



**SUPPORTING AND  
EMPOWERING  
REFUGEES**

**BRITISH REFUGEE COUNCIL**

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

**TRUSTEES' ANNUAL REPORT AND ACCOUNTS**

**FOR THE YEAR ENDED 31 MARCH 2014**

# BRITISH REFUGEE COUNCIL

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

**Charity number** 1014576

**Company number** 2727514

**Chief Executive**

Maurice Wren

**Company Secretary**

Deborah Harris (to 29/11/2013)

Nick Waring (from 29/11/2013 to 29/08/2014)

Maurice Wren (from 29/08/2014)

**Auditor**

BDO LLP

2 City Place, Beehive Ring Road,  
Gatwick, West Sussex, RH6 0PA

**Bankers**

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

**Registered Office**

PO Box 68614  
Gredley House  
1-11 Broadway  
LONDON  
E15 9DQ

**Solicitors**

Stone King LLP  
16 St John's Lane  
London EC1M 4BS

### **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 during the year 2013/14:

Heather Foster (Honorary Treasurer and interim Chair)	Co-opted	Interim Chair until 17 <sup>th</sup> July 2013
Richard Foster (Chair)	Co-opted	Chair from 17 <sup>th</sup> July 2013
Graham Abbey	Co-opted	
Douglas Campbell	Scottish Refugee Council	Resigned 28 <sup>th</sup> May 2014
Sirak Hagos	Investing in People & Culture	
Hussein Hassan	ILYAS	
Benjamin Hopkinson	NERS	
Vaughan Jones	Praxis	
Anne-Marie Lawlor	Co-opted	Appointed 8 <sup>th</sup> May 2014
Connie Mante	East London Community Law Service	
Yen Nyeya	Ghana Refugee Welfare Group	Resigned 18 <sup>th</sup> September 2013
Rita Paulino	South Sudan Women Skills Development	
Sunetra Puri	Co-opted	

## **Structure, Governance and Management**

### **Structure, Governance and Management**

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 is a membership organisation and its governing documents are its Memorandum and Articles of Association. Organisations become members by payment of a membership subscription. All members agree to contribute £1 in the event of the charity winding up.

### **Appointment of Trustees**

The Board of Trustees consists of up to fifteen members:

- Five trustees are elected by members from Refugee Community Organisations;
- Five trustees are elected from national organisations that carry out significant work with refugees;
- The remaining five trustees are, following a recruitment campaign, co-opted by the other Trustees because of the particular skills or experience they can bring to the work of the Board.

### **Trustee induction and training**

All Trustees receive a full induction upon being elected or appointed to the Board of Trustees. The induction is a comprehensive overview of the work of the Refugee Council, and includes detailed information about our grant arrangements with key funders and a thorough introduction to the charity's strategic plan, financial procedures and budget for the current financial year. Trustees also receive training on governance issues including, for example, a briefing on what constitutes a conflict of interest.

The Trustee body as a whole is kept up-to-date with legal and statutory requirements with ad hoc training as required.

### **Organisation**

The Board of Trustees administers the charity and met three times in 2013/14. The Resources Committee of the Board is made up of the Chair, Treasurer, and one or more other Trustees with relevant experience and held the scheduled five meetings per year. The Resources Committee operates under specific terms of reference, with certain delegated functions from the Board of Trustees. The Board ratifies all decisions made by the Resources Committee. Other committees may be constituted from time to time if required, for example to review fundraising or governance.

Day-to-day management is the responsibility of the Executive Team led by the Chief Executive, who is appointed by the Trustees.

## **Objectives and Activities**

### **Objectives**

The objects of the Refugee Council, as defined in its governing documents, are:

- to provide relief for refugees and their dependants who are in conditions of need, hardship or distress;
- to preserve and protect the physical and mental health of refugees and their dependants;
- to advance the education and training of refugees and their dependants 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 charity aims to deliver these objectives through the provision of high quality services to refugees and asylum seekers to ensure that they fully understand their rights and responsibilities in the UK, obtain access to the legal, counselling, housing, employment, education and health care services they need and are able to integrate successfully into British society. The charity also aims to promote positive images of refugees and asylum seekers and to campaign and advocate to ensure that the rights enshrined in national and international law are not eroded.

### **Our Mission**

To be an influential and effective advocate of refugee protection rights, supporting and empowering refugees to lead safe, dignified and fulfilling lives, in line with the UK's international refugee and human rights commitments and obligations.

### **Our Vision**

We want the UK to be a welcoming place of safety for people who seek refuge here from persecution and human rights abuses abroad.

- For those seeking asylum, we want fair and just decision making;
- For those granted refuge, we want equality of opportunity to lead fulfilling lives;
- For those denied protection, we want understanding and humane treatment;
- For all refugees in the UK, we want respect and dignity.

### **Our Aims**

We intend that the Refugee Council uses its position as one of the UK's most prominent refugee and human rights NGOs to play a pivotal role in:

- Creating a vibrant, inclusive and influential refugee rights movement in the UK;
- Ensuring that all refugees in the UK obtain the specialist and mainstream services and resources they need;
- Strengthening the influence and involvement of refugees in shaping the decisions and processes that affect their lives.

## **Public Benefit**

The Trustees are aware that 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 below, 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.

## **Activities**

The Refugee Council's three major areas of activity in 2013/14 were: asylum support and refugee integration; campaigning and policy; and capacity building, education and training.

### **Asylum support and refugee integration (direct services to refugees and asylum seekers)**

Asylum support and refugee integration is at the very heart of the Refugee Council's work. We deliver high quality advice and support services to individuals and families at all stages of the asylum process:

- Through our One Day Induction Programme (ODIP) in London and the Wraparound service for asylum seekers residing in Initial Accommodation centres in West Midlands and Yorkshire & Humberside we provided advice and information on the asylum system, as well as practical help with accommodation, access to healthcare, food and clothing, to newly arrived asylum seekers.
- Our One Stop Service (OSS) provided advice to those at all stages of the asylum process and was able to help our clients to access both mainstream services and specialist support from locations in Greater London, West Midlands, Yorkshire and Humberside and the East of England. We also covered the North-East of England and Northern Ireland via sub-contracted services.
- Our Children's Services work specifically with unaccompanied asylum-seeking children, helping them to access education, training, healthcare and legal advice as well as providing much-needed emotional support. We also provided some specialist support for Trafficked Girls and Boys and run an age dispute project, getting many young people out of Adult Detention. Through Cricket and other youth activities we help the young people to socialize and integrate.
- The Refugee Council runs resettlement projects in Sheffield and Hull for groups of refugees who come to the UK under the Gateway Protection Programme. The programme resettles refugees from a range of countries who have often lived in refugee camps for many years, who require humanitarian protection and who are referred to the UK Government by the United Nations High Commissioner for Refugees (UNHCR).
- We run a number of projects to support refugee integration and access to mainstream services, including rent deposit, employment advice, therapeutic services and access to health services and housing. We work alongside the NHS to support refugees who are qualified health practitioners to meet UK standards and access jobs.
- We support refugees and asylum seekers who have experienced trauma and destitution through counselling and specialist groups work, and opened three destitution centres.

## **Campaigning and policy**

A key aspect of Refugee Council's work is to advocate for policies that will improve the lives of refugees and asylum seekers. We use the experiences of our service users as evidence to inform and support our advocacy work and we advocate for a fairer and more humane asylum system, and a society that enables refugees to rebuild their lives in safety and realise their potential. We work with our partners in the UK and Europe and analysing the links between UK asylum policy and refugee producing situations. The Refugee Council's Advocacy Team adopts a range of methods to influence policy and practice, including research, public campaigns, policy influencing, parliamentary lobbying and media work.

## **Capacity building, education and training**

As one of the leading organisations in the sector, the Refugee Council's work extends beyond the provision of direct services to asylum seekers and refugees. We also support local and regional organisations, including Refugee Community Organisations (RCOs) who support asylum seekers and refugees across the country.

The Refugee Council provides information about asylum and refugee issues in a variety of media and to a wide range of different audiences - asylum seekers and refugees, advisers and community groups, schools, college and youth groups, voluntary and statutory service providers, legislators and policy makers, academics and journalists as well as the general public. Our Marketing and Events Team also organises conferences and training courses and publishes a wide range of material in print and on-line.

## **Strategic report**

### **Achievements and performance**

#### **Asylum support and refugee integration (direct services to refugees and asylum seekers)**

We aim to satisfy our strategic direction to provide high quality advice, support and services to refugees and their families, where we are best placed to do so. In line with our plans for the 2013/14 financial year, we:

- Continued to work in partnership with the Scottish Refugee Council and the Welsh Refugee Council, to embed our use of the Joint Client Database (JCDB) across all three organisations. We have started to support other organisations to use the database.
- Agreed to open another satellite service in Kent through our Children's Panel.
- Increased the number of young people worked with in the Children's section to over 1000. We supported 41 girls who have been trafficked. We supported 69 young people in age disputes, 44 of whom were in detention, 36 of these have been released to local authority care due to our intervention.
- We set up a new project in May focusing exclusively on supporting young boys who have been trafficked which was funded by Comic Relief. The project got off to a busy start.
- Continued to develop the Therapeutic Casework model in multi-site delivery, and developed a range of group therapeutic activities in addition to the one-to-one counseling working with many people who have experienced trauma, violence and sexual exploitation. We continue with the Powerful Women's Project 2 funded by Comic Relief and focusing on lessons learned from Powerful Women's Project 1. We successfully ran three destitution centres in London and continue to support those who have no recourse to public funds due to their status and live in abject poverty because of it.
- The contract on asylum support and advice ended at the end of this financial year but we successfully handed over the project to the new provider.
- We celebrated 10 years of gateway resettlement in Sheffield with a successful event with speakers from UNHCR, Home Office and many more, with live performances from refugee communities.
- We resettled 38 families across Sheffield and Hull and we were supported by over 30 volunteers.
- Due to funding ending we closed the One Day Induction Programme (ODIP) in London and the Wraparound service for asylum seekers residing in Initial Accommodation centres.

#### **Campaigning and policy**

To fulfill these strategic objectives to strengthen the commitment of the UK government and society to providing the safety refugees need and to ensure that there is a stronger and more influential UK voice speaking up for refugees, we undertook a range of activities, many of which are highlighted below.

- We ran a successful campaign to persuade the UK Government to offer resettlement places in the UK for refugees who have fled the Syrian crisis. After five months of campaigning that involved engagement with Parliamentarians from across the political spectrum, high profile media coverage, joint-working with other agencies from the aid, human rights and refugee sectors, and campaign actions being taken by supporters, the Government announced the Syrian Vulnerable Relocation Scheme on 29th January 2014.
- We engaged with Home Office officials on a range of issues including age disputed children, the dispersal of pregnant women and violence against women, asylum support, the operation of the



asylum process, the care arrangements for children and detention.

- We engaged with parliamentarians in a variety of ways. The All Party Parliamentary Group on Refugees, for which we provide the secretariat, held meetings on the Home Affairs Select Committee report on asylum, dangerous journeys and Syria. We met and/or briefed parliamentarians on the Legal Aid, support for trafficked children, the dispersal of pregnant women and the Immigration Bill (now Act).
- We submitted evidence to the Home Affairs Select Committees' inquiry into the asylum system. We also gave oral evidence to the Committee, and many of our concerns were reflected in the report of the inquiry. We also submitted evidence to the Joint Committee on Human Rights' inquiry into violence against women and girls. We responded to Government consultations, including proposals to change the health charging arrangements for people from overseas, and checks on immigration status being carried out by private landlords.
- We conducted research in partnership with The Children's Society investigating the support arrangements for trafficked children, which was funded by the Home Office. The research report, Still at risk, highlighted gaps in the support being given to trafficked children, which could leave them vulnerable to further exploitation. This review identified opportunities to protect them are being missed because of a culture of doubt and suspicion among professionals. On the back of this research, the Government announced a trial which will see some child victims of trafficking given increased protection through a network of new personal advocates.
- We continued to achieve media coverage in the local and national press. We celebrated the anniversary of the launch of our Dignity in Pregnancy campaign with a blog by our celebrity supporter Juliet Stevenson which was featured on the Guardian's homepage and received over 400 comments. We achieved widespread coverage of our celebration of 10 years of the Gateway Protection Programme in 100 local and regional outlets, including a piece in the Guardian. We placed a case study in a Guardian weekend magazine on barriers refugee professionals face accessing work, leading to engagement with the Royal Society of Medicine who wanted to help. The Independent ran a piece on our statistics of age disputed young people being held in detention which was also reported in 80 other outlets. Our response to the National Audit Office's investigation into asylum seekers' housing was picked up in over 100 titles, including the Guardian and Independent.
- During our Syria campaign, we achieved extensive coverage. In January alone, we featured in over 700 print and online media clips in national (including front page stories), regional and local outlets, and participated in interviews on the Today Programme, BBC Breakfast, ITV News, Sky News, BBC 5 Live, BBC News Channel, BBC World TV, the Jeremy Vine show on BBC Radio 2, BBC World Service and LBC.
- Our social media channels such as Facebook and Twitter have been steadily attracting more followers and are developing into effective tools to support campaigns. At the end of March 2014, we had 5,881 Facebook fans and just over 11,000 followers on Twitter.

## **Education and Training**

- The Employment Team, with funding from Esmée Fairbairn, continued to deliver Information, Advice and Guidance (IAG) on employment opportunities to refugees. We provided advice to over 150 clients. After making initial assessments of client, delivering a number of workshops, and delivering a vast number of 1:1 sessions, 45 people undertook training courses, 23 people did voluntary work or work placements, and 48 people moved into employment.
- Just Bread is a new Refugee Council initiative designed to support the training, employment and emotional needs of refugee women. Participants on the 11 week course learn about established bread making techniques in this country and explore the skills and experience they gained in their home countries. Similarities and differences in ingredients, equipment and baking methods will be discussed and experimentation encouraged. This project was run entirely by volunteers.
- Funded by the NHS in London, the Refugee Council leads on Refugee Health Professionals partnership project Building Bridges which supports doctors, dentists and other health

professionals to equip themselves with the required skills, re-qualify and access employment within the NHS. In 2013/14 we supported clients to prepare for language examinations, facilitated clinical attachments with partner hospitals and ultimately 8 doctors and 2 dentists achieved employment in the NHS whilst 11 completed clinical attachment course.

### **Capacity building**

Under this area of work we sought to fulfill our strategic directions both 'to provide strong, supportive and accountable leadership to the refugee sector so that it can achieve more for refugees', and 'to provide high quality advice, support and services to refugees and their families where we are best placed to do so'.

In line with our strategic objectives and our plans for 2013/14 we:

- Continue to provide Community Support in London thanks to funding from the London Councils. 45 RCOs received 1:1 advice and support, 43 received training in fundraising, 13 were trained in Social enterprise and 35 trained in developing equality based delivery services.

### **Maintaining our effectiveness and independence**

Our fifth strategic direction is to strengthen our position as an independent and effective charity. This continues to be key in enabling us to fulfill our other strategic directions.

Against a challenging internal environment and external backdrop fundraised income continued to perform well during the year. The strategic imperative to diversify income streams and grow the overall level of income remained. This will be a feature of the charity's plans for the foreseeable future and a strategic review of the fundraising department will be undertaken in the coming year. Thanks to the continued invaluable support of many donors large and small, the team achieved an increase on income from individual donations and events and against the organisation's charitable activities.

In addition to the rolling programme of appeals, applications and acquisition activities we held a number of events to raise awareness and funds. These included:

- Meet the Chief Executive: some of our key supporters were invited to meet the new Chief Executive and hear about his plans for the Refugee Council and his vision for its future.
- Book Launch: To celebrate the launch of Elisabeth de Waal's 'The Exile's Return', Persephone Books hosted a lunch event at their Lambs Conduit Street bookshop during Refugee Week.
- Syrian Film screening: The Refugee Council, in collaboration with the Refugee Law Initiative at the School of Advanced Study showcased new and exciting short documentaries highlighting both sides of the conflict, and the effect on the Syrian population, that has led to 2.1million people fleeing their homes. The films were followed by an expert panel discussion, chaired by the Refugee Council CEO, Maurice Wren, and including the UK Representative to the UNHCR.
- Report Launch: 'Still at Risk: A Review of Support for Trafficked Children' written by the Refugee Council in collaboration with The Children's Society and commissioned by the House of Lords examined the practical care and safeguarding arrangements for trafficked children and how those children can be best protected. The report was launched in the House of Lords in October.
- Annual conference: The conference focused on 'Children and Young people in search of safety in the UK'. Dr Maggie Atkinson, the Children's Commissioner for England was the key note speaker and included expert sessions on topics including Preparing a Human Rights Assessment for refused young people, Trafficking and Private Fostering, and Access to Higher Education and Age Assessment.
- We also worked to expand our presence at community events including holding events during Refugee Week and the New Voices Festival showcasing our work, and working as a partner in Suitcase a promenade piece in Liverpool Street Station.

Overall the Fundraising team has continued to deliver excellent results despite the challenging environment. This has been achieved by reallocation of resources within the Fundraising Team to focus on areas of highest return on investment and ensuring that expenditure was targeted effectively.

Once again we have been incredibly fortunate to enjoy the continued support of many donors, large and small, who are committed to supporting refugees and our work. We extend our sincere thanks to all of our supporters for your generosity.

## **Financial review**

The Refugee Council's total income reduced from £8.3m in 2012/13 to £8.1m in 2013/14. Voluntary income, although falling from £2.6m in 2012/13 to £2.4m in 2013/14, displayed continued growth year on year from individual donations and fundraising events, and with legacies increasing significantly from £213k last year to £644k this year. Trusts and foundations were down from £975k in 2012/13 to £242k in 2013/14, due to the most part to an exceptional receipt from a closing trust in the prior year.

Expenditure fell by £1.8m, from £9.8m last year to £8.0m. This significant decrease was due to transitional costs and the cost of office relocation in the previous period.

The net movement in total unrestricted funds was an increase of £52,000 (2012/13: a decrease of £1.1m). The year end free reserve position of £1.94m is an increase from the 2012/13 accounts. Additionally, we continue to hold a total of £2.3m designated and restricted reserves to cover pension liabilities with the Pension Trust (see Note 13 (i) to the accounts). The figure of £1.94m free reserves represents 4.5 months of operating costs (operating costs for 2014/15 are £5.2m), above the 3 month reserve target.

## **Reserves**

The reserves policy, approved by the Trustees, is to maintain general unrestricted funds at a level over the medium term that takes account of the financial risks the charity is exposed to, and in particular, the risks around expenditures at times of variable, and often reducing income levels. This target level is reviewed annually and is currently set at 3 months operating expenditure for the coming year. As at the end of 2013/14 the actual level of free reserves is above this target level. The trustees have set a deficit budget for 2014/15 that will reduce this excess, allowing continuity of core activity and priority services while the organisation adapts to a new financial environment. Further details of reserves are set out in note 13.

## **Investment policy**

The charity has, with the exception of donated investments, opted not to pursue a policy of investing surplus funds on the equities or bonds markets. Instead, due to the short term nature of its surplus funds and the need to retain quick access to them, the charity has chosen to place surplus funds on short term cash deposit. The donations kept as investments are not material in value, being £4,000 at 31 March 2014 (2013: £4,000).

## **Employment of disabled persons**

The charity follows a number of policies relating to the employment of disabled persons. We ensure that full and fair consideration is given to applications for employment made by disabled persons, having regard to their particular aptitudes and abilities, through our recruitment and selection policy and capability policy. In consultation with our occupational health advisers, we ensure that reasonable adjustments are made for interview candidates, for new starters, and existing staff members who become disabled. All new employees are trained to implement our equality and diversity policy in the workplace, which strives to ensure that all staff, including disabled persons, are treated on an equal basis in areas including training, career development and promotion. Our sickness policy is also mindful of the need to avoid disability discrimination and our flexible working and time off for dependents policies aim to help staff members who may not be disabled themselves but are caring for a disabled person.

## **Employee involvement**

The charity has systems in place to provide employees with information on matters of concern to them as employees, through our staff handbook and regular communication via our intranet, email and letters. We formally recognise the trade union Unison, and meet with union representatives bi-monthly in order to consult on issues affecting employees' interests. We encourage the involvement of employees in the charity's performance through involving all staff in planning our strategic directions normally every three years, and ensure that employees are aware of current performance through staff briefing sessions delivered by the Chief Executive and other members of the Executive team at all key sites at least twice each year.

## **Volunteer development**

We continued to receive outstanding support from our volunteers. During the year, approximately 300 people volunteered to support our clients and services each week. As in previous years, a number of volunteers were able to secure paid employment, using the skills and experience they gained at the Refugee Council.

The Trustees are grateful to all our volunteers and wish to thank them most particularly for all their work in helping to extend our services and making them more effective for service users. We would be unable to support all our clients without the commitment of our volunteers.

## **Plans for Future Periods**

This continues to be a tough time to be a refugee in the UK, with cuts to both mainstream and specialist services. We anticipate that 2014/15 will continue to bring challenges for the Refugee Council. We are determined that, even though we have had to make cuts, we will continue to do the best we can to support people as they seek to build a new life in the UK.

By 2016, we intend that the Refugee Council will be:

- the leading civil society voice on refugee protection matters in the UK, combining with refugees, peer NGOs and mainstream actors to exert positive influence on Government policy and public attitudes in support of the fair treatment of refugees in the UK;
- monitoring the treatment of refugees in the UK, at all stages of the protection system, and holding the Government and other relevant authorities to account on the basis of the robust and compelling evidence drawn from our work and that of our peers;
- supporting and engaging with refugee community organisations throughout the UK, ensuring that their experience and insights inform our priorities and perspectives;
- delivering a range of specialist advice, advocacy and support services, for asylum seekers and refugees, that demonstrably have a positive impact on the lives of our beneficiaries and that build on our profile and record as a provider of genuinely holistic services;
- working cooperatively and innovatively with peer NGOs, community organisations and other stakeholders to strengthen support for asylum seekers and refugees by delivering a comprehensive range of complementary and integrated services;
- a sustainable, accountable and wholly independent social business; transparent in its governance, management and operations; committed to developing a highly motivated and high performing group of staff and volunteers; and underpinned by a diverse income base.

## **Principal Risks and Uncertainties**

### **Risk management**

The Trustees have overall responsibility for ensuring that appropriate systems of control, financial and otherwise, are in place. They 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, but not absolute, assurance against material misstatement or loss. They include:

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

As part of its management of risk, the Board of Trustees commissions reports which:

- Identify the risks which the organisation faces;
- Assess their potential impact and the likelihood of them happening; and
- Highlight the management action being taken to mitigate and manage the risks.

The key risks for the organisation are identified as:

- A reduction in income due to the present adverse economic conditions;
- The volatility, internationally and politically, of the sector in which the Refugee Council works;
- The changing pattern of service provision including increased competitive tendering and reductions in public expenditure.

Risks, and the actions to manage the risks, are formally reviewed in detail by the Resources Committee on a six-monthly basis and annually by the Board of Trustees.

## Statement of Trustees' responsibilities

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

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 the 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;
- prepare the financial statements on the 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 at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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 maintenance and integrity of the charity's website is the responsibility of the trustees. The trustees' responsibility also extends to the ongoing integrity of the financial statements contained therein.

### **Provision of information to auditor**

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

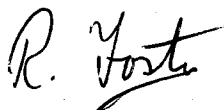
- so far as the trustee is aware, no relevant audit information has been withheld from the company's auditor; and
- the trustee has taken all the steps that he/she could reasonably be expected to have taken as a trustee in order to make himself/herself aware of any relevant audit information and has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

This confirmation is given and should be interpreted in accordance with the provisions of s234ZA of the Companies Act 2006.

### **Auditor**

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

The trustees report, incorporating the strategic report, was approved and authorised for issue by the Council on 23 October 2014 and signed on its behalf by:



**Richard Foster**  
Chair

23 October 2014

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

We have audited the financial statements of British Refugee Council for the year ended 31 March 2014 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the charity'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 charity's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's members as a body, for our audit work, for this report, or for the opinions we have formed.

### **Respective responsibilities of trustees and auditor**

As explained more fully in the Statement of Trustees' Responsibilities, the trustees (who are also the directors of the 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.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Financial Reporting Council's Ethical Standards for Auditors.

### **Scope of the audit of the financial statements**

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at [www.frc.org.uk/auditscopeukprivate](http://www.frc.org.uk/auditscopeukprivate).

### **Opinion on financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2014 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.

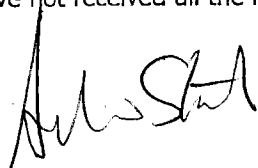
### **Opinion on other matters prescribed by the Companies Act 2006**

In our opinion the information given in the trustees' report, which includes the strategic report, for the financial year for which the financial statements are prepared is consistent with the financial statements.

### **Matters on which we are required to report by exception**

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.



Andrew Stickland  
Senior Statutory Auditor  
for and on behalf of BDO LLP, Statutory Auditor  
Gatwick, United Kingdom

23 October 2014

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127)

**BRITISH REFUGEE COUNCIL**  
**STATEMENT OF FINANCIAL ACTIVITIES**  
(including income and expenditure account)  
**FOR THE YEAR ENDED 31 MARCH 2014**

	Notes	Unrestricted Funds £' 000	Restricted Funds £' 000	2013/14 Total £' 000	2012/13 Total £' 000
<b>Incoming Resources</b>					
<b>Incoming resources from generated funds</b>					
Voluntary income	2	1,982	439	2,421	2,578
Investment income	3	37	1	38	48
<b>Incoming resources from charitable activities</b>					
Direct services to refugees and asylum seekers		34	5,140	5,174	5,208
Campaigning and policy		3	47	50	66
Capacity building, education and training		43	378	421	404
<b>Total incoming resources</b>		<b>2,099</b>	<b>6,005</b>	<b>8,104</b>	<b>8,304</b>
<b>Less: Cost of generating funds</b>					
<b>Voluntary income:</b>					
Fundraising costs	5	714	-	714	713
<b>Total cost of generating funds</b>		<b>714</b>	<b>-</b>	<b>714</b>	<b>713</b>
<b>Net incoming resources available for charitable activities</b>		<b>1,385</b>	<b>6,005</b>	<b>7,390</b>	<b>7,591</b>
<b>Resources expended</b>					
<b>Charitable activities:</b>					
Direct services to refugees and asylum seekers		803	5,630	6,433	7,389
Campaigning and policy		249	42	291	654
Capacity building, education and training		80	510	590	1,047
<b>Total charitable activity costs</b>	5/6	<b>1,132</b>	<b>6,182</b>	<b>7,314</b>	<b>9,090</b>
<b>Governance costs</b>	5	27	-	27	52
<b>Total resources expended</b>		<b>1,873</b>	<b>6,182</b>	<b>8,055</b>	<b>9,855</b>
<b>Net incoming/(outgoing) resources before other recognised gains and losses</b>		226	(177)	49	(1,551)
<b>Net incoming/(outgoing) resources before transfers</b>		226	(177)	49	(1,551)
<b>Transfers between funds</b>	13	(174)	174	-	-
<b>Net movement in funds in year</b>		52	(3)	49	(1,551)
Total funds brought forward 1 April		4,604	783	5,387	6,938
<b>Total funds carried forward 31 March</b>	13	<b>4,656</b>	<b>780</b>	<b>5,436</b>	<b>5,387</b>

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



# BRITISH REFUGEE COUNCIL

## BALANCE SHEET

FOR THE YEAR ENDED 31 MARCH 2014

REGISTERED COMPANY NO: 2727514

	Notes	31 March 2014 £'000	31 March 2013 £'000
<b>Fixed assets</b>			
Tangible fixed assets	7	535	623
Investments	8	4	4
		<u>539</u>	<u>627</u>
<b>Current assets</b>			
Debtors	9	1,756	2,126
Cash at bank and in hand	10	4,287	3,726
<b>Total current assets</b>		<u>6,043</u>	<u>5,852</u>
<b>Creditors: amounts falling due within one year</b>	11	(908)	(882)
<b>Net current assets</b>		<u>5,135</u>	<u>4,970</u>
<b>Total assets less current liabilities</b>		5,674	5,597
<b>Provisions for liabilities</b>	12	(238)	(210)
<b>Net assets</b>		<u><u>5,436</u></u>	<u><u>5,387</u></u>
<b>Funds</b>			
<b>Unrestricted funds</b>			
-General		1,940	1,800
-Designated		2,716	2,804
<b>Total unrestricted funds</b>		<u>4,656</u>	<u>4,604</u>
Restricted funds		780	783
<b>Total funds</b>	13	<u><u>5,436</u></u>	<u><u>5,387</u></u>

The financial statements on pages 14 to 27 were approved and authorised for issue by the Council on 23 October 2014 and signed on its behalf by:

*Richard Foster*

**Richard Foster**  
Chair

*Heather Foster*

**Heather Foster**  
Treasurer

The accompanying notes form an integral part of this balance sheet.

**BRITISH REFUGEE COUNCIL**  
**CASH FLOW STATEMENT**  
**FOR THE YEAR ENDED 31 MARCH 2014**

	Notes	2013/14 £'000	2012/13 £'000
<b>Net cash (outflow)/inflow from operating activities</b>	(i)	530	(1,018)
Returns on investments and servicing of finance	(ii)	38	48
Capital expenditure and financial investment	(iii)	(7)	(700)
<b>(Decrease)/increase in cash in the year</b>	(iv)	<u>561</u>	<u>(1,670)</u>
<b>(i) Reconciliation of net (outgoing)/incoming resources to net cash inflow from operating activities</b>			
Net incoming/(outgoing) resources		49	(1,551)
Depreciation		96	87
Decrease in debtors		369	2,098
(Decrease)/Increase in creditors		26	(1,641)
Increase in provisions		28	37
Interest receivable		(38)	(48)
<b>Net cash (outflow)/inflow from operating activities</b>		<u>530</u>	<u>(1,018)</u>
<b>(ii) Returns on investments and servicing of finance</b>			
Interest received		38	48
<b>Net cash inflow</b>		<u>38</u>	<u>48</u>
<b>(iii) Capital expenditure and financial investment</b>			
Purchase of tangible fixed assets		(7)	(700)
Sale of tangible fixed assets		-	-
Non cash movement on investment		-	-
<b>Net cash inflow</b>		<u>(7)</u>	<u>(700)</u>
<b>(iv) Reconciliation of net cash flow to movement in net funds (Note 19)</b>			
(Decrease)/Increase in cash in the year		561	(1,670)
Net funds at 1 April		3,726	5,396
<b>Net funds at 31 March</b>		<u><u>4,287</u></u>	<u><u>3,726</u></u>

The accompanying notes form an integral part of this cashflow statement.

**BRITISH REFUGEE COUNCIL**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2014**

**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 (SORP 2005) issued in March 2005, applicable UK Accounting Standards and the Companies Act 2006. The principal accounting policies adopted in the preparation of the financial statements are set out below.

**(b) Incoming resources**

Voluntary income including donations, gifts and legacies and grants that provide core funding or are of a general nature are recognised where there is entitlement, certainty of receipt and the amount can be measured with sufficient reliability. Such income is only deferred when:

- the donor specifies that the grant or donation must only be used in future accounting periods; or
- the donor has imposed conditions which must be met before the charity has unconditional entitlement.

Gifts in kind are included in income at their estimated market value where possible. Donated assets are included at realisable value. No value has been attributed to donated goods in the form of clothing, toiletries and tinned food that provide welfare to the beneficiaries of the Council. The value of services provided by volunteers is not incorporated into these financial statements. Further details of the contribution made by volunteers can be found in the Trustees' annual report.

Income from charitable activities includes income received under contract or, where entitlement to grant funding is subject to specific project conditions, is recognised when conditions are met. Grant income is recognised where there is entitlement, certainty of receipt and the amount can be measured with sufficient reliability. Income is deferred when:

- project related grants are received in advance of the date they are due to commence; or
- projects are delayed due to specific conditions not being in place.

**(c) Resources expended**

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 operational overheads incurred in provision of services to the beneficiaries of the charity. Support cost has been allocated on the basis of staff count (full time equivalent) consistent with the use of resources. These costs include central administration cost arising from Finance, Human Resources, Information Technology and Business Services.

Cost of generating funds are those costs incurred in attracting voluntary income.

Charitable activities include grants payable and expenditure associated with the provision of service to the beneficiaries and stakeholders in 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, 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:

***Direct services to refugees and asylum seekers***

Covers services such as: the One Stop Service, the One Day Induction Process, Reception Service, Initial Accommodation, Gateway Protection Programme and Resettlement services.

***Campaigning and policy***

Covers activities arising from the charity's key role, which is to promote the rights of refugees and to ensure that UK immigration legislation and European directives are responded to in a co-ordinated manner. This includes work on policy research, European Voluntary Returns and Parliamentary lobbying.

**BRITISH REFUGEE COUNCIL**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2014**

**1 ACCOUNTING POLICIES (continued)**

***Education and training***

Covers direct training and conference seminars offered to organisations and individuals. The charity also provides publications and leaflets which are available to the public.

***Capacity building***

The charity provides services to a large number of local and regional organisations. Activities in this area include work with Refugee Community Organisations as well as projects supporting refugee integration in the wider society.

***Governance costs***

Include those costs incurred in the governance of the charity and its assets and are primarily associated with constitutional and statutory requirements. This includes such items as external audit, legal advice for Trustees and other associated costs arising from their fiduciary responsibilities.

**(d) Fund accounting**

The charity maintains various types of funds as follows:

***Unrestricted funds***

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. General unrestricted funds represent funds which are expendable at the discretion of the Trustees in the furtherance of the objects of the charity. The current status of designated and general funds is disclosed in note 13.

***Restricted funds***

Restricted funds are funds, which are to be used in accordance with specific restrictions imposed by the donors, or which have been raised by the charity for particular purposes. Capital grants received for specific activities are recognised as restricted funds and released over the useful life of the asset. The aim and use of key restricted funds are set out in note 13 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 purposes. Where expenditure against a restricted 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 or lease period
Computer equipment	3 years
Motor vehicles, furniture, fixtures and equipment	5 years

Computer equipment purchased for specific projects is written off in the year of purchase.

**BRITISH REFUGEE COUNCIL**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2014**

**1 ACCOUNTING POLICIES (continued)**

**(f) Value added tax**

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

**(g) Pension policy**

For annual accounting purposes the pension schemes are treated as a defined contribution schemes and the amount charged to the Statement of Financial Activities in respect of pension costs and other post-retirement benefits is the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments in the balance sheet.

**(h) Investments**

Investments listed on a recognised stock exchange are stated at market value at the balance sheet date. The Statement of Financial Activities shows the net unrealised gains and losses arising from the revaluation of the investment portfolio throughout the year. The charity does not actively participate in trading on the Stock Exchange; all investments arose from shares transferred as part of residual legacies.

**(i) 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.

**(j) 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.

**Redundancy Costs**

Provision is made for redundancies occurring after but announced to staff before the balance sheet date. The Refugee Council has a contractual obligation to pay such future costs.

**(k) Grant making policy**

Grants are provided to organisations in areas where the charity wishes to carry out its charitable activities but another organisation is best placed to fulfil this and has the ability to provide the services required. Outcomes are regularly monitored against those agreed in the terms of the grant.

Grants are provided to individual refugees and asylum seekers who are suffering financial hardship. Beneficiaries are selected based on their level of need and ability to benefit from the award.

**BRITISH REFUGEE COUNCIL**  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2014

**2. Donations, legacies and other voluntary income**

	Unrestricted £'000	Restricted £'000	2013/14 Total £'000	2012/13 Total £'000
Individual donations and fundraising events	1,308	227	1,535	1,390
Charitable trusts and foundations	30	212	242	975
Legacies	644	-	644	213
	<u>1,982</u>	<u>439</u>	<u>2,421</u>	<u>2,578</u>

Voluntary income grants included in restricted voluntary income and other major funders requiring disclosure are shown below.

	Direct services £'000	Campaigning & policy £'000	Capacity building, education & training £'000	2013/14 Total £'000	2012/13 Total £'000
<b>Restricted Income</b>					
Big Lottery Fund	5	-	-	5	300
Comic Relief	18	-	7	25	131
Football Foundation	4	-	-	4	40
Nuffield Foundation	-	-	-	-	5
Separated Child Foundation	35	-	-	35	26
Volant Charitable Trust	20	-	-	20	20
Other funders	308	1	41	350	422
	<u>390</u>	<u>1</u>	<u>48</u>	<u>439</u>	<u>944</u>

**Unrestricted Income**  
Other funders

<u>1,982</u>	<u>1,634</u>
<u>1,982</u>	<u>1,634</u>
<u>2,421</u>	<u>2,578</u>

**3. Investment income**

	Unrestricted £'000	Restricted £'000	2013/14 Total £'000	2012/13 Total £'000
Interest on cash deposits	37	1	38	48
	<u>37</u>	<u>1</u>	<u>38</u>	<u>48</u>

**4. Incoming resources from charitable activities**

	Direct services £'000	Campaigning & policy £'000	Capacity building, education & training £'000	2013/14 Total £'000	2012/13 Total £'000
<b>Restricted Income</b>					
Big Lottery	20	-	-	20	-
Comic Relief	59	-	-	59	-
Department of Health	-	-	-	-	20
Greater London Authority	-	-	-	-	1
Health and Social Care Volunteering Fund	200	-	-	200	196
Home Office - UK Border Agency	4,097	23	17	4,137	4,328
NHS London	-	-	291	291	291
Sheffield City Council	515	-	1	516	629
Other funders	249	24	69	342	126
	<u>5,140</u>	<u>47</u>	<u>378</u>	<u>5,565</u>	<u>5,591</u>
<b>Unrestricted Income</b>					
Home Office - UK Border Agency	28	-	-	28	22
Other funders	6	3	43	52	65
	<u>34</u>	<u>3</u>	<u>43</u>	<u>80</u>	<u>87</u>
	<u>5,174</u>	<u>50</u>	<u>421</u>	<u>5,645</u>	<u>5,678</u>

**BRITISH REFUGEE COUNCIL**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2014**

**5. Total resources expended**

	Staff costs £'000	Direct costs £'000	Support costs £'000	<b>2013/14 Total £'000</b>	2012/13 Total £'000
<b>Cost of activities for generated funds</b>					
Fundraising costs	292	326	96	714	713
<b>Charitable activities</b>					
Direct services to refugees and asylum seekers	3,371	2,023	1,039	6,433	7,389
Campaigning and policy	153	95	43	291	654
Capacity building, education and training	207	323	60	590	1,047
	<u>3,731</u>	<u>2,441</u>	<u>1,142</u>	<u>7,314</u>	<u>9,090</u>
<b>Governance</b>	-	4	23	27	52
<b>Total resources expended</b>	<u>4,023</u>	<u>2,771</u>	<u>1,261</u>	<u>8,055</u>	<u>9,855</u>

**Support costs include:**

	<b>2013/14 £'000</b>	2012/13 £'000
Depreciation charge	96	87
Auditors' remuneration:		
Statutory audit fees	18	19
under accrual in previous year	-	4
Operating lease rentals:		
Buildings	364	457
Equipment	51	59

**6. Grants Payable**

Grants paid in the year included in direct costs of charitable activities (note 5) are as follows:

	<b>2013/14 £'000</b>	2012/13 £'000
Direct services to refugees and asylum seekers	284	301
Campaigning and Policy	14	-
Capacity building, education and training	145	189
	<u>443</u>	<u>490</u>

**Grants payable**

	<b>£'000</b>	<b>£'000</b>
Bryson Charitable Group	61	84
Causeway Irish Housing Association	10	4
Children's Society	6	-
Counterpoint Arts	8	-
Glowing Results	19	19
London Metropolitan University	126	126
North of England Refugee Service	213	213
Refugee Action	-	44
	<u>443</u>	<u>490</u>
<b>Total</b>	<u>443</u>	<u>490</u>

**BRITISH REFUGEE COUNCIL**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2014**

**7. Tangible fixed assets**

	Leasehold property improvement £000	Computer equipment £000	Furniture, motor vehicles, fixtures and equipment £000	Total £000
<b>Cost</b>				
At 1 April 2013	461	666	240	1,367
Additions	-	-	7	7
Disposals	-	-	-	-
At 31 March 2014	461	666	247	1,374
<b>Depreciation</b>				
At 1 April 2013	39	666	39	744
Disposals	-	-	-	-
Charge for the year	47	-	48	95
At 31 March 2014	86	666	87	839
<b>Net book value</b>				
<b>At 31 March 2014</b>	<b>375</b>	<b>-</b>	<b>160</b>	<b>535</b>
At 31 March 2013	422	-	201	623

**8. Investments**

	31 March 2014 £000	31 March 2013 £000
<b>UK Listed Investments</b>		
Market value at 1 April	4	4
Unrealised gains	-	-
<b>Market value at 31 March</b>	<b>4</b>	<b>4</b>
Historical cost at 31 March	4	4
<b>Net investment gain on historical cost</b>	<b>-</b>	<b>-</b>

**9. Debtors**

	31 March 2014 £'000	31 March 2013 £'000
<b>Amounts falling due within one year</b>		
Other debtors	175	267
Prepayments and accrued income	1,581	1,859
	<b>1,756</b>	<b>2,126</b>

**10. Cash at bank and in hand**

	31 March 2014 £'000	31 March 2013 £'000
Cash on short term deposit	500	1,549
Cash at bank and in hand	3,787	2,177
	<b>4,287</b>	<b>3,726</b>



**BRITISH REFUGEE COUNCIL**  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2014

**11. Creditors**

	31 March 2014 £'000	31 March 2013 £'000
Trade creditors	232	122
Other creditors	457	443
Taxes and social security costs	5	117
Accruals and deferred income	214	200
	<b>908</b>	<b>882</b>

**Movement on Deferred Income**

	2013/14 £'000	2012/13 £'000
Balance at 1 April	79	875
Income in the year	90	79
Income released in the year	(79)	(875)
<b>Balance at 31 March</b>	<b>90</b>	<b>79</b>

Deferred income at the end of the financial year represents trust and grant income restricted to financial year 2014/15, and contract income received but unearned as at 31st March.

**12. Provisions for liabilities**

	2013/14 £'000	2012/13 £'000
<b>Dilapidations</b>		
Balance at 1 April	150	173
Amounts utilised in the year	-	(173)
Additions	-	150
Amounts released in the year	(20)	-
<b>Balance at 31 March</b>	<b>130</b>	<b>150</b>

Dilapidation provisions result from constructive obligations arising under leasehold agreements.

	2013/14 £'000	2012/13 £'000
<b>Redundancy Costs associated with restructure and other provisions</b>		
Balance at 1 April	60	-
Additions	48	60
<b>Balance at 31 March</b>	<b>108</b>	<b>60</b>

**13. Movement on funds**

	Balance at 1 April 2013 £000	Incoming resources £000	Outgoing resources £000	Transfers £000	Balance at 31 March 2014 £000
<b>Unrestricted funds</b>					
General	1,800	2,099	(1,873)	(86)	1,940
Designated					
- Pension Fund (i)	1,973	-	-	-	1,973
- Fixed Asset Reserve (ii)	623	-	-	(88)	535
- Redundancy Fund (iii)	208	-	-	-	208
<b>Total unrestricted funds</b>	<b>4,604</b>	<b>2,099</b>	<b>(1,873)</b>	<b>(174)</b>	<b>4,656</b>

The above funds carried forward at 31 March 2014 represent:

(i) The Pension Fund is to cover any contingent liability on the charity's pension arrangement. The Trustees agreed to build up this fund and transfers into the fund from the General Fund have been made over the years. The charity also holds £359,000 towards this liability included in restricted funds. At 1st April 2013, the funds together equalled £2,331,196, which covered the deficit shown in the September 2012 valuation of £2,331,196. The estimated valuation at 31st March 2014 stands at £1,701,580; a reduction of £629,616. Given the volatility of the factors affecting the valuation, the level of designated fund has been kept at £2,331,196 to mitigate against future increases in the valuation.

**BRITISH REFUGEE COUNCIL**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2014**

**13. Movement on funds (continued)**

(ii) The Fixed Asset Reserve represents unrestricted funds invested in tangible fixed assets for use by the charity, which are not available for other purposes. The transfer out of this fund is in respect of the depreciation charged on these assets for the year; the transfer in is equivalent to the closing net book value of assets purchased during the year to be depreciated over future years.

(iii) The Redundancy Fund has been created to safeguard against the risk of any redundancies arising in the future not covered in full by project funding.

	Balance at 1 April 2013 £000	Incoming resources £000	Outgoing resources £000	Transfers £000	Balance at 31 March 2014 £000
<b>Restricted funds</b>					
Big Lottery Fund					
Regional Refugee Care	-	20	(13)		7
Sowing Seeds	-	5	(5)		-
Camelot Foundation	1				1
Comic Relief					
Powerful Women's Project 1	13	18	(33)	2	-
Powerful Women's Project 2	-	23	(20)		3
Influencing Women's Project	9	7	(20)	4	-
Trafficked Boys	-	35	(30)	-	5
The Diana, Princess of Wales Memorial Fund	1	-	-	-	1
Health and Social Care Volunteering Fund Grant	36	205	(228)		13
Home Office					
Asylum Support Service (iv)	4	2,028	(2,039)	11	4
Initial Accommodation (v)	1	723	(731)	8	1
Children's Panel (vi)	4	800	(811)	7	-
Gateway and Resettlement (vii)	(1)	-	-	-	(1)
Exit Funding (viii)	-	300	(221)	(79)	-
Others (ix)	404	11	(17)		398
John Frank Fund (x)	112	1	(1)		112
London Councils - Supporting RCOs	-	62	(62)	-	-
Norfolk County Council - Gateway Norwich	1				1
Sheffield City Council - Gateway and Resettlement (vii)	-	515	(515)		-
Others (xi)	198	1,252	(1,436)	221	235
<b>Total restricted funds</b>	<b>783</b>	<b>6,005</b>	<b>(6,182)</b>	<b>174</b>	<b>780</b>

The above funds carried forward at 31 March 2014 represent:

(iv) The Asylum Support Service grant was funded by the Home Office. The grant was used to provide advice and support to individuals and families at all stages of the asylum process.

(v) Initial Accommodation Service provides asylum seekers with advice on temporary accommodation during the asylum process.

(vi) The Children's Panel works mainly with unaccompanied children. The Panel provides access to education, training, health care and legal advice. This activity is principally funded by the Home Office. Other non Home Office funded work with separated children includes work with girls and young women who are the victims of trafficking and work with children whose age has been disputed.

(vii) Gateway and Resettlement Programme is part of the government's Gateway Protection Programme which resettles refugees who have been living in camps around the world in the United Kingdom.

(viii) Exit Funding is the expenditure in relation to exit of Home Office contracts, and the associated reimbursement income from the Home Office. A transfer out of this fund into Unrestricted has been made in respect of reimbursement income received in 2013/14 in respect of costs which had been met out of Unrestricted Funds in 2012/13.

(ix) Other Home Office funding includes £359,000 funding held in respect of Pensions contingent liabilities (see note 15).

(x) 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.

(xi) Other restricted sundry grants cover a number of activities which are not funded by principal funders. Included in this category is the Hardship Fund, used to provide support to refugees and asylum seekers in distress.

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Transfers into Restricted funds represents funding from Unrestricted funds for activities where the restricted funding received for the year does not fully meet the expenditure.

#### 14. Employee information

The average full time equivalent number of employees within the year was as follows:

	2013/14	2012/13
Activities for generated funds	10	8
Charitable activities	106	120
	<u>116</u>	<u>128</u>

	2013/14 £'000	2012/13 £'000
Staff costs comprised:		
Wages and salaries	4,021	4,506
Employer's national insurance costs	371	433
Pension costs	106	101
Aggregate employee remuneration	4,498	5,040
Agency and other staff cost	310	646
	<u>4,808</u>	<u>5,686</u>

The outstanding pension contributions payable at year end were £19,864 (2012/13 £15,331).

Included in other staff costs is £187,000 of redundancy costs (2012/13 £211,000)

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

	2013/14	2012/13
£60,000 - £69,999	1	-
£70,000 - £79,999	1	1
£90,000 - £99,999	-	1

Employer's pension fund contributions paid on behalf of the above amounted to £5,985 (2012/13: £3,447).

#### 15. Contingent liabilities

##### Pension Trust

The Refugee Council participates in the Pension Trust's Growth Plan, a multi-employer Pension Plan which is, in most respects, a money purchase arrangement but which has some guarantees. It is not possible in the normal course of events to identify the share of underlying assets and liabilities belonging to the individual participating employers. Accordingly, due to the nature of the Plan, the accounting charge for the period under FRS17 represents the contributions payable by the employer.

The last formal valuation of the Plan was performed at 30 September 2011 by a professionally qualified actuary. The valuation revealed that the assets of the Plan fell short of the accrued liabilities as at the valuation date equivalent to a past service funding level of 84%. The Actuary has not recommended an increase to employer contributions which are currently 5% and the charity is not aware of any plans to change future employer contribution rates.

However the rules of the Plan give the Trustees the power to require employers to pay additional contributions in order to ensure that the statutory funding objective under the Pensions Act 2004 is met. From April 2013 the Refugee Council made additional deficit contributions as part of a recovery plan which aims to eliminate the deficit on the plan via a combination of additional contributions from employers and investment returns over a period of 10 years from 1 April 2013. The contribution for 2013/14 was set at £130,695 (2012/13: £nil).

Following a change in legislation in September 2005, there is a potential debt on the employer that could be levied by the Trustee of the Plan. The current policy of the Trustees of the Plan is that this only applies to employers with pre October 2001 liabilities in the Plan. The debt is due in the event of the employer ceasing to participate in the Plan, ceasing to offer the Plan to its employees or the Plan winding up. However, effective from the 6 April 2008, the debt on withdrawal will now crystallise as soon as the last active member leaves the scheme.

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**15. Contingent liabilities (continued)**

**Potential employer debt - contingent liability**

The debt for the Plan as a whole is calculated by comparing the liabilities for the Plan (calculated on a buy-out basis, i.e. the cost of security benefits by purchasing annuity policies from an insurer, plus allowance for expenses) with the assets of the Plan. If the liabilities exceed assets there is a buy-out debt. The leaving employer's share of the buy-out debt is the proportion of the Plan's pre October 2001 liability attributable to members who were or are in employment with the leaving employer as compared to the total amount of the Plan's pre October 2001 liabilities (relating to employment with all the currently participating employers). The leaving employers' debt therefore includes a share of any 'orphan' liabilities in respect of previously participating employers.

The amount of the debt therefore depends on many factors including total Plan liabilities, Plan investment performance, the liabilities in respect of current and former employees of the employer, financial conditions at the time of the cessation event and the insurance buy-out market. The amounts of debt can therefore be volatile over time.

The Refugee Council has been notified by the Pensions Trust of the estimated employer debt on withdrawal from the Plan based on the financial position of the Plan as at 30 September 2013. As of this date the estimated employer debt for the charity was £1.8m (2012: £2.3m). The Pension Trust's actuary has estimated that as at 31 March 2014 this liability has decreased by 6% and therefore this would indicate that the liability position at 31 March 2014 is in the region of £1.7m (2012: £2.4m). However as the factors that underlie the calculation are extremely volatile the Scheme Actuary has advised that any estimate as at 31 March 2014 could be markedly different from any actual quotations and should be viewed with extreme caution.

**16. Trustees' expenses**

	2013/14	2012/13
Number of Trustees claiming expenses	6	8
	£'000	£'000
Trustees' expenses:		
Travel and meeting expenses reimbursed	3	6
Trustees Indemnity insurance cover cost	3	3

None of the Trustees of the Council received any remuneration during the year (2012/13: £nil).

**17. Operating and financial commitments**

**a) Operating Lease commitments**

The company is committed to paying the following amounts in respect of operating leases expiring:

	31 March 2014 Building £'000	31 March 2014 Equipment £'000	31 March 2014 Total £'000	31 March 2013 Building £'000	31 March 2013 Equipment £'000	31 March 2013 Total £'000
Within one year	-	-	-	55	27	82
Between two and five years	71	26	97	47	-	47
Over five years	234	-	234	243	-	243
	305	26	331	345	27	372

**b) Capital commitments.**

A commitment to acquire the intellectual property associated with the Joint Client Database (JCDB) was entered into during 2013/14, with the purchase to take place with effect from 1st May 2014 at a cost of £50,648. The cost of this purchase has not been recognised as a liability in 2013/14. There were no capital commitments as at 31st March 2013.

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**18. Analysis of net assets between funds**

	Unrestricted funds £000	Restricted funds £000	Total funds £000
<b>Funds balances at 31 March 2014 are represented by:</b>			
Tangible fixed assets	535	-	535
Investments	4	-	4
Net current assets	4,321	814	5,135
Provisions for liabilities and charges	(204)	(34)	(238)
<b>Total net assets</b>	<b>4,656</b>	<b>780</b>	<b>5,436</b>

**19. Analysis of net funds**

	At 1 April 2013 £'000	Cashflow £'000	Other non cashflows £'000	Exchange movement £'000	At 31 March 2014 £'000
Cash in hand and at bank	3,726	561	-	-	4,287
<b>Total</b>	<b>3,726</b>	<b>561</b>	<b>-</b>	<b>-</b>	<b>4,287</b>

**20. Big Lottery Fund: reconciliation of income to cash received**

	Income per statutory accounts 2013/14 £'000	Accrued & deferred income 2013/14 £'000	Accrued & deferred income 2014/15 £'000	Cash received during year 2013/14 £'000
Sowing Seeds	5	(5)	-	-
	5	(5)	-	-

**21. Section 37 Statement**

Grant aid of £62,342 was received in 2013/14 from London Councils for the Supporting & Strengthening the Impact of London's Refugee Community Organisations ('Supporting RCOs') under Priority 4, Strand 4.1. The following table illustrates what the money was awarded for and that it has been used for these purposes

	Grant £'000	Grant Spent £'000
Staff costs	38	39
Beneficiary costs	6	5
Other costs	18	19
<b>Total costs</b>	<b>62</b>	<b>63</b>