cash flows from investing activities:			
Dividends, interest and rents from investments		2	14
Proceeds from the sale of property, plant and equipment		-	-
Purchase of property, plant and equipment		(25)	(95)
<i>Net cash provided by / (used in) investing activities</i>		<u>(23)</u>	<u>(81)</u>
<i>Change in cash and cash equivalents in the year</i>		<u>2,049</u>	<u>(548)</u>
Cash and cash equivalents at the beginning of the year		3,049	3,597
Cash and cash equivalents at the end of the year	(ii)	<u>5,098</u>	<u>3,049</u>
(i) Reconciliation of net income/(expenditure) to net cash flow from operating activities			
Net income/(expenditure) for the year		1,051	(594)
Adjustments for:			
Depreciation charges		95	127
Loss on sale of fixed assets		-	163
Interest		(2)	(14)
(Increase)/decrease in debtors		486	(179)
Increase/(decrease) in creditors & provisions		442	30
Net cash provided by/(used in) operating activities		<u>2,072</u>	<u>(467)</u>
(ii) Analysis of cash and cash equivalents			
Cash in hand		3,732	1,684
Notice deposits (less than 3 months)		1,366	1,365
Total cash and cash equivalents		<u>5,098</u>	<u>3,049</u>

STATEMENT OF CASH FLOWS CONT'D**ANALYSIS OF CHANGES IN NET DEBT
FOR THE YEAR ENDED 31 MARCH 2021**

	At 01 April 2020	Cash-flows	At 31 March 2021
	£'000	£'000	£'000
Cash in hand	1,684	2,048	3,732
Cash equivalents	1,365	1	1,366
TOTAL	3,049	2,049	5,098

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.

Going concern

The financial statements are prepared on the going concern basis which assumes the charitable company will continue in operational existence for the foreseeable future. The trustees have assessed the appropriateness of the going concern basis for the preparation of the financial statements and have taken account of potential uncertainties, including the potential impact of the COVID-19 pandemic on the charitable company's financial position. Despite early concerns our key fundraising income streams have remained solid, additional costs of transitioning to a remote service model were met from grants or existing budgets, and savings were made on certain running costs.

The trustees have reviewed the charitable company's forecasts & projections for a period of at least twelve months from the date of approval of these financial statements and have set a balanced budget for 2021/22 based on reasonable assumptions on funding levels, and are confident that the charity has sufficient resources to deal with any further unexpected financial shocks arising.

Based on the above assessment and the charitable company's level of free reserves at the balance sheet date, the trustees consider that there are no material uncertainties about the Refugee Council's ability to continue as a going concern and meet its liabilities as they fall due for at least 12 months following approval of these financial statements. 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.

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.

NOTES TO THE FINANCIAL STATEMENTS

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 central office costs (not including service premises costs which are accounted for as direct expenditure), 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.

(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

NOTES TO THE FINANCIAL STATEMENTS

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	2020/21 Total £'000	Unrestricted Funds £'000	Restricted Funds £'000	2019/20 Total £'000
Donations and gifts from individuals	2,039	135	2,174	1,592	208	1,800
Legacies	551	-	551	401	-	401
Trust income & general grants	82	1,679	1,761	299	367	666
Total	2,672	1,814	4,486	2,292	575	2,867

3. Charitable activities	Unrestricted Funds £'000	Restricted Funds £'000	2020/21 Total £'000	Unrestricted Funds £'000	Restricted Funds £'000	2019/20 Total £'000
Resettlement	3	2,283	2,286	28	2,725	2,753
Children's Services	42	1,885	1,927	81	1,841	1,922
Integration	4	2,730	2,734	20	1,944	1,964
Advocacy and Awareness Raising	50	181	231	50	176	226
Therapeutic Services	1	929	930	2	238	240
Asylum Support	-	-	-	-	-	-
Total	100	8,008	8,108	181	6,924	7,105

4. Other Trading Activities	Unrestricted Funds £'000	Restricted Funds £'000	2020/21 Total £'000	Unrestricted Funds £'000	Restricted Funds £'000	2019/20 Total £'000
Premises sublets and rentals	6	-	6	258	-	258
Total	6	-	6	258	-	258

NOTES TO THE FINANCIAL STATEMENTS

5a. Grants included within donations and legacies:

Activity	Funder	Grant For	2020/21 £'000	2019/20 £'000
Covid Recovery Funding	National Emergencies Trust	Integration, Children's, Therapeutic, Central Support	1,520	-
Children's Services	Various trusts	Various Children's Projects	141	186
Various	HMRC Job Retention Scheme Grant	Resettlement, Integration, Children's	137	-
Integration	Starbucks	Employment	53	20
Covid Recovery Funding	Comic Relief	Various	40	-
Integration	Fresh Leaf Foundation	Refugees into Jobs	17	16
Children's Services	The Goldsmiths' Company Charity	Age Disputes project	15	-
Destitution	Various trusts	Destitution	12	3
Therapeutic Services	City Bridge Trust	London Community Response Fund	5	-
Resettlement	Reset Communities and Refugees	Capacity Building for Community	4	8
Integration	Various trusts	Employment, Refugee Advice Project,	-	51
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
Therapeutic Services	Various trusts	Adults Therapeutic Services	-	5
Destitution	West Hackney Parochial Charity	Destitution	4	4
Various	Other funders	Other grants	21	24
Other Trust and Statutory Grants			1,969	368
Total Grants included within donations and legacies			1,969	368

5b. Grants included within charitable activities:

Activity	Funder	Grant For	2020/21 £'000	2019/20 £'000
Resettlement	Leeds City Council	Yorkshire & Humberside Syrian Vulnerable Persons Relocation Scheme	1,216	1,625
Children's Services	Home Office	Children's Panel and Kent Intake Unit	1,590	1,600
Integration	Asylum Migration & Integration Fund (AMIF)	New Roots	1,583	1,230
Resettlement	Sheffield City Council	Gateway Resettlement Programme	631	626
Therapeutic Services	East of England - SMP	Wellbeing for Work Programme	340	-
Integration	Health Education England	Building Bridges	340	340
Resettlement	Various Hertfordshire Councils	Hertfordshire Syrian Vulnerable Persons Resettlement Scheme	149	285
Resettlement	Lewisham Council	Lewisham Resettlement	258	141
Integration	National Lottery Community Fund	Health Access for Refugees Programme (HARP 2)	124	119
Therapeutic Services	Northeast Essex CCG	Wellbeing for Work Programme	90	-
Therapeutic Services	North & East Herts CCG	Wellbeing for Work Programme	78	-
Therapeutic Services	Herts Valley CCG	Wellbeing for Work Programme	78	-
Therapeutic Services	National Lottery Community Fund	Adults Therapeutic Services	71	-
Destitution	National Lottery Community Fund	Destitution	46	-
Integration	National Lottery Community Fund	Barnsley Refugee Advice Project	49	116
Integration	Barnsley MBC	Barnsley Refugee Advice Project	55	-
Therapeutic Services	Leeds City Council	VPRS South Yorkshire	77	75
Therapeutic Services	Cambridge & Peterborough CCGs	Wellbeing for Work Programme	100	-
Therapeutic Services	Cambridge & Peterborough CCGs	VPRS - Cambridge & Peterborough	-	55
Therapeutic Services	Birmingham CCG	Birmingham Therapeutic Services	30	48
Therapeutic Services	Migration Fund	My View Birmingham	-	40
Resettlement	Bassetlaw District Council	Syrian Vulnerable Persons Refugee Programme	31	33
Therapeutic Services	West Essex CCG	Wellbeing for Work Programme	25	-
All services	Sheffield CCG	Client Consultation	-	5
Therapeutic Services	Ipswich CCG	VPRS- Ipswich	-	8
Government Grants			6,961	6,346

NOTES TO THE FINANCIAL STATEMENTS

5b. Continued - Grants included within charitable activities:

Activity	Funder	Grant For	2020/21 £'000	2019/20 £'000
Children's Services	People's Postcode Lottery	From Surviving to Thriving	-	4
Integration	World Jewish Relief	Regional Employment Programme	151	125
Integration	City Bridge Trust	Refugee Community Organisation Capacity Building	71	83
Therapeutic Services	Comic Relief	Safer Refugee Women	-	21
Mixed	Comic Relief	Core Grant	100	100
Children's Services	Comic Relief	Refugee Cricket Project	101	92
Children's Services	Comic Relief	My View (London, Boys)	55	52
Children's Services	Children in Need	My View (London, Boys)	37	10
Children's Services	Children in Need	Youth Development	40	39
Therapeutic Services	City Bridge Trust	Adults Therapeutic Services London	40	-
Advocacy and Awareness Raising	Other Funders	Detention Forum	20	20
Advocacy and Awareness Raising	Paul Hamlyn Foundation	Detention Forum	40	-
Advocacy and Awareness Raising	Barrow Cadbury Trust	Detention Forum	15	23
Advocacy and Awareness Raising	The Bromley Trust	Detention Forum	-	5
Various	Others	Others	109	100
Other Trust and Statutory Grants			779	674
Total Grants included within charitable activities			7,740	7,020

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	2020/21 Total £'000	Unrestricted Funds £'000	Restricted Funds £'000	2019/20 Total £'000
Raising Funds:						
Fundraising	1,060	173	1,233	1,006	-	1,006
Premises sublet	6	-	6	255	-	255
Total Raising Funds	1,066	173	1,239	1,261	-	1,261
Charitable Activities:						
Resettlement	16	2,420	2,436	140	2,784	2,924
Children's Services	84	2,674	2,758	209	2,420	2,629
Integration	13	3,560	3,573	131	2,522	2,653
Advocacy and Awareness Raising	460	66	526	479	174	653
Therapeutic Services	26	898	924	83	546	629
Destitution	-	95	95	2	87	89
Total Charitable Activities	599	9,713	10,312	1,044	8,533	9,577
Total Expenditure	1,665	9,886	11,551	2,305	8,533	10,838

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
2020/21 Expenditure on:						
Raising Funds:						
Fundraising	542	566	-	1,108	125	1,233
Premises sublet	-	6	-	6	-	6
Total Raising Funds	542	572	-	1,114	125	1,239
Charitable Activities:						
Resettlement	1,822	369	31	2,222	214	2,436
Children's Services	1,912	533	-	2,445	313	2,758
Integration	1,742	565	922	3,229	344	3,573
Advocacy and Awareness Raising	346	98	21	465	61	526
Therapeutic Services	642	178	-	820	104	924
Destitution	57	26	-	83	12	95
Total Charitable Activities	6,521	1,769	974	9,264	1,048	10,312
Support Costs (Note 6(c))	921	252	-	1,173	(1,173)	-
Total	7,984	2,593	974	11,551	-	11,551

2019/20 Expenditure on:	Staff Costs £'000	Other Direct Costs £'000	Grant expenditure £'000	Subtotal £'000	Support Costs £'000	Total £'000
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

NOTES TO THE FINANCIAL STATEMENTS

6c. Support Costs	2020/21 £'000	2019/20 £'000
Central Premises and Business Support	213	445
Finance and Payroll	343	306
Human Resources	316	295
Gredley House - Disposal Fit-Out Asset	-	102
Information & Communication Technology	104	122
Governance Costs	129	107
Digital & Web development	3	7
Senior Management	65	54
Total Support Costs	1,173	1,438

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

6d. Grant Expenditure	For	Activity	2020/21 £'000	2019/20 £'000
Institutional Grants to				
London Metropolitan University	Building Bridges	Integration	139	139
Scottish Refugee Council	NET Covid Recovery fund	Integration	224	-
Bryson's Care	NET Covid Recovery fund	Integration	114	-
Goodwin Trust	New Roots	Integration	45	113
Refugee Education & Training Advice Service	New Roots	Integration	141	97
Student Action for Refugees	STAR grant	Advocacy and Awareness F	-	75
PATH Yorkshire	New Roots	Integration	92	67
Glowing Results	Building Bridges	Integration	49	34
Barnsley CVS	Refugee Advice Project	Integration	26	31
Welsh Refugee Council	NET Covid Recovery fund	Integration	46	-
Humber Community Advice Services	New Roots	Integration	46	26
Lewisham Refugee & Migrant Netwo	Lewisham Resettlement	Resettlement	31	-
British Red Cross	Asylum Reform Initiative	Advocacy and Awareness F	15	-
ECPAT	Trafficking Training	Childrens	-	1
Counterpoint Arts	Refugee Week	Advocacy and Awareness Raising	6	-
i) Expenditure on Grants to Institutions			974	583
Total Grant Expenditure			974	583

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 made to individuals in 2020/21 or 2019/20.

7a. Staff costs and employee benefits	2020/21 £'000	2019/20 £'000
Wages and salaries	6,692	5,823
Social security costs (employer's National Insurance)	635	560
Employer's contribution to defined contribution pension	271	238
Salaried Employees	7,598	6,621
Wages and salaries	367	447
Social security costs (employer's National Insurance)	12	15
Employer's contribution to defined contribution pension	7	8
Sessional Workers	386	470
Total staff costs	7,984	7,091

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:

	2020/21	2019/20
£60,000 - £69,999	4	3
£80,000 - £89,999	-	1
Total	4	4

Pensions payments in respect of the above in 2020/21 were £17k (2019/20: £16k).

The remuneration of the senior executives is set in accordance with the policy set out in the Trustees Report. In 2020/21 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 p49.

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 £
	2020/21	2020/21	2020/21	2020/21	2020/21	2019/20
Chief Executive (to 31 November)	88,301	61,924	7,737	3,096	72,757	100,904
Chief Executive (From 1 December)	88,365	29,455	3,661	1,473	34,589	-
ED Services	68,962	59,105	6,944	2,955	69,004	68,179
ED Advocacy and Engagement	66,739	66,739	7,998	3,354	78,091	75,974
ED of Income Generation	66,279	66,279	7,934	2,651	76,864	74,796
ED Finance and Resources	66,551	66,551	7,972	3,328	77,851	75,757
Total Senior Executive Remuneration		350,052	42,246	16,856	409,156	395,610

7b. Average Staff Numbers

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

	2020/21		2019/20	
	FTE	Headcount	FTE	Headcount
Charitable Activities:				
Resettlement	49	58	51	58
Children's Services	44	46	42	46
Integration	46	48	35	40
Therapeutic Services	18	25	9	16
Advocacy & Engagement	9	10	8	9
Destitution	1	1	1	1
Total Charitable Activities	167	188	147	169
Raising Funds	12	13	13	14
Support	20	21	20	21
Total Staff Employed	199	222	180	204

In addition to salaried employees, the Refugee Council uses sessional workers on an ad hoc bookings basis, chiefly for the provision of interpretation. In 2020/21 we paid a total of 173 sessional workers (2019/20: 198).

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 2020</i>	750	410	281	1,441
Additions	25	-	-	25
Disposals				-
At end of the year - 31 March 2021	<u>775</u>	<u>410</u>	<u>281</u>	<u>1,466</u>
Depreciation and impairments				
<i>At beginning of the year - 1 April 2020</i>	92	401	244	737
Depreciation	80	5	10	95
Depreciation on Disposals				-
At end of the year - 31 March 2021	<u>172</u>	<u>406</u>	<u>254</u>	<u>832</u>
<i>Net book value at beginning of the year</i>	658	9	37	704
Net book value at end of the year	<u>603</u>	<u>4</u>	<u>27</u>	<u>634</u>

9. Debtors	31 March 2021 £'000	31 March 2020 £'000
Accrued income	1,666	1,892
Prepayments	201	155
Trade Debtors	257	568
Other debtors	73	68
Total Debtors	<u>2,197</u>	<u>2,683</u>

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 2021 £'000	31 March 2020 £'000
Cash on short term deposit	1,366	1,365
Cash at bank and in hand	3,732	1,684
Total Cash at bank and in hand	<u>5,098</u>	<u>3,049</u>

NOTES TO THE FINANCIAL STATEMENTS

11. Creditors: Amounts falling due within one year	31 March 2021 £'000	31 March 2020 £'000
Trade creditors	464	98
Other creditors	221	178
Taxation and social security	136	369
Accruals	293	274
Deferred income (i)	743	496
Total Creditors falling due within one year	<u>1,857</u>	<u>1,415</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	2020/21 £'000	2019/20 £'000
Deferred income at 1 April	496	482
Income released from the previous year	(496)	(482)
Funding received and deferred	743	496
Deferred income at 31 March	<u>743</u>	<u>496</u>

12. Provisions

Dilapidations provisions result from constructive obligations arising under leaseholder agreements.

Dilapidations Provisions	2020/21 £'000	2019/20 £'000
Provided at 1 April	100	243
Movement in provisions in the year	-	(143)
Provided at 31 March	<u>100</u>	<u>100</u>

NOTES TO THE FINANCIAL STATEMENTS

13. Movement on Funds Summary

	Unrestricted Funds £'000	Restricted Funds £'000	Endowment Funds £'000	Total Funds £'000
2020/21				
Balance at 1st April	3,789	1,026	110	4,925
Income	2,780	9,822	-	12,602
Expenditure	(1,665)	(9,886)	-	(11,551)
Net Income / (Expenditure)	1,115	(64)	-	1,051
Transfers	(630)	630	-	-
Net Movements in funds	485	566	-	1,051
Balance at 31st March	4,274	1,592	110	5,976

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

14. Funds assets and liabilities

	Unrestricted Funds £'000	Restricted Funds £'000	Endowment Funds £'000	Total Funds £'000
2020/21				
Fixed Assets & Investments	638	-	-	638
Debtors	770	1,427	-	2,197
Cash at bank and in hand	3,074	1,914	110	5,098
Total Assets	4,482	3,341	110	7,933
Creditors	(108)	(1,749)	-	(1,857)
Provision for liabilities	(100)	-	-	(100)
Liabilities	(208)	(1,749)	-	(1,957)
Net Assets and Funds Total	4,274	1,592	110	5,976

2019/20

Fixed Assets & Investments	708	-	-	708
Debtors	748	1,935	-	2,683
Cash at bank and in hand	2,742	197	110	3,049
Total Assets	4,198	2,132	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

NOTES TO THE FINANCIAL STATEMENTS

15. Funds Details

15a. Unrestricted Funds	Balance at 1 April 2020 £'000	Income £'000	Expenditure £'000	Net I&E before Transfers £'000	Transfers £'000	Balance at 31 March 2021 £'000
General Fund	2,288	2,780	(1,578)	1,202	(566)	2,924
Designated Funds:						
(i) Fixed Asset Reserve	633		(87)	(87)	25	571
(ii) Investment Fund	63			-	320	383
(iii) Major Trust Services Fund	230			-	(84)	146
(iv) Major Donor Services Fund	575			-	(325)	250
Total Designated Funds	1,501	0	(87)	(87)	(64)	1,350
Total Unrestricted Funds	3,789	2,780	(1,665)	1,115	(630)	4,274

(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 in represents funding set aside on capital expenditure in the year.

(ii) The investment fund programme on our previous strategy has been substantially spent down. In 2020-21, in preparation for a new strategy period we have allocated a further £70k into the fund for investment in fundraising, which we expect to spend in 2021-22. We have also designated a further £250k into an 'Invest to Save' fund which will fund investment needs on the new strategy period to 2025.

(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) The Major Donor Services Fund represents the balance of the generous gift of one of our supporters originally received in 2018/19. We have applied £325k to fund expenditure in 2020/21 and the balance of £250k is planned to fund children's services in 2021/22.

The net £630k (2019/20: £878k) 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 2020 £'000	Income £'000	Expenditure £'000	Net I&E before Transfers £'000	Transfers £'000	Balance at 31 March 2021 £'000
(i) Children's Advice Service	68	1,590	(1,592)	(2)	19	85
(ii) Other Children's Services	107	518	(860)	(342)	286	51
(iii) NET Covid Response Fund	-	1,520	(1,230)	290		290
(iv) Gateway Resettlement	101	631	(619)	12		113
(v) Syrian VPRS Resettlement - Y&H	117	1,215	(1,225)	(10)	40	147
(vi) Syrian VPRS Resettlement - Hertfordshire	238	152	(180)	(28)		210
(vii) Syrian Grant Fund (GSG)	94		(62)	(62)	(32)	-
(viii) Employment Programme (WJR)	-	151	(168)	(17)	17	-
(ix) Integration including New Roots	50	1,682	(1,769)	(87)	39	2
(x) Building Bridges	19	340	(321)	19		38
(xi) Barnsley Refugee Advice Project (BLF)	13	49	(62)	(13)		-
(xii) Therapeutic Services	3	914	(675)	239	90	332
(xiii) Other	216	1,060	(1,123)	(63)	171	324
Total Restricted Funds	1,026	9,822	(9,886)	(64)	630	1,592

(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 National Emergencies Trust, 'NET Covid Response' is a partnership project between Refugee Council, Scottish Refugee Council, Welsh Refugee Council and Brysons Care (Northern Ireland) that provides emergency support to refugees that have been affected by the Covid-19 pandemic. This funding enabled the set up of a national Covid helpline for refugees and to support clients housed in hotels amongst other projects.

(iv) The Gateway resettlement project provides 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 provided grant support to set up the Syrian Refugees Fund, a fund which made 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) The Barnsley Refugee Advice Project supports advice and integration to refugees and asylum seekers in Barnsley

(xii) 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.

(xiii) 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 2020 £'000	Income £'000	Expenditure £'000	Net I&E before Transfers £'000	Transfers £'000	Balance at 31 March 2021 £'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.

No travel and subsistence expenses were incurred by trustees in the course of carrying out their duties, and so no reimbursements were made in year (in 2019/20 £94.60 was claimed in total by 2 trustees.)

	2020/21	2019/20
	£	£
Total expenses	-	95

	2020/21	2019/20
Number of trustees claiming expenses	0	2

17. Related parties

The Refugee Council Trustee Anne McLoughlin was the Chair of the Board of Management of Innisfree Housing Association until September 2019. 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 2020/21 there was income from Innisfree of £13k in respect of this SLA of which £4k was outstanding at 31 March 2021 (2019/20: £10k income, £3k outstanding at 31 March 2020.)

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 2020/21 (2019/20: £3k.)

The Refugee Council received a total of £3,700 unrestricted donations from its trustees in 2020/21 (2019/20: £1,710)

18. Fees payable to auditor

	2020/21	2019/20
	£'000	£'000
Statutory audit fee	16	15
Total	16	15

NOTES TO THE FINANCIAL STATEMENTS

19. Operating leases

19a. Expenditure under operating leases	2020/21 £'000	2019/20 £'000
Operating lease expenditure	<u>300</u>	<u>544</u>

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 2021 £'000	31 March 2020 £'000
Within one year	287	336
Between two and five years	1,155	1,360
Over five years	664	940
Total future minimum lease payments	<u>2,106</u>	<u>2,636</u>

The Refugee Council had no capital commitments as at 31 March 2021 (2019/20: none).

19c. Operating lease income

The Refugee Council had two sublets for rental of surplus head office space in 19/20, the terms and amounts of the leases exactly match that of the head lease.

There are no future payments receivable under these non-cancellable operating leases as the lease was assigned to Mind in 19/20.

	31 March 2021 £'000	31 March 2020 £'000
Within one year	-	219
Between two and five years	-	441
Over five years	-	-
Total future minimum lease payments	<u>0</u>	<u>660</u>

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

Charity number 1014576

Chief Executive

[REDACTED]

Company Secretary

[REDACTED]

Executive Director of Services

[REDACTED]

Executive Director of Advocacy and Engagement

[REDACTED]

Executive Director of Income Generation

[REDACTED]

Executive Director of Finance and Resources

[REDACTED]

Principal and Registered Office

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London
E15 1NS

Company number 2727514

Auditor

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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 2020/21:

[REDACTED]