

RESET COMMUNITIES AND REFUGEES LTD

TRUSTEES REPORT AND ACCOUNTS

FOR THE PERIOD 1 DECEMBER 2018 to 31 MARCH 2020

Charity Registration 1179799

Company Registration 11081370

(England and Wales)

Reset Communities and Refugees Ltd

Company Limited by Guarantee

Financial Statements

1 December 2018 to 31 March 2020

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Reset Communities and Refugees Ltd

Company Limited by Guarantee

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

1 December 2018 to 31 March 2020

The trustees present their report and the financial statements of the charity for the period 1 December 2018 to 31 March 2020

Reference and administrative details

Registered charity name	Reset Communities and Refugees Ltd
Charity registration number	1179799
Company registration number	11081370
Principal office and registered office	21-24 Millbank, Millbank Tower, 1st Floor Citibase, London, England, SW1P 4QP

The Trustees

Christopher Clements – appointed 17 July 2019
Helen Griffiths – appointed 1 December 2018
Mais Haddadin - appointed 13 December 2018
Catherine Weston – appointed 1 July 2019
Paul Butler – appointed 1 December 2018
Richard Bell -appointed 1 July 2019
Hilary Adams – appointed 15 February 2020
Dominic Briant – appointed 1.12.2018 resigned 14.2.2020
Liakat Hasham – appointed 1.12.2018 resigned 11.12.2019
Russell Rook – appointed 1.12.2018 resigned 25.3.20

Independent Examiner

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

Structure, governance and management

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

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

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

Trustee Board

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

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

Objectives and activities

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

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

Our core objectives include:

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

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

We review our aims, objectives and activities regularly. This report describes our achievements and the outcomes of our work in the 16 months from 1 December 2018 to 31 March 2020.

Achievements and Performance

The Community Sponsorship Scheme

In the 18 months to 31 March 2020, 52 Community Sponsorship Groups welcomed 255 refugees, and 54 Groups made applications to the Home Office.

Training and Support to Groups

Reset provided guidance and support directly to Community Sponsorship Groups at all stages of the process, from forming a Group through to supporting refugees when they arrive. In this reporting period, Reset:

- Delivered 35 training sessions to 54 Groups, reaching 585 volunteers;
 - Delivered 36 application workshops directly to 38 Groups to help them navigate the Home Office application process;
-

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

1 December 2018 to 31 March 2020

Achievements and Performance(cont)

- Met with 371 Group members to provide additional application advice; and
- Checked 37 applications prior to them being submitted to the Home Office.

Support and collaboration with partners

In this reporting period, Reset disbursed funding to partners. Our Partners assisted our work by supporting Community Sponsorship applications within their networks, bringing advice and support to the Community Sponsorship movement, and raising awareness of the programme.

Our partners in this reporting period were: Caritas Salford, CHARIS Refugees, Church Response for Refugees, Hillsong, Kings Arms Project, Local Welcome, Mercy Mission UK, Oasis Charitable Trust, Refugee Council, Scottish Refugee Council, Social Finance, Sponsor Refugees, and The Salvation Army. In the period December 2018-31 March 2019, we also worked with Refugee Action.

We have worked to build structures supporting collaboration and cooperation within the Community Sponsorship sector, as well as to facilitate advice and information sharing. Key here is the creation of the Community Sponsorship Council, an advisory body with members popularly elected by Groups and individuals across the sector.

Awareness Raising and Promotion

Raising public awareness of Community Sponsorship is important for generating a pipeline of new Groups and participants. In this period we:

- held 12 networking and 19 summit events for potential and existing Community Sponsorship Groups,
- generated 28 published media items, either directly or through our partners.

Traffic to our Training website remained high, with 21,481 unique users in the course of the reporting period. The most popular pages provided advice on writing your application; defining boundaries; and advice on gaining consent for sponsorship.

We further developed and asserted our social media presence, recording in excess of 870,000 social media impressions.

Research and Evaluation

We continued seeking ways to improve the Community Sponsorship scheme through understanding the drivers of success and change. We enjoyed a partnership with University of Birmingham, following the experience of Community Sponsors; to be published in June 2020.

We contributed to Home Office research and evaluation work, providing advice on survey work being undertaken by Ipsos MORI; and convening a strategic research planning day.

We took part in international evaluation workshops in Germany and in Ireland, and strengthened our international profile through activities with the Canadian-based Global Refugee Sponsorship Initiative (GRSI).

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1 December 2018 to 31 March 2020

Plans for the future

We have developed a dynamic programme of strategic and operational plans for both the short and longer terms. Key among these are:

- Maximising the opportunity of additionality: Following Government announcement of the UK Resettlement Scheme (June 2019), we are preparing promotional and practical activities to encourage participation in Community Sponsorship based on additionality to Government targets.
- Recognising that Community Sponsorship is a vehicle to better social integration of newcomers, we are investigating whether forms of Sponsorship could usefully be applied to other categories of immigrants, such as asylum seekers.
- Supporting further refinement and improvement of the Community Sponsorship scheme, encouraging high quality resettlement which empowers refugees to live the lives they want to in the UK. We will continue to provide training and support to sponsors the whole way through their experience, and will move closer to providing post arrival support to the groups who have welcomed.
- Further enhancing Group-to-Group connections, ensuring best practice is shared and heard, and helping Groups to encourage new people to join the movement. We will learn from what has worked and what has not through high quality evaluation and research.
- Supporting Groups and the sector to adjust to circumstances of the Covid-19 pandemic: As the pandemic emerges and evolves, it is already clear that the context for Community Sponsorship and resettlement broadly will be challenging and volatile in the coming months; we will devote resource and attention to helping Groups and others in the sector maintain Community Sponsorship through those changes. In particular, we will help Groups develop their empowerment and sustainability approaches, both individually and collectively.
- Working with the sector to secure the long term policy and financial basis for a UK Community Sponsorship programme.

Financial Review

The accounts are prepared on an accrual basis. The statement of accounts and financial activities are to be found on pages 7 to 8. The surplus for the period was £53,965 of which £52,201 is restricted funds. The surplus from the pre charity registration is £73,156. The amounts carried forward are £121,992 on restricted funds and £5,129 on unrestricted.

Reserves policy

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

Investment policy

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

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1 December 2018 to 31 March 2020

Risk Management

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

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

Small company provisions

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



C Clements
Chair of Trustees

Date 13/1/21

Reset Communities and Refugees Ltd

Company Limited by Guarantee

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

1 December 2018 to 31 March 2020

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

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

I report to the charity trustees on my examination of the accounts of the company for the period 1 December 2018 to 31 March 2020 which are set out on pages 5 to 14.

Responsibilities and basis of report

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

Independent examiner's statement

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

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

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



Signed

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

Date 15/1/21

Reset Communities and Refugees Ltd
Company Limited by Guarantee

Statement of Financial Activities
(including income and expenditure account)

1 December 2018 to 31 March 2020

	Note	Unrestricted funds £	Restricted funds £	Total funds £
Income				
Grants and donations	4	1,764	782,783	784,547
		<u> </u>	<u> </u>	<u> </u>
Total income		<u>1,764</u>	<u>782,783</u>	<u>784,547</u>
Expenditure				
Expenditure on raising funds:				
Fund raising		-	-	-
Expenditure on charitable activities	5	-	730,582	730,582
		<u> </u>	<u> </u>	<u> </u>
Total expenditure		<u>-</u>	<u>730,582</u>	<u>730,582</u>
Net (expenditure)/income and net movement in funds		1,764	52,201	53,965
Reconciliation of funds				
Assets transferred pre charity		3,365	69,791	73,156
		<u> </u>	<u> </u>	<u> </u>
Total funds carried forward		<u>5,129</u>	<u>121,992</u>	<u>127,121</u>

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

The notes on pages 8 to 16 form part of these financial statements.

Reset Communities and Refugees Ltd
Company Limited by Guarantee

Balance Sheet

31 March 2020

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

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

 13 / 1 / 21

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C Clements – Chair of Trustees

The notes on pages 8 to 16 form part of these financial statements.

Reset Communities and Refugees Ltd

Company Limited by Guarantee

Notes to the Financial Statements

1 December 2018 to 31 March 2020

1. General information

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

2. Statement of compliance

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

3. Accounting policies

Basis of preparation

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

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

Disclosure exemptions

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

Going concern

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

Fund accounting

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

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

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

Reset Communities and Refugees Ltd

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

1 December 2018 to 31 March 2020

3. Accounting policies *(continued)*

Incoming resources

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

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

Resources expended

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

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

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

Tangible assets

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

Reset Communities and Refugees Ltd

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

1 December 2018 to 31 March 2020

3. Accounting policies *(continued)*

Tangible assets *(continued)*

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

Depreciation

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

Computers - 100% straight line

Impairment of fixed assets

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

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

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

Debtors and prepayments

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

Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount to settle the obligation can be measured or estimated reliably.

Reset Communities and Refugees Ltd
Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

1 December 2018 to 31 March 2020

4. Grants and donations

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

5. Total Resources Expended

	Basis of Allocation	Charitable Activities	Governance	2020 Total
Direct costs				
Partner Funding	Direct	259,638	-	259,638
Training & Supporting	Direct	32,743	-	32,743
Staffing	Direct	281,918	-	281,918
Support costs allocated				
Overheads	Usage	62,359	-	62,359
Freelance & Consultancy	Trans	38,644	-	68,644
Marketing & Awareness				
Raising		53,623	-	53,623
Depreciation	Usage	1,657	-	1,657
Total resources expended		<u>730,582</u>	<u>-</u>	<u>730,582</u>

6. Net (expenditure)/income

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

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

Reset Communities and Refugees Ltd

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Notes to the Financial Statements *(continued)*

1 December 2018 to 31 March 2020

7. Staff costs

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

	2020
	£
Wages and salaries	247,908
Social security costs	25,181
Pension costs	5,997
	<hr/>
	279,086
	<hr/>

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

	2020 No.
Directors	2
Manager	1
Coordinator	1
Admin	1
	<hr/>
	5
	<hr/>

No employee received employee benefits of more than £60,000 during the period.

Key Management Personnel

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

8. Trustee remuneration and expenses

No trustees received any remuneration during the period. No expenses were reimbursed to trustees during the period.

During the period payments were made to two organisations in which Reset trustees have an interest:

- Good Faith Partnership, where Russell Rook is a partner, for provision of services by Russell Rook to provide consultancy support to Reset around the development of policy around sponsorship and advising around establishing effective delivery arrangements with various partners
- Social Finance, where Chris Clements is a Director, for provision of consultancy services to provide a report on the routes to family reunification within the existing UK immigration system

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

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

1 December 2018 to 31 March 2020

9. Tangible fixed assets

	Plant and machinery £	Total £
Cost		
Additions	1,657	1,657
	<u>1,657</u>	<u>1,657</u>
Depreciation		
Charge for the period	1,657	1,657
	<u>1,657</u>	<u>1,657</u>
At 31 March 2020	<u>1,657</u>	<u>1,657</u>
Net written down value		
At 31 March 2020	<u>-</u>	<u>-</u>

10. Debtors

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

11. Creditors: amounts falling due within one year

	2020
	£
Trade creditors	26,572
Other taxation and social security	6,039
	<u>32,611</u>

12 Analysis of charitable funds

Unrestricted funds

	Income	Expenditure	Transfer in	At 31 March 2020
	£	£	£	£
General funds	1,764	(-)	3,365	5,129
	<u>1,764</u>	<u>(-)</u>	<u>3,365</u>	<u>5,129</u>

Reset Communities and Refugees Ltd

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Notes to the Financial Statements *(continued)*

1 December 2018 to 31 March 2020

12. Analysis of charitable funds *(continued)*

Restricted funds

	Income	Expenditure	Transfer In	At 31 March 2020
	£	£		£
Home Office	546,000	(546,000)	-	-
Unbound Philanthropy	40,000	(66,717)	51,926	25,209
Stewardship	196,783	(100,000)	-	96,783
The Dulverton Trust	-	(17,865)	17,865	-
	<u>782,783</u>	<u>(730,582)</u>	<u>69,791</u>	<u>121,992</u>

The purpose of each fund is as follows:

Home Office: Funding for capacity building of community sponsorship.

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

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

Dulverton: Funding to support development of the Reset Community Sponsorship Training Website.

13. Analysis of net assets between funds

	Unrestricted Funds £	Restricted Funds £	Total Funds 2020 £
Tangible fixed assets	-	-	-
Current assets	5,129	154,603	159,732
Creditors less than 1 year	-	(32,611)	(32,611)
Net assets	<u>5,129</u>	<u>121,992</u>	<u>127,121</u>

14. Related Party Transactions

No related party transactions took place during the period.

15. Share Capital and controlling parties

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