

RESET COMMUNITIES AND REFUGEES LTD

TRUSTEES REPORT AND ACCOUNTS

FOR THE YEAR ENDED 31 MARCH 2021

Charity Registration 1179799

Company Registration 11081370

(England and Wales)

Reset Communities and Refugees Ltd

Company Limited by Guarantee

Financial Statements

Year ended 31 March 2021

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Reset Communities and Refugees Ltd

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Trustees' Annual Report (Incorporating the Director's Report)

Year ended 31 March 2021

The trustees present their report and the financial statements of the charity for the year ended 31 March 2021

Reference and administrative details

Registered charity name	Reset Communities and Refugees Ltd
Charity registration number	1179799
Company registration number	11081370
Principal office and registered office	85 Great Portland Street, First Floor, London, W1W 7LT

The Trustees

Christopher Clements

Helen Griffiths

Mais Haddadin

Paul Butler

Richard Bell

Hilary Adams

Catherine Weston resigned 23 December 2020

Independent Examiner

Chaweevan Williams FCCA

Verdant Accountants Limited

167 Clarence Avenue

New Malden

Surrey

KT3 3TX

Structure, governance and management

Reset Communities and Refugees Ltd is a registered charity and is a company limited by guarantee.

The Board of Trustees consists of a mix of professional and experienced lay members relating to the overall needs of the Charity. The day to day management of the Charity is delegated to the senior management team. External advice is sought from various agencies to ensure up to date methodology and information.

The Chair of Trustees reviews the board every year with the aim of identifying training needs and the board's general effectiveness.

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Trustee Board

The trustee board named above is an effective mix of six members.

The process for recruiting trustees is to identify skills gaps on the board at any one time, then further to advertise or accept word of mouth introductions. This is followed by interview with the Chairperson and attendance at board meeting to meet other trustees. This may or may not culminate in appointment.

Objectives and activities

Community Sponsorship is a scheme enabling citizens and communities across the UK to welcome a refugee family to their local area, supporting them as they rebuild their lives in this country. Community Sponsorship is a safe and legal resettlement route, which complements other forms of resettlement managed by government and other agencies.

Reset's core aim is to champion and support the development of Community Sponsorship (CS) across the UK. This involves working with and through others, as well as directly with Community Sponsorship groups (groups) to provide help and guidance to all those engaged in CS from group-formation through to the completion of formal support and beyond.

Our core objectives include:

- Providing relief to refugees, and preventing or relieving poverty among them, by working with others (eg, community groups, charities, businesses, individuals) in ways that meet refugees' needs;
- Supporting refugees in key areas necessary to their successful integration in UK communities, including education and training, health, employment, housing and social connections.
- Educating the wider public about issues that face refugees or asylum seekers in the UK, and thereby promoting equality and diversity for the public benefit.

These objectives are achieved through our work developing and championing the Community Sponsorship scheme.

We review our aims, objectives and activities regularly. This report describes our achievements and the outcomes of our work for the year ended 31 March 2021.

Achievements and Performance

Context

In common with other industries and sectors, the Covid-19 pandemic has had very significant implications for Community Sponsorship, most notably an extended pause in resettlement arrivals, but also uncertainty and change in the policy landscape. Nevertheless, Reset performed very strongly through the year and we have seen excellent progress and outcomes in our key areas of work.

Training and Support to Groups

In this reporting period, Reset provided advice and support to groups at all stages of the Community Sponsorship (CS) process, from forming a groups through to supporting refugees when they arrive. Highlights of our work included:

- Delivering 54 training sessions to groups across the UK;
-

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Year ended 31 March 2021

- Delivering 21 workshops to help groups navigate the CS process and submit a strong application to welcome a refugee family;
- Meeting 339 times with groups members to provide additional application advice;
- Meeting 117 times groups having welcomed refugee families in the previous 24 months, to provide post-arrival support; and
- Meeting 92 times with Local Authority or Strategic Migration Partnership members working on CS to provide support and information.

Collaboration and Awareness Raising

In this reporting period, Reset has focused on facilitating and encouraging connections and collaboration between organisations, individuals and other bodies working to further CS. Due to the pandemic, this was almost exclusively online, and we were pleased to see strong participation in this context also. In particular, we:

- Convened 18 networking/peer support events for CS groups from across the UK;
- Convened 3 meetings of the Lead Sponsor Network to provide targeted advice and networking opportunities for organisations fulfilling this specific and important function; and
- Convened a high-level Policy Roundtable event with key experts and decision-makers to discuss development and future possibilities for the CS scheme.

This year we also developed and deployed an awareness-raising campaign, aiming to increase public understanding of the scheme and encourage participation and formation of new groups. The *Communities for Refugees* campaign ran for 6 months (Oct-Mar), with around 40 potential new groups forming as a result.

Research and Evaluation

We continued to seek ways of improving CS through better understanding its characteristics and functioning. Our partnership with the University of Birmingham aiming systematically to evaluate the CS scheme yielded its most recent report in June 2020.

We engaged King's College London to undertake a dedicated research project examining the power dynamics within CS relationships; the report was published at the end of March 2021.

We contributed to Home Office research and evaluation work, providing advice on survey work being undertaken internally and externally through Ipsos MORI.

We took part in international learning and evaluation sessions convened by UNHCR, and by partners in countries including Germany, Portugal and Canada.

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Year ended 31 March 2021

Plans for the future

We have developed a dynamic strategic and operational programme for both the short and longer terms. We will:

- continue providing high quality training and support to sponsors the whole way through their experience, and will further increase our support offer to groups and families in the period after arrival;
- further enhance connections and networking between groups and others in the CS movement to ensure best practice is heard and shared;
- find appropriate and meaningful ways for refugees to have their voices and experienced shared and incorporated into the CS scheme and its development;
- continue working with partners and officials to improve the existing Community Sponsorship process to make it more streamlined and accessible to diverse volunteers;
- continue to work closely with officials and partners to secure a sustainable place for CS within the emerging UK resettlement policy landscape; and
- we will work to increase public awareness and understanding of the scheme, and encourage more people to take part and provide welcome to a refugee family.

We will also work to explore possibilities for CS to become the basis of more creative and flexible community-welcoming approaches to refugee resettlement. In doing so, we will be open to partnering with a range of other expert and committed organisations and individuals, including from outside the immediate CS sector.

Financial Review

The accounts are prepared on an accrual basis. The statement of accounts and financial activities are to be found on pages 7 to 8. The deficit for the year was £84,540 (2020 surplus £53,965) of which £84,540 (2020 £52,201) is restricted funds. The amounts carried forward are £37,452 (2020 £121,992) on restricted funds and £5,129 (2020 £5,129) on unrestricted.

Reserves policy

The purpose of the Reserves are firstly to operate as a working balance to help manage the impact of uneven cash flows and secondly, to provide a contingency to cushion the impact of emerging or unforeseen events or genuine emergencies. In general, a robust level of reserve should be maintained.

Investment policy

Given the current level of funds available to the charity, banking facilities provided by HSBC meet the charity's current requirements for maximising earned interest.

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Year ended 31 March 2021

Risk Management

Reset maintains a register of risks and controls, which are reviewed regularly by Trustees. Key risks identified and managed for this year included:

- Scale of Community Sponsorship: To date, growth in the scheme (measured by number of Groups, applications and families arrived) has been slow; securing its long term future will require more dynamic growth indicators.
- Security of longer term organisational funding: Reset's long term future depends on sustainable financial support, ideally from diverse sources.
- Staff overstretch: As a small team working in a dynamic and complex sector, with an extensive work programme, there is a risk of burnout and exhaustion amongst our staff, which needs to be carefully monitored, and wellbeing measures constantly in place and reviewed.
- Covid-19: As the pandemic continues to evolve, we can expect further consequences for resettlement which will require flexibility and innovation, as well as strength, perseverance and commitment in order to overcome.

Small company provisions

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.



H Adams
Trustee

Date 4.10.21

Reset Communities and Refugees Ltd

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Independent Examiner's Report to the Members of Reset Communities and Refugees Ltd

Year ended 31 March 2021

Independent Examiner's Report to the Trustees of Reset Communities and Refugees Ltd Limited

The charity's gross income exceeded £250,000 and I am qualified to undertake the examination by being a qualified member of ACCA which is one of the listed bodies.

I report to the charity trustees on my examination of the accounts of the company for the year ended 31 March 2021 which are set out on pages 7 to 16.

Responsibilities and basis of report

As the charity trustees of Reset Communities and Refugees Ltd you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act'). I report in respect of my examination of Reset Communities and Refugees Ltd's accounts carried out under section 145 of the 2011 Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent examiner's statement

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

1. accounting records were not kept in respect of the company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.



Signed

Chaweevan Williams FCCA
Verdant Accountants Limited
167 Clarence Avenue
New Malden
Surrey
KT3 3TX

Date 7.10.2021

Reset Communities and Refugees Ltd
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Statement of Financial Activities
(including income and expenditure account)

Year ended 31 March 2021

		2021			2020
	Note	Unrestricted funds £	Restricted funds £	Total funds £	Total funds £
Income					
Grants and donations	4	50	394,913	394,963	784,547
Total income		<u>50</u>	<u>394,913</u>	<u>394,963</u>	<u>784,547</u>
Expenditure					
Expenditure on raising funds:					
Fund raising		-	-	-	-
Expenditure on charitable activities	5	50	479,453	479,503	730,582
Total expenditure		<u>50</u>	<u>479,453</u>	<u>479,503</u>	<u>730,582</u>
Net (expenditure)/income and net movement in funds					
		<u>-</u>	<u>(84,540)</u>	<u>(84,540)</u>	<u>53,965</u>
Reconciliation of funds					
Assets transferred pre charity		-	-	-	73,156
Balance brought forward		<u>5,129</u>	<u>121,992</u>	<u>127,121</u>	<u>-</u>
Total funds carried forward		<u>5,129</u>	<u>37,452</u>	<u>42,581</u>	<u>127,121</u>

The statement of financial activities includes all gains and losses recognised in the year.
All income and expenditure derive from continuing activities.

The notes on pages 9 to 16 form part of these financial statements.

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Company Limited by Guarantee

Balance Sheet

31 March 2021

		2021	2020
		£	£
Fixed assets			
Tangible fixed assets	9	-	-
Current assets			
Debtors	10	-	450
Cash at bank and in hand		66,444	159,282
		<u>66,444</u>	<u>159,732</u>
Creditors: amounts falling due within one year	11	23,863	32,611
Net current assets		<u>42,581</u>	<u>127,121</u>
Total assets less current liabilities		<u>42,581</u>	<u>127,121</u>
Funds of the charity			
Restricted funds		37,452	121,992
Unrestricted funds		5,129	5,129
Total charity funds	12	<u>42,581</u>	<u>127,121</u>

The financial statements were approved and authorised for issue by the Board of Trustees on and signed on its behalf by



.....
H Adams - Trustee

4.10.21

The notes on pages 9 to 16 form part of these financial statements.

Reset Communities and Refugees Ltd

Company Limited by Guarantee

Notes to the Financial Statements

Year ended 31 March 2021

1. General information

The charity is limited by guarantee. The liability of each member is limited to £1.

2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)) and the Charities Act 2011. The charity constitutes a public benefit entity.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through income or expenditure.

The financial statements are prepared in sterling, which is the functional currency of the entity and rounded to the nearest £.

Disclosure exemptions

The entity satisfies the criteria of being a qualifying entity as defined in FRS 102. As such, advantage has been taken of the exemption of including a cash flow statement.

Going concern

The COVID-19 viral pandemic is one of the most significant economic events for the UK with unprecedented levels of uncertainty of outcomes. It is therefore difficult to evaluate all of the potential implications on the charity's operations, funding, suppliers and wider economy. The Trustees' view on the impact of COVID-19 is that, given the measures that could be undertaken to mitigate the current adverse conditions and the current resources available, they can continue to adopt the going concern basis in preparing the financial statements.

Fund accounting

Unrestricted funds are available for use at the discretion of the trustees to further any of the charity's purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular future project or commitment.

Restricted funds are subjected to restrictions on their expenditure declared by the donor or through the terms of an appeal, and fall into one of two sub-classes: restricted income funds or endowment funds.

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Notes to the Financial Statements *(continued)*

Year ended 31 March 2021

3. Accounting policies *(continued)*

Incoming resources

All incoming resources are included in the statement of financial activities when entitlement has passed to the charity; it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

- ☐ income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.
- ☐ legacy income is recognised when receipt is probable and entitlement is established.
- ☐ income from donated goods is measured at the fair value of the goods unless this is impractical to measure reliably, in which case the value is derived from the cost to the donor or the estimated resale value. Donated facilities and services are recognised in the accounts when received if the value can be reliably measured. No amounts are included for the contribution of general volunteers.
- ☐ income from contracts for the supply of services is recognised with the delivery of the contracted service. This is classified as unrestricted funds unless there is a contractual requirement for it to be spent on a particular purpose and returned if unspent, in which case it may be regarded as restricted.

Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is classified under headings of the statement of financial activities to which it relates:

- ☐ expenditure on raising funds includes the costs of all fundraising activities, events, non-charitable trading activities, and the sale of donated goods.
- ☐ expenditure on charitable activities includes all costs incurred by a charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities.
- ☐ other expenditure includes all expenditure that is neither related to raising funds for the charity nor part of its expenditure on charitable activities.

All costs are allocated to expenditure categories reflecting the use of the resource. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs are apportioned between the activities they contribute to on a reasonable, justifiable and consistent basis.

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

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Notes to the Financial Statements *(continued)*

Year ended 31 March 2021

3. Accounting policies *(continued)*

Tangible assets *(continued)*

An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other recognised gains and losses, unless it reverses a charge for impairment that has previously been recognised as expenditure within the statement of financial activities. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other recognised gains and losses, except to which it offsets any previous revaluation gain, in which case the loss is shown within other recognised gains and losses on the statement of financial activities.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Computers - 100% straight line

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the charity are assigned to those units.

Debtors and prepayments

Trade and other debtors are recognised at the settlement amount due after any trade discounts. Prepayments are valued at the amount prepaid net of any discounts.

Creditors and provisions

Creditors and provisions are recognised 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 to settle the obligation can be measured or estimated reliably.

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Notes to the Financial Statements *(continued)*

Year ended 31 March 2021

4. Grants and donations

	Unrestricted Funds £	Restricted Funds £	Total funds 2021 £	Total funds 2020 £
Home Office	-	374,913	374,913	546,000
Unbound Philanthropy	-	20,000	20,000	40,000
Stewardship	-	-	-	196,783
Donations	50	-	50	1,764
	<u>50</u>	<u>394,913</u>	<u>394,963</u>	<u>784,547</u>

5. Total Resources Expended

	Basis of Allocation	Charitable Governance Activities		2021 Total	2020 Total
Direct costs					
Partner Funding	Direct	114,771	-	114,771	259,638
Training & Supporting	Direct	54,512	-	54,512	32,743
Staffing	Direct	247,039	-	247,039	281,918
Support costs allocated					
Overheads	Usage	21,319	-	21,319	62,359
Freelance & Consultancy	Trans	21,332	-	21,332	38,644
Marketing & Awareness					
Raising	Usage	13,832	-	13,832	53,623
Depreciation	Usage	6,698	-	6,698	1,657
Total resources expended		<u>479,503</u>	<u>-</u>	<u>479,503</u>	<u>730,582</u>

6. Net (expenditure)/income

Net (expenditure)/income is stated after charging/(crediting):

	2021	2020
	£	£
Depreciation of tangible fixed assets	<u>6,698</u>	<u>1,657</u>

Reset Communities and Refugees Ltd

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Notes to the Financial Statements *(continued)*

Year ended 31 March 2021

7. Staff costs

The total staff costs and employee benefits for the reporting year are analysed as follows:

	2021	2020
	£	£
Wages and salaries	212,989	247,908
Social security costs	22,560	25,181
Pension costs	6,435	5,997
	<u>241,984</u>	<u>279,086</u>

The average head count of employees during the year was 5 (2020: 5). The average number of full-time equivalent employees during the year is analysed as follows:

	2021 No.	2020 No.
Directors	1.2	1.2
Manager	1	1
Coordinator	2	2
Communications	1	1
	<u>5.2</u>	<u>5.2</u>

No employee received employee benefits of more than £60,000 during the year (2020: Nil).

Key Management Personnel

Key management personnel include all persons that have authority and responsibility for planning, directing and controlling the activities of the charity. The total compensation paid to key management personnel for services provided to the charity was £nil (2020 £nil).

8. Trustee remuneration and expenses

No trustees received any remuneration during the year (2020 Nil). No expenses were reimbursed to trustees during the year (2020 Nil).

During the year payments were made to one organisation in which a Reset trustee has an interest:

- Social Finance, where Chris Clements is a Director, for provision of consultancy services to provide a report on the routes to family reunification within the existing UK immigration system

Trustees were mindful of and followed the guidance set out in CC11, section 4 in agreeing these payments. Trustees were satisfied that it was in the best interests of the charity.

Reset Communities and Refugees Ltd
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Notes to the Financial Statements *(continued)*

Year ended 31 March 2021

9. Tangible fixed assets

	Plant and machinery £	Total £
Cost		
At 1 Apr 2020 and 31 Mar 2021	1,657	1,657
Additions	6,698	6,698
	<u>8,355</u>	<u>8,355</u>
Depreciation		
At 1 April 2020	1,657	1,657
Charge for the year	6,698	6,698
At 31 March 2021	<u>8,355</u>	<u>8,355</u>
Carrying amount		
At 31 March 2021	-	-
At 31 March 2020	-	-

10. Debtors

	2021	2020
	£	£
Other debtors	-	450
	<u>-</u>	<u>450</u>

11. Creditors: amounts falling due within one year

	2021	2020
	£	£
Trade creditors	17,340	26,572
Other taxation and social security	6,523	6,039
	<u>23,863</u>	<u>32,611</u>

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Notes to the Financial Statements *(continued)*

Year ended 31 March 2021

12 Analysis of charitable funds

	At 1 April 2020	Income Expenditure		At 31 March 2021
	£	£	£	£
General funds	5,129	50	(50)	5,129
Restricted funds				
	At 1 April 2020	Income Expenditure		At 31 March 2021
	£	£	£	£
Home Office	-	374,913	(374,913)	-
Unbound Philanthropy	25,209	20,000	(7,757)	37,452
Stewardship	96,783	-	(96,783)	-
	<u>121,992</u>	<u>394,913</u>	<u>(479,453)</u>	<u>37,452</u>

The purpose of each fund is as follows:

Home Office: Funding for capacity building of community sponsorship.

Unbound Philanthropy: Funding for support to accelerate the impact of refugee community sponsorship.

Stewardship: Originally funded by gifts from Ed Shapiro and Barrie Landry. Funding for the 'New Homes Fund', for creation of new supported lodging and foster care placements for unaccompanied young refugees, in line with Reset's charitable objectives.

13. Analysis of net assets between funds

	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £
Tangible fixed assets	-	-	-
Current assets	5,129	61,315	66,444
Creditors less than 1 year	-	(23,863)	(23,863)
Net assets	<u>5,129</u>	<u>37,452</u>	<u>42,581</u>

14. Related Party Transactions

No related party transactions took place during the year.

15. Share Capital and controlling parties

The company is limited by guarantee and has no share capital. The liability of its members is limited to £1 per member.

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Notes to the Financial Statements *(continued)*

Year ended 31 March 2021

16. SOFA comparatives

	Unrestricted funds £	Restricted funds £	Total funds £
Income			
Grants and donations	1,764	782,783	784,547
	<u> </u>	<u> </u>	<u> </u>
Total income	<u>1,764</u>	<u>782,783</u>	<u>784,547</u>
Expenditure			
Expenditure on raising funds:			
Fund raising	-	-	-
Expenditure on charitable activities	-	730,582	730,582
	<u> </u>	<u> </u>	<u> </u>
Total expenditure	<u>-</u>	<u>730,582</u>	<u>730,582</u>
 Net (expenditure)/income and net movement in funds	 1,764	 52,201	 53,965
 Reconciliation of funds			
Assets transferred pre charity	3,365	69,791	73,156
	<u> </u>	<u> </u>	<u> </u>
Total funds carried forward	<u>5,129</u>	<u>121,992</u>	<u>127,121</u>