



**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 2015

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

Nick Waring (until 28 August 2014)

Maurice Wren (29 August 2014 - 23 July 2015)

Martin Tyler (from 24 July 2015)

Executive Director of Services

Una Barry MBE

Executive Director of Income Generation

Caroline Olszewsky

Executive Director of Finance and Resources

Nick Waring (until 31 August 2014)

Martin Tyler (from 8 October 2014)

Registered Office

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

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

Solicitors

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

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 2014/15:

Richard Foster (Chair)	Co-opted	
Heather Foster (Honorary Treasurer)	Co-opted	
Graham Abbey	Co-opted	Resigned 26 th September 2015
Mabrouke Alloune	East London Community Law Service	Appointed 27 th November 2014
Sirak Hagos	Investing in People & Culture	
Hussein Hassan	ILYAS	
Benjamin Hopkinson	NERS	
Vaughan Jones	Praxis / Co-opted	
Anne-Marie Lawlor	Co-opted	Appointed 8 th May 2014
Connie Mante	East London Community Law Service	Resigned 27 th November 2014
Stella Maravanyika	Zimbabwe Association	Elected 27 th November 2014
Salah Mohamed	Welsh Refugee Council	Elected 27 th November 2014
Ernest Rukangira	Diversity Living Services	Elected 27 th November 2015
Rita Paulino	South Sudan Women Association	
Sunetra Puri	Co-opted	Resigned 27 th November 2014
Jan Shaw	Amnesty International UK	Elected 27 th November 2014

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. Members are invited to an Annual General Meeting (AGM) which normally takes place in November each year where they receive updates on organisational performance for the year, appoint trustees under the process set out below, and contribute to debate on organizational priorities, policies and wider issues affecting our beneficiaries.

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 co-opted by the other Trustees because of the particular skills or experience they can bring to the work of the Board.

One third of each category of trustee must stand down at each AGM with those standing down eligible for re-election subject to a maximum length of office of 10 years or 8 consecutive AGMs. The Board elects a Chair and Honorary Treasurer who are able to serve in these posts for a maximum length of 7 years.

During the year the Board began consideration of its own effectiveness and how governance structures can best support the organisation's strategic objectives. It is expected that following consultation with the Refugee Council's members changes to the appointment process may be made in 2015/16.

Trustee induction and training

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

Organisation

The Board of Trustees meets on a regular basis throughout the year and in 2014/15 met on five occasions. The main tasks of the Board are:

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

The Board also has one sub committee, the Resources Committee which comprises the Chair, Treasurer, and one or more other Trustees with relevant experience, which met four times during the year. This sub committee gives a greater level of scrutiny on financial and operational issues, including meeting with the external auditors and approving expenditure where these exceed levels delegated to management.

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

Objectives and Activities

Objectives

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

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

The 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 support and empower refugees to lead safe, dignified and fulfilling lives

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.

Our Values

- We treat people with respect, dignity and compassion.
- We involve and empower the people we work with.
- We are committed to a person centred way of working
- We work together with communities and partners to transform lives
- We are tenacious and creative in advancing refugee rights

Our Aims

- 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 strategic objectives

We intend that the Refugee Council will :

1. Be a prominent voice on refugee protection matters in the UK, working cooperatively with peers and partners to hold the Government and other authorities to account on the basis of evidence drawn from our joint service delivery and research experience;
2. Deliver a portfolio of discrete, holistic and expert services for the benefit of people at all stages of the UK asylum and refugee system, designed to transform the lives of beneficiaries and to complement other specialist and mainstream services;
3. Engage with Refugee Community Organisations to strengthen their involvement and the influence they exert in the shaping of the policies and practices that affect their lives;
4. Play a pivotal role in building a diverse, inclusive, influential and empowering refugee rights movement in the UK;
5. Be a sustainable and accountable charity, committed to developing a highly motivated and high performing group of staff and volunteers.

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 undertakes its activity through three main areas of activity: 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. The work is delivered through four key areas of activity:

Children's Services

Our Children's Services are: Children's Panel advice for any separated children, Trafficked boys and girls projects, Age Disputes project and our Youth Development Programme.

Our Children's Panel, funded by the Home Office, works specifically with separated children seeking asylum, offering advice and guidance, ensuring they have access to good legal advice and providing much needed emotional support.

We also provide a range of specialist support through our projects supporting **Trafficked Children**, and our **Age Disputes** project which works to advocate on behalf of children who are detained as adults, or who are age disputed in other circumstances. Our **Youth Development Programme** offers a range of educational and social activities to support young people in language, integration and education. This project also runs a cricket project supported by volunteers.

Integration Services

Our Integration services are: New Refugees Advice Project and Housing and Resettlement.

The difficulties refugees face when moving from the asylum support system to mainstream support, often result in homelessness and destitution, as they are only given 28 days to transform from one to the other. We support new refugees through the **New Refugees Advice Project** who have just received status and find themselves in crisis due to these timescales. We help them with paper work, benefits and support them to access housing, through our **Housing and Resettlement Project**.

Therapeutic Services

Many asylum seekers arrive in this country in a very distressed state due to their experiences of war, trauma and violence. Our therapeutic team work holistically responding to their complex needs using a specially designed psychosocial model of intervention.

Some clients are destitute with no money and no recourse to public funds and we support this group through day services.

Resettlement - Gateway Protection Programme

In partnership with Sheffield City Council and Hull City Council we resettle refugees, referred to the UK Government by the United Nations High Commissioner for Refugees (UNHCR), supporting them through a range of high quality services to integrate into their local communities. .

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 life 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 organise training courses and publishes materials in print and on-line.

Our **Refugees into Jobs** project supports refugees living in London to access appropriate training and employment opportunities.

Funded by the NHS, we lead on Refugee Health Professional partnership **Building Bridges**, which supports doctors, dentists and other health professionals, who come with qualification's to pass the required standard to work here. This programme is externally evaluated and provides significant value for money.

Strategic report

2014/15 Achievements and performance

Asylum Support and Refugee Integration (direct services to refugees and asylum seekers)

In the past year we have concentrated on how we deliver services in the most cost effective way, redesigning and developing service where there is a clear need, and developing our quality and continuous improvement, partnerships and innovation. We are also improving the way we inform our advocacy, so that the work we carry out is informed by refugees and asylum seekers giving them and other agencies a greater voice.

Children's Services

We supported over 2000 children last year, which is an increase over 54% on the year before. Our aim is for separated children seeking asylum to receive high quality support and advice around their asylum application, to feel safe and to be properly looked after. In our age dispute project 29 of the 42 young people in detention were released. We worked with 52 trafficked girls and 33 trafficked boys supporting them to live safely and have the opportunity to recover from their experience. In our Youth Development Programme we saw over 300 young people, 70 of whom enrolled into our English and Maths classes. We had 311 social evenings and held one residential trip for 10 young people, as well as many other activities.

Integration Services

In our New Refugee Advice Project and Housing and Resettlement support services, we have supported over 500 people. The need for this service is demonstrated by the fact that from time to time we have had to close to new clients as demand outweighs our capacity. This enables us to complete work that needs to be done for current clients before taking on new ones.

Therapeutic Services

We continue to support some of the most vulnerable asylum seekers who have experienced trauma, violence and sexual exploitation through a range of group work, one to one support and counselling. We have a highly trained team of staff and volunteers who have delivered this work to over 600 asylum seekers.

We completed a successful partnership with Freedom from Torture to work with torture survivors over an 18 month period. The project was set up to identify torture survivors and develop effective referral pathways in the West Midlands.

We have reviewed the work we do with destitute clients and are working closely with therapeutic services to ensure asylum seekers are emotionally stabilised to ensure better opportunities for routes out of destitution. We are building better partnerships with centres in the homeless sector, and have formed part of the Strategic Alliance on Migrant Destitution.

Resettlement Programme

In Sheffield and Hull we have worked in partnership with the local councils to resettle 180 refugees from a range of countries, with many volunteers adding value to our work and we have also had several social work students working with us on placement. We also commenced discussions with another council in the North of England who have expressed an interest in resettling refugees and we expect to be able to expand our work in the region during 2015/16.

Campaigning and policy

To fulfill the 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.

- Following our campaign success of the previous year when we persuaded the UK Government to offer resettlement places in the UK for refugees who have fled the Syrian crisis, we continued to urge the Government to expand the scheme. We orchestrated two joint letters to the Prime Minister (one from 30 key aid, human rights and refugee agencies including Oxfam, Save the Children and Amnesty; one from celebrities), both of which made the national press.
- We have actively campaigned for the British Government to do more to prevent the increasing incidence of tragic deaths in the Mediterranean of people trying to reach the safety of Europe calling for the implementation of safe and legal routes.
- In May we published the research report *28 days later: experiences of new refugees in the UK*. This report documented the difficulties refugees face when moving from the asylum support system to mainstream support, often resulting in homelessness and destitution. We presented the findings to Parliamentarians at a meeting of the All Party Parliamentary Group on Refugees. We raised concerns about the timely issuing of documents with Home Office officials who have agreed with our recommendation and agreed to write this into policy. We secured funding from the Open Society Foundation to continue to gather evidence on these issues and press for change.
- Our policy work on children's issues included working with European partners on a project focused on the reunification of children with their family members under the Dublin III Regulation. We made a presentation, and led workshops, at a conference in Brussels that was attended by European Member State representatives, the European Commission and NGOs. Our work on women included giving oral evidence to the Joint Committee on Human Rights' Inquiry into violence against women and girls. We submitted evidence to the All Party Parliamentary Group on Domestic Violence's inquiry on Domestic and Sexual Violence Services, and agreed with Home Office officials a process for the revision of guidance on domestic violence. The Home Office also agreed for Refugee Council, in partnership with Scottish Refugee Council and UNHCR, to deliver training on sexual violence awareness to almost all the officers involved in screening asylum applicants.
- We engaged with Home Office officials on a range of issues including age disputed children, asylum support, violence against women and girls, the Syrian Vulnerable Persons Relocation Scheme and girls and detention. We continued to advise the Children's Commissioner for England through her asylum and migration advisory board and the Chief Inspector for Borders and Immigration.
- We worked with parliamentarians in a variety of ways. The All Party Parliamentary Group on Refugees, for which we provide the secretariat, held meetings on the safe and legal routes, asylum support and ran an inquiry, in partnership with the All Party Parliamentary Group on Migration, into the use of immigration detention (to which we submitted written evidence). We briefed parliamentarians across both Houses on key issues, and supported MPs and Peers to raise refugee issues in debate and through Parliamentary Questions.
- We continued to achieve media coverage in the local and national press, commenting on a wide range of issues. This has included securing 500 media clips in broadcast, print and online including live interviews on BBC News Channel a front page story in the Independent and quotes in the Guardian and Daily Mail. We also strive to place positive stories about refugees and have had some impressive successes: receiving a double page spread in the Metro focusing on our exhibition the Refugee's Gift held during Refugee Week, as well as an in depth feature in glossy cricket magazine All Out Cricket on our Refugee Cricket Project, and a piece in the Guardian's weekend magazine on a resettled refugee spending her first Christmas in safety in Britain.

Capacity building, education and training

With funding from the London Councils, we are able to provide support and training to many Community Organisations across London. We also provide information beyond London through our website. During the financial year 2014-2015, the Supporting RCOs project provided:

- One- to-one advice and support on fundraising, project development and governance to 48 refugee community organisations
- Training on capacity building, including on writing better funding applications, online fundraising, income generation and sustainability and training on equalities to 106 Refugee community organisations.
- A funding seminar for 55 RCO's aimed at improving the quality of funding applications submitted

In our Refugee into Jobs programme, we had 93 new refugees registering for support over the last 12 months. Over this period we offered over 300 advice sessions and were able to help 49 into employment, 76 to access volunteering opportunities and 20 to achieve required qualifications.

The Building Bridges project supports the retraining and requalification of refugee health professionals (doctors) enabling them to access health posts commensurate with their experience and qualifications.

The contractual year starts in September with:

- 20 new doctors registered on the programme over 12 months
- 23 doctors continued on the programme
- 14 health professionals received support through the Beneficiary Fund
- 18 health professionals attended the International English Language Testing System (IELTS) provision at Refugee Council

Building Bridges also produced an educational video on communication and cross cultural issues within the NHS as part of their training.

Maintaining our effectiveness and independence

As set out below in the Financial Review, the Refugee Council has undergone a significant change over the last 12-18 months. Part of this is the financial change where, with much reduced financial support from the Home Office, the organisation is now far more heavily reliant on voluntary fundraising for its future, but it also has much wider implications. As a much smaller organisation it is critical that our different work streams are complementary wherever possible and that staff in different teams work together. While some operational procedures and processes need to be very robust because of the nature of our work with our beneficiaries, other organisational ones need to be more flexible and reflect the size of organisation we now are. A new Senior Management Team is now in place to help drive through this newer ways of working.

The Board of Trustees has also commenced looking at its own effectiveness and the skills and experience that are needed to best guide the governance of the organisation and expects to propose changes to the constitutional arrangements in due course.

With the increased reliance on voluntary income, the fundraising performance for the year has been good, especially given the wider organisational changes and number of new staff within the department. The team is working more closely with our services department and looking to develop more multi year fundraising proposals that will, if successful, provide greater security in our financial planning.

The Refugee Council generates significant income from many deeply committed individuals, trusts and foundations who support the wide range of our work and respond to our fundraising requests with donations both large and small and we want to formally note thanks for their generosity.

Financial review

The Refugee Council ceased to provide the contract to the Home Office for Asylum Support and Initial Accommodation Services with effect from 31 March 2014. This had a significant effect on the financial profile of the organisation with the contract having been worth £2.8m in its last year. This was the principal reason for the decline in total income from £8.1m in 2013/14 to £4.6m in 2014/15. It also had a similar impact on the level of expenditure in the year as many staff transferred to the new provider, with the average number of staff reducing from 116 to 68, and the contracts for other associated direct expenditure ceasing. One of the financial challenges to the organisation in 2014/15 and in the 2015/16 year is adjusting the size and cost of the organisation's infrastructure in line with the now reduced level of charitable activity.

Aside from income generated from charitable activities, voluntary income also decreased – down from £2.4m to £1.7m with the main cause being the receipt in 2013/14 of one significant legacy. Aside from this other voluntary income only showed a small decline from the previous year.

Expenditure fell from £8.1m to £5.5m primarily from the ending of the Home Office contract referred to above. With the decline in Home Office funding the Refugee Council recognises that voluntary income will become increasingly important to the organisation and so the level of expenditure allocated to fundraising has remained relatively constant in nominal terms, although as a percentage of overall expenditure it has increased from 9% to 12%.

The trustees were aware at the start of the year that the loss of such a significant contract would be a challenging environment for the Refugee Council to adapt to. In light of this, and bearing in mind the level of unrestricted reserves at the start of the year the trustees agreed a deficit budget for the year. This agreed deficit, together with the challenging fundraising environment and the increase in the potential pension liability (note 15) has led to an overall deficit for the year of £912,000 of which £803,000 relates to unrestricted funds.

Unrestricted free reserves at March 2015 now stand at £1.1m which is slightly below the target of three months of forward operating costs set in the reserve policy.

Reserves

The reserves policy, approved by the Trustees, is to maintain general unrestricted free reserves 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 2014/15 the level of free reserves is slightly below this target level, and the trustees are seeking to bring reserves back up to their target level within the next year.

Investment policy

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

Remuneration Policy

The Refugee Council has a job grading system in place that on the basis of a number of criteria matches posts against the pay spine used by the National Joint Council for Local Government. This system is used for all posts in the organisation with the exception of executive staff. Employees normally join the organisation at the bottom of the scale for their post and move up the scale on an annual basis. In exceptional circumstances a market supplement may be paid in order to attract a candidate in a difficult to recruit to post. An annual cost of living award is paid to staff, normally on 1 April each year, in line with that agreed by the National Joint Council.

For executive staff the Refugee Council has to balance a number of factors – including the esteem and value of a working for a charity, and the limited number of applicants for senior roles with experience and knowledge in some key functions. The Board are conscious that executive salaries need to remain competitive with the sector whilst ensuring that there is appropriate consistency on remuneration across the organisation. Therefore in determining levels of executive pay, the Refugee Council will usually reference pay data from employment agencies, charities of a comparable size and sector competitors and consider the ratio between executive and median employee data. Annual cost of living awards for executive staff are normally comparable to any increases paid to non executive staff. All other benefits received by executive staff are in line with those available to all staff.

The Board is directly responsible for the annual setting of the salary level of the Chief Executive and the Chief Executive in turn has delegated responsibility for other executive staff. Every two years the Board will review the level of executive salaries based on benchmarking data to ensure that salaries are still comparable to the median level of similar sized charities. The ratio of the Refugee Council's Chief Executive's salary to the median of staff salaries is 2.66.

Employees

The charity recognised the importance and commitment of its staff in the delivery of our plans and activities. Employees are kept regularly up to date on matters affecting the charity through regular staff briefings and email updates. With staff spread over a number of offices, the Senior Management Team seek to ensure that they visit all the offices on a regular basis and provide the opportunity for face to face briefings and for staff to raise questions. We formally recognise the trade union Unison, and meet with union representatives quarterly in order to consult on issues affecting employees' interests.

Volunteers

The charity could not deliver the range and quantity of services that we do without the support of our volunteers. Approximately 300 people volunteered to support our clients and services over the course of the year. In recognition of the importance of volunteers the charity retains its Investors in Volunteers accreditation.

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.

Plans for Future Periods

At a time when there is steadily increasing numbers of applications for asylum and the issue of migration is higher in the public profile than for many years there is also a change of government in the UK which is likely to seek to reduce the costs of the asylum and refugee system. More than ever the role the Refugee Council plays in the integration of refugees into the community is needed and to use the learnings from this work in our advocacy calls. We will need to work with our peer NGOs to find new ways to influence Government and Civil Service thinking on refugee protection and will place greater emphasis on us working collaboratively.

On a financial perspective, the outlook will continue to be challenging. While much of the adjustment following the loss of the Home Office grant in March 2014 has been done, there is still further work required to ensure the central structure and costs of the organisation are more reflective of the size of organisation we are today. With reduced reserves there is less room for manoeuvre than in the past and the organisation remains exposed to changes in its pension liabilities. That said the Trustees have set a budget for the coming year, that while challenging, should see the organisation placed on a better financial footing.

During 2014/15 the Board reviewed our medium term goals and revised these so that by 2018 we intend that the Refugee Council will:

- Be a prominent voice on refugee protection matters in the UK, working cooperatively with peers and partners to hold the Government and other authorities to account on the basis of evidence drawn from our joint service delivery and research experience;
- Deliver a portfolio of discrete, holistic and expert services for the benefit of people at all stages of the UK asylum and refugee system, designed to transform the lives of beneficiaries and to complement other specialist and mainstreams services;
- Engage with refugee community organisations to strengthen their involvement and the influence they exert in the shaping of the policies and practices that affect their lives;
- Play a pivotal role in building a diverse, inclusive, influential and empowering refugee rights movement in the UK;
- Be a sustainable and accountable charity, committed to developing a highly motivated and high performing group of staff and volunteers.

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 Senior Management Team, Resources Committee and the 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 and Resource Committee review the risk register twice a year which:

- Identifies 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.

At its last review in 2014/15 the Board identified the following four key risks and considered mitigation actions:

Risk	Mitigation Actions
Long term financial sustainability	Maintain investment in fundraising to deliver future income Reduce central costs given decrease in size of organization Clear financial parameters and KPI monitoring
Dramatic change in government policy, especially in light of 2015 general election	Collaborate with other actors in the sector Build relationships with new ministers and civil service
Failure to deliver on the role of sector leader	Commence governance review to ensure appropriate mechanisms to provide accountability and leadership Co-chair the National Asylum Stakeholder Forum, fundraise for sector wide initiatives
Pensions contingent liability	Seek to reduce liability through an enhanced transfer offer to deferred members Maintain full provision in accounts and seek to establish precise cost of exiting defined benefit scheme

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.

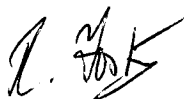
This confirmation is given and should be interpreted in accordance with the provisions of s234ZA of the Companies Act 2006.

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 22 October 2015 and signed on its behalf by:

Richard Foster
Chair



29 October 2015

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 2015 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.

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 2015 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.

BSB LLP

30 October

Andrew Stickland
Senior Statutory Auditor
for and on behalf of BDO LLP, Statutory Auditor
Gatwick, United Kingdom
2015

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 2015

	Notes	Unrestricted Funds £' 000	Restricted Funds £' 000	2014/15 Total £' 000	2013/14 Total £' 000
Incoming Resources					
Incoming resources from generated funds					
Voluntary income	2	1,502	165	1,667	2,421
Activities for Generating Funds		60	-	60	-
Investment income	3	21	1	22	38
Incoming resources from charitable activities					
Direct services to refugees and asylum seekers		40	2,262	2,302	5,174
Campaigning and policy		-	130	130	50
Capacity building, education and training		40	384	424	421
Other Incoming Resources					
		3	-	3	-
Total Incoming Resources		1,666	2,942	4,608	8,104
Resources expended					
Costs of generating funds					
Costs of generating Voluntary Income	5	659	-	659	714
Costs of activities for Generating Funds	5	26	-	26	-
Total cost of generating funds		685	-	685	714
Charitable activities					
Direct services to refugees and asylum seekers		1,043	2,768	3,811	6,433
Campaigning and policy		352	112	464	291
Capacity building, education and training		120	424	544	590
Total charitable activity costs	5/6	1,515	3,304	4,819	7,314
Governance costs	5	16	-	16	27
Total Resources Expended		2,216	3,304	5,520	8,055
Net incoming/(outgoing) resources before transfers		(550)	(362)	(912)	49
Transfers between funds	12	(253)	253	-	-
Net movement in funds in year		(803)	(109)	(912)	49
Total funds brought forward 1 April		4,656	780	5,436	5,387
Total funds carried forward 31 March	12	3,853	671	4,524	5,436

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 2015

REGISTERED COMPANY NO: 2727514

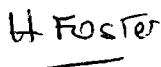
	Notes	31 March 2015 £'000	31 March 2014 £'000
Fixed assets			
Tangible fixed assets	7	434	535
Investments		<u>4</u>	<u>4</u>
		<u>438</u>	<u>539</u>
Current assets			
Debtors	8	618	1,756
Cash at bank and in hand	9	<u>4,185</u>	<u>4,287</u>
Total current assets		<u>4,803</u>	<u>6,043</u>
Creditors: amounts falling due within one year	10	(581)	(908)
Net current assets		<u>4,222</u>	<u>5,135</u>
Total assets less current liabilities		4,660	5,674
Provisions for liabilities	11	(136)	(238)
Net assets		<u><u>4,524</u></u>	<u><u>5,436</u></u>
Funds			
Unrestricted funds			
-General		1,111	1,940
-Designated		<u>2,742</u>	<u>2,716</u>
Total unrestricted funds		<u>3,853</u>	<u>4,656</u>
Restricted funds		671	780
Total funds	12	<u><u>4,524</u></u>	<u><u>5,436</u></u>

The financial statements on pages 15 to 28 were approved and authorised for issue by the Refugee Council on 29 October 2015 and signed on its behalf by:

Richard Foster
Chair



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 2015

	Notes	2014/15 £'000	2013/14 £'000
Net cash (outflow)/inflow from operating activities	(i)	(135)	530
Returns on investments and servicing of finance	(ii)	22	38
Capital expenditure and financial investment	(iii)	11	(7)
(Decrease)/increase in cash in the year	(iv)	<u>(102)</u>	<u>561</u>
(i) Reconciliation of net (outgoing)/incoming resources to net cash inflow from operating activities			
Net incoming/(outgoing) resources		(912)	49
Depreciation		93	96
Profit on disposal of fixed assets		(3)	-
Decrease in debtors		1,138	369
(Decrease) / Increase in creditors		(327)	26
(Decrease) / Increase in provisions		(102)	28
Interest receivable		(22)	(38)
Net cash (outflow) / inflow from operating activities		<u>(135)</u>	<u>530</u>
(ii) Returns on investments and servicing of finance			
Interest received		22	38
Net cash inflow		<u>22</u>	<u>38</u>
(iii) Capital expenditure and financial investment			
Purchase of tangible fixed assets		-	(7)
Sale of tangible fixed assets		11	-
Non cash movement on investment		-	-
Net cash inflow		<u>11</u>	<u>(7)</u>
(iv) Reconciliation of net cash flow to movement in net funds (Note 18)			
(Decrease)/Increase in cash in the year		(102)	561
Net funds at 1 April		4,287	3,726
Net funds at 31 March		<u><u>4,185</u></u>	<u><u>4,287</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 2015**

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.

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.

Activities for generating funds are the trading and other fundraising activities carried out primarily to generate incoming resources which is then used to undertake charitable activities. Income accounted for here includes the letting arrangements of property held primarily for functional use by the charity but surplus to operational requirements. Income is recognised as due based on the contractual arrangements.

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 Children's Services, Therapeutic Services, Integration, the 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 and Parliamentary lobbying.

**BRITISH REFUGEE COUNCIL
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2015**

1 ACCOUNTING POLICIES (continued)

Capacity building, Education and training

The charity provides Capacity building 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. Education and training covers direct training and conference seminars offered to organisations and individuals, and publications and leaflets provided to the public.

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. 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.

(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.

**BRITISH REFUGEE COUNCIL
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2015**

1 ACCOUNTING POLICIES (continued)

(h) Finance and operating leases

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

(i) Provision for liabilities

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

Dilapidations

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

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.

Other Provisions

Provision is made for other liabilities of uncertain amount.

(j) 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.

BRITISH REFUGEE COUNCIL
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2015

2. Donations, legacies and other voluntary income

	Unrestricted £'000	Restricted £'000	2014/15 Total £'000	2013/14 Total £'000
Individual donations and fundraising events	1,175	95	1,270	1,535
Charitable trusts and foundations	59	70	129	242
Legacies	268	-	268	644
	<u>1,502</u>	<u>165</u>	<u>1,667</u>	<u>2,421</u>

Voluntary income and 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	2014/15 Total £'000	2013/14 Total £'000
Restricted Income					
Esmée Fairbairn Foundation	33	-	-	33	33
Volant Charitable Trust	20	-	-	20	20
Separated Child Foundation	17	-	-	17	35
Other funders	91	-	4	95	351
	<u>161</u>	<u>-</u>	<u>4</u>	<u>165</u>	<u>439</u>

3. Investment income

	Unrestricted £'000	Restricted £'000	2014/15 Total £'000	2013/14 Total £'000
Interest on cash deposits	21	1	22	38
	<u>21</u>	<u>1</u>	<u>22</u>	<u>38</u>

4. Incoming resources from charitable activities

	Direct services to refugees and asylum seekers £'000	Campaigning & policy £'000	Capacity building, education & training £'000	2014/15 Total £'000	2013/14 Total £'000
The Home Office	1,418	-	-	1,418	4,137
Sheffield City Council	512	-	-	512	516
NHS London / Health Education England	-	-	291	291	291
Big Lottery	119	-	-	119	20
Comic Relief	76	-	-	76	59
Barrow Cadbury Trust - Detention Forum	-	15	-	15	-
Barrow Cadbury Trust - Syria	-	9	-	9	-
The Bromley Trust	-	5	-	5	2
Barrow Cadbury Trust - Sanctuary Summit	-	3	-	3	-
Health and Social Care Volunteering Fund	-	-	-	-	200
Diana, Princess of Wales Memorial Fund through the Barrow Cadbury Trust	-	15	-	15	-
Other funders	177	83	133	393	340
	<u>2,302</u>	<u>130</u>	<u>424</u>	<u>2,856</u>	<u>5,565</u>

BRITISH REFUGEE COUNCIL
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2015

5. Total resources expended

	Staff costs £'000	Direct costs £'000	Support costs £'000	2014/15 Total £'000	2013/14 Total £'000
Cost of activities for generating funds					
Fundraising costs	300	239	120	659	714
Costs of activities for Generating Funds	1	25	-	26	-
	<u>301</u>	<u>264</u>	<u>120</u>	<u>685</u>	<u>714</u>
Charitable activities					
Direct services to refugees and asylum seekers	1,810	1,289	712	3,811	6,433
Campaigning and policy	204	138	122	464	291
Capacity building, education and training	183	258	103	544	590
	<u>2,197</u>	<u>1,685</u>	<u>937</u>	<u>4,819</u>	<u>7,314</u>
Governance	-	3	13	16	27
Total resources expended	<u>2,498</u>	<u>1,952</u>	<u>1,070</u>	<u>5,520</u>	<u>8,055</u>

Support costs include:

	2014/15 £'000	2013/14 £'000
Depreciation charge	93	96
Auditors' remuneration - Statutory audit fees	12	18
Operating lease rentals:		
Buildings	301	364
Equipment	26	51

6. Grants Payable

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

	2014/15 £'000	2013/14 £'000
Direct services to refugees and asylum seekers	154	284
Campaigning and Policy	10	14
Capacity building, education and training	169	145
	<u>333</u>	<u>443</u>

Grants payable

	£'000	£'000
Bryson Charitable Group	-	61
Causeway Irish Housing Association	-	10
Children's Society	-	6
City of Sanctuary	3	-
Counterpoint Arts	6	8
Glowing Results	21	19
London Metropolitan University	148	126
North of England Refugee Service	154	213
Student Action on Refugees	1	-
	<u>333</u>	<u>443</u>
Total	<u>333</u>	<u>443</u>

BRITISH REFUGEE COUNCIL
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2015

7. Tangible fixed assets

	Leasehold property improvement £000	Computer equipment £000	Furniture, motor vehicles, fixtures and equipment £000	Total £000
Cost				
At 1 April 2014	461	666	247	1,374
Additions	-	-	-	-
Disposals	-	(272)	(15)	(287)
At 31 March 2015	<u>461</u>	<u>394</u>	<u>232</u>	<u>1,087</u>
Depreciation				
At 1 April 2014	86	666	87	839
Disposals	-	(272)	(7)	(279)
Charge for the year	47	-	46	93
At 31 March 2015	<u>133</u>	<u>394</u>	<u>126</u>	<u>653</u>
Net book value				
At 31 March 2015	<u>328</u>	<u>-</u>	<u>106</u>	<u>434</u>
At 31 March 2014	<u>375</u>	<u>-</u>	<u>160</u>	<u>535</u>

8. Debtors

	31 March 2015 £'000	31 March 2014 £'000
Amounts falling due within one year		
Other debtors	78	175
Prepayments	153	251
Accrued Income	387	1,330
	<u>618</u>	<u>1,756</u>

9. Cash at bank and in hand

	31 March 2015 £'000	31 March 2014 £'000
Cash on short term deposit	2,503	500
Cash at bank and in hand	1,682	3,787
	<u>4,185</u>	<u>4,287</u>

10. Creditors

	31 March 2015 £'000	31 March 2014 £'000
Trade creditors	166	232
Other creditors	151	457
Taxes and social security costs	12	5
Accruals and deferred income	252	214
	<u>581</u>	<u>908</u>

BRITISH REFUGEE COUNCIL
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2015

10. Creditors (continued)

	2014/15	2013/14
	£'000	£'000
Movement on Deferred Income		
Balance at 1 April	90	79
Income in the year	121	90
Income released in the year	(90)	(79)
Balance at 31 March	121	90

Deferred income at the end of the financial year represents trust and grant income restricted to financial year 2015/16, and contract income received but unearned as at 31st March.

11. Provisions for liabilities

	2014/15	2013/14
	£'000	£'000
Dilapidations		
Balance at 1 April	130	150
Amounts utilised in the year	-	-
Additions	-	-
Amounts released in the year	-	(20)
Balance at 31 March	130	130

Dilapidation provisions result from constructive obligations arising under leasehold agreements.

	2014/15	2013/14
	£'000	£'000
Redundancy and Other provisions		
Balance at 1 April	108	60
Utilised in the year	(102)	-
Additions	-	48
Balance at 31 March	6	108

12. Movement on funds

	Balance at 1 April 2014 £000	Incoming resources £000	Outgoing resources £000	Transfers £000	Balance at 31 March 2015 £000
Unrestricted funds					
General	1,940	1,666	(2,216)	(279)	1,111
Designated					
- Pension Fund (i)	1,973	-	-	155	2,128
- Fixed Asset Reserve (ii)	535	-	-	(101)	434
- Redundancy Fund (iii)	208	-	-	(28)	180
Total unrestricted funds	4,656	1,666	(2,216)	(253)	3,853

The above funds carried forward at 31 March 2015 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 31st March 2015 the funds together equalled £2,486,643 which covered the estimated deficit at that date.

(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 and the disposal of assets.

(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.

BRITISH REFUGEE COUNCIL
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2015

12. Movement on funds (continued)

	Balance at 1 April 2014 £000	Incoming resources £000	Outgoing resources £000	Transfers £000	Balance at 31 March 2015 £000
Restricted funds					
Big Lottery Fund					
Regional Refugee Care (iv)	7	119	(97)		29
Comic Relief					
Powerful Women's Project 2 (v)	3	41	(37)		7
Trafficked Boys (vi)	5	35	(43)	-	(3)
Home Office					
Children's Panel (vii)	-	800	(786)	(14)	-
Exit Funding (viii)	-	322	(367)	45	-
Others (ix)	398	268	(258)	3	411
John Frank Fund (x)	112	1	(1)		112
London Councils - Supporting RCOs (xi)	-	63	(63)	-	-
Sheffield City Council - Gateway and Resettlement (xii)	-	512	(513)	1	-
Others (xiii)	255	781	(1,139)	218	115
Total restricted funds	780	2,942	(3,304)	253	671

The above funds carried forward at 31 March 2015 represent:

(iv) The Regional Refugee Care Project assists refugees and asylum-seekers over 18 presenting with mental health needs in Birmingham, Leeds and Luton. The project offers asylum seekers and refugees access to therapeutic support to improve their psychological wellbeing and enhance their integration.

(v) The Powerful Women's Project 2 works exclusively with female asylum seekers and refugees presenting with mental health needs in London. The project offers these female asylum seekers and refugees access to therapeutic support to improve their psychological wellbeing and enhance their integration.

(vi) The Trafficked Boys Project works to ensure that trafficked boys and young men are safe and legally protected. The target group is boys and young men under 18 who have been trafficked from outside Europe into the UK. We have a particular focus on Vietnamese boys trafficked for cannabis cultivation but we work with any trafficked boy who meets our criteria.

(vii) The Children's Panel works mainly with unaccompanied children. The Panel provides access to education, training, health care and legal advice. This activity is funded by the Home Office. The transfer represents the set-aside of the 2014/15 funding portion of end of project costs.

(viii) Exit Funding is the expenditure in relation to exit of Home Office contracts, and the associated reimbursement income from the Home Office.

(ix) Other Home Office funding includes funding held in respect of Pensions contingent liabilities (see note 14).

(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) Supporting RCOs is a project of free training and other activities which aims to support London's Refugee Community Organisations (RCOs) and strengthen their capacity to deliver services effectively to their clients, to help them engage with stakeholders in service delivery, as well as to promote more widely best practice in engaging with RCOs.

(xii) 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.

(xiii) 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.

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.

BRITISH REFUGEE COUNCIL
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2015

13. Employee information

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

	2014/15	2013/14
Activities for generated funds	10	10
Charitable activities	58	106
	68	116

Staff costs comprised:	2014/15 £'000	2013/14 £'000
Wages and salaries	2,284	3,891
Employer's national insurance costs	216	371
Pension costs	85	106
Aggregate employee remuneration	2,585	4,368
Pensions Trust additional contributions	135	131
Redundancy costs	38	187
Agency and other staff cost	109	123
	2,867	4,809

The outstanding pension contributions payable at year end were £1,162 (2013/14 £19,864).

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

	2014/15	2013/14
£60,000 - £69,999	1	1
£70,000 - £79,999	1	1

Employer's pension fund contributions paid on behalf of the above amounted to £5,781 (2013/14: £5,985).

The remuneration of the senior executives is set in accordance with the policy set out in the Trustees Report. In the 2014/15 year the following posts were classified as Senior Executive and their remuneration was as follows:

		Salary	Pension contribution	Total
Chief Executive	Maurice Wren	79,385	3,981	83,366
Executive Director of Services	Una Barry MBE - from 1 May 2014	56,833	1,705	58,538
Executive Director of Income Generation	Caroline Olshewsky	60,000	1,800	61,800
Executive Director of Finance and Resources	Martin Tyler - from 6 October 2014	29,615	1,388	31,003
Executive Director of Finance and Administration	Nick Waring - until 31 August 2014	24,380	1,250	25,630
Total Senior Executive Remuneration		250,213	10,124	260,337

14. 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 Scheme Actuary is currently finalising the 2014 valuation 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 2014/15 was set at £134,616 (2013/14 : £130,695).

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14. Contingent liabilities (continued)

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. The debt on withdrawal will be triggered by the event of the last active member leaving the scheme, but the Refugee Council has a twelve month period of grace available in which to re-enrol a staff member and so reverse the withdrawal event.

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.

Potential employer debt - contingent liability

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 2014. As of this date the estimated employer debt for the charity was £2.4m (2013: £1.8m). The Pension Trust's actuary has estimated that as at 31 March 2015 this liability has increased by a further 4% and therefore this would indicate that the liability position at 31 March 2015 is in the region of £2.5m (2013: £1.7m). However this is just an estimate and could be different from any actual quotations and should be viewed with caution.

The Trustees have for some time been concerned over the size of this liability and its volatility and its potential impact on the financial viability of the Refugee Council. In late 2014 the Trustees authorised the start of an exercise whereby our deferred members are asked to engage with the possibility of transferring their benefits out of the Pensions Trust scheme into a suitable alternative. The effect of any transfers arising from this exercise will be to lessen the Refugee Council's employer debt on withdrawal, the size of which will be dependent on the level of take up and the circumstances of those individuals. The Trustees estimate that this exercise will, net of the costs involved, have a positive impact on the overall liability. In addition the Trustees have approved a process that will enable the Trustees to have clear visibility on the actual cost of exiting from the Plan, and should this prove to be financially affordable, intend to formally exit the scheme in early 2016.

15. Trustees' expenses

	2014/15	2013/14
Number of Trustees claiming expenses	9	6
	£'000	£'000
Trustees' expenses:		
Travel and meeting expenses reimbursed	2	3
Trustees indemnity insurance cover cost	3	3

None of the Trustees of the Council received any remuneration during the year (2013/14: £nil).

16. 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 2015	31 March 2015	31 March 2015	31 March 2014	31 March 2014	31 March 2014
	Building £'000	Equipment £'000	Total £'000	Building £'000	Equipment £'000	Total £'000
Within one year	7	-	7	-	-	-
Between two and five years	19	26	45	71	26	97
Over five years	234	-	234	234	-	234
	260	26	286	305	26	331

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16 b) Capital commitments

	2014/15	2013/14
Authorised but not contracted for	-	51
	<u>-</u>	<u>51</u>

17. Analysis of net assets between funds

	Unrestricted funds £000	Restricted funds £000	Total funds £000
Funds balances at 31 March 2015 are represented by:			
Tangible fixed assets	434	-	434
Investments	4	-	4
Net current assets	3,531	691	4,222
Provisions for liabilities and charges	(116)	(20)	(136)
Total net assets	<u>3,853</u>	<u>671</u>	<u>4,524</u>

18. Analysis of net funds

	At 1 April 2014 £'000	Cashflow £'000	Other non cashflows £'000	Exchange movement £'000	At 31 March 2015 £'000
Cash in hand and at bank	4,287	(102)	-	-	4,185
Total	<u>4,287</u>	<u>(102)</u>	<u>-</u>	<u>-</u>	<u>4,185</u>

19. Related Party Transactions

On 2 December 2014 the Refugee Council made an unsecured loan to the North of England Refugee Services (NERS) of £25,000 as an advance against sums NERS was due to receive from the Home Office. Ben Hopkinson, a Trustee of the Refugee Council, is also a trustee of NERS. The decision to make the loan to NERS was agreed in principle by the Board on 8 May 2014 and Ben Hopkinson, declared a conflict of interest in decision and took no part in that discussion and decision. The final approval for the loan was made by the Chair and Treasurer, in accordance with the delegated authority granted in original decision by the Board. As at 31 March 2015 £5,783 remained outstanding on the loan which was subsequently repaid on 14 May 2015.

20. Section 37 Statement

Grant aid of £62,342 was received in 2014/15 from London Councils (2013/14: £62,342) 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	42	42
Beneficiary costs	6	5
Other costs	14	15
Total costs	<u>62</u>	<u>62</u>