

Refugee Action audited accounts and Trustees' report 2015 - 2016

Refugee Action is an independent, national charity working to enable refugees to build new lives in the UK. We provide practical support to asylum seekers and refugees, and advocate on their behalf. Refugee Action has more than 30 years' experience of developing and delivering solutions to the challenges faced by asylum seekers and refugees in the UK.

Registered charity number: 283660

Registered company number: 01593454

Registered office

Victoria Charity Centre, 11 Belgrave Road, London SW1V 1RB

Chief Executive and Secretary

Stephen Hale OBE

Trustees

Andy Gregg (Vice Chair, Chair May – October 2016)

Colin Hodgetts (Resigned 16 July 2015)

Minoo Jalali (Resigned 8 December 2016)

Joe Jenkins (Appointed 16 July 2015)

Frewyeni Kidane (Appointed 16 July 2015)

Jeremy Lester (Honorary Treasurer)

Julia Meiklejohn (Chair resigned 26 May 2016)

Rachel Pendlebury (Resigned 16 July 2015)

Stefanie Pfeil

Jon Quinn (Appointed 16 July 2015)

Chris Randall

Irmami Smallwood (Appointed 16 July 2015)

Penny Lawrence (Chair Appointed 19 October 2016)

Independent Auditors

MHA MacIntyre Hudson

Chartered Accountants and Statutory Auditor

New Bridge Street House, 30-34 New Bridge Street, London EC4V 6BJ

Bankers

National Westminster Bank plc

PO Box 282, 7 Derby Place, Derby DE1 9DS

Solicitors

Field Seymour Parkes LLP

1 London Street, Reading, RG1 4PN

The Trustees (who are also directors of the charity for the purposes of the Companies Act) present their annual report together with the audited financial statements of Refugee Action ('the charity') for the year ended 31 March 2016. The Trustees confirm that the Annual report and financial statements of the charity comply with the current statutory requirements, the requirements of the charity's governing document and the provisions of the Statement of Recommended Practice (SORP), applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015).

Structure, governance and management

The charity is governed by its memorandum and articles of association (last amended in April 2015). Refugee Action's trustees are responsible for the overall management of the charity. Trustees are chosen for their expertise and their commitment to refugees, including, where relevant, life experience as refugees. The trustees who served during this financial year are shown above. Biographical details of our current trustees can be found on our website: www.refugee-action.org.uk

The trustees set and oversee Refugee Action's policies and plans, oversee its financial affairs, and supervise the work of the salaried Chief Executive in carrying out these policies and plans. All trustees are unpaid. Trustee vacancies are publicly advertised and new trustees are appointed by the full board following an interview process. When first appointed they are offered an induction programme that includes the opportunity to observe our services. Trustees also hold an annual away day at which the future plans of the organisations are discussed. Refugee Action carry out an annual assessment of the risks facing the charity. Details of trustee expenses and related transactions are disclosed in Note 4 of the accounts.

The Chief Executive is appointed by the trustees and is accountable to them for managing the charity as a whole.

Refugee Action has a Senior Management Team (SMT) that reports to the Chief Executive and manages the primary functions of the charity. SMT members in 2015/16 were:

- Stephen Hale (started February 2015), Chief Executive
- Lyn Adams, Assistant to Chief Executive (left Dec 2015)
- Lou Calvey, Director of Resettlement
- Tim Hilton, Head of Services and Good Practice
- Zoe Grumbridge (On maternity leave since Oct 2015), Head of Fundraising and Brand
- Wayne Murray (joined SMT Jan 2016), Head of Fundraising and Brand
- Nicola Parker, Human Resources Manager
- Yemane Tsegai, Finance Director
- Amanda Shah (left Aug 2015) Head of Influencing
- Angelique Orr (joined SMT Nov 2015, resigned August 2016), Head of Campaigns

The SMT is assisted by a staff team that comprised 91 staff at the end of March 2016. With the help of volunteers, they delivered services in six regions of England during 2015/16. These were in London (including headquarters), Birmingham, Bristol, Leicester, Liverpool and Manchester. They also carried out communications, advocacy and campaigning work designed to further the mission and objectives of the charity.

About Refugee Action

Refugee Action is an independent, national charity working with asylum seekers and refugees.

Our vision

Our vision is that refugee and asylum seekers will be welcome in the UK. They will get justice, live free of poverty and be able to successfully rebuild their lives.

Who do we support?

The people we support have challenged injustice, stood up to oppression and courageously left their homes behind to escape violence and even death. They are the heroes of human rights and they deserve to be treated fairly, with dignity and respect.

Public benefit

Our work is focused on improving the lives of refugees and asylum seekers. By providing advice and support to refugees and asylum seekers, our work is of public benefit by supporting those individuals, relieving their poverty and distress, and by reducing the strain on other community and statutory organisations.

The communications and advocacy that we undertake also has wider ramifications for the public benefit by improving public understanding of why refugees and asylum seekers come to the UK, their rights while here, and their contribution to the UK. This in turn reduces hostility towards asylum seekers and refugees, and improves understanding and cohesion between different communities.

Going Concern

The Trustees assess whether the use of the going concern assumption is appropriate, i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the Charity to continue as a going concern. The Trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements and have concluded that the Charity has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the Charity's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

Financial Review

For the year ended 31 March 2016 the charity made a surplus of £55K (2015: £288K deficit) increasing total funds to £4.94m (2015: £4.88m). This resulted from a surplus of £237k on restricted funds and a deficit of £182k on unrestricted funds. Details of the state of the charity's reserves are given in the Reserves Policy section below.

Income and endowments

Refugee Action's total income for the year ended 31 March 2016 has decreased to £10.5m (2015: £12.4m).

Having delivered the Assisted Voluntary Return Programme since 2011, Refugee Action stopped providing this service during the financial year. The loss of the Home Office funding from the end of December 2015 for this service was the main reason for the substantial reduction in the total income.

During the financial year we received total grant funding of £8.9m (2015: £11.6m) from the Home Office.

The balance of the income for the year ended 31 March 2016 included grants £659k (2015: £377k), donations from the public £943k (2015: £356k) and investment income of £8k (2015: £14k).

Expenditure

Refugee Action's total expenditure for the year ended 31 March 2016 decreased to £10.5m (2015: £12.7m). Out of this, the cost of providing services to our clients was £9.8m (2015: £12.1m).

Staff costs for the year ended 31 March 2016 decreased to £5.2m (2015: £6.2m) but the percentage of staff costs to total costs has slightly increased to 50 per cent (2015: 49 per cent).

The cost of raising funds for the year ended 31 March 2015 increased to £654k (2015: £532k).

Investment policy

The Trustees consider the most appropriate investment policy is for surplus funds to be held on bank deposit.

Reserves policy

Having considered the likely expenditure and future levels of income of Refugee Action, the Trustees have agreed the following policy at May 2016:

The General Fund is comprised of funds that represent accumulated surpluses and deficits in the Statement of Financial Activities after transfers to and from the Designated Funds. The funds are available for use at the discretion of Trustees to further expand the current activities of Refugee Action, or may be used on one-off projects. The Trustees consider it appropriate to retain unrestricted free reserves equivalent to three to six months of unrestricted expenditure. These funds should be enough to allow sufficient time for re-organising or closing the charity in the event of a substantial reduction in income or unexpected major financial expenditure.

The Charity's unrestricted expenditure for three and six months is £525k and £1.05m respectively.

The year-end balance in the General Fund, amounting to £530k, is currently slightly above the three months unrestricted expenditure, so just within the target range.

The Trustees, as explained in Note 12 to the financial statements, have also established designated funds, out of unrestricted funds, for the following purposes:

- To ensure that the Charity has the resources to meet committed expenditure which is either definite (such as commitments under premises leases), or reasonably foreseeable (such as commitments to meet staff sickness and maternity leave obligations).
- To pay for important work which is otherwise unfunded - including money set aside for investment in fundraising and to fund the deficits on front-line projects and campaigns team until we achieve financial sustainability expected to be in 2018/19.

Restricted funds are those subject to specific restrictions imposed by funders, as shown in Note 12 to the financial statements.

The Charity produces quarterly management accounts, thereby allowing the Trustees to monitor the Reserves Policy and level of reserves including restricted and designated funds on a regular basis. The policy will be reviewed annually.

Principal risks and uncertainties

The trustees have assessed the major risks to which the charity is exposed, in particular those related to the operations and finances of the charity, and are satisfied that systems are in place to mitigate exposure to the major risks. Risks have been identified under the four headings suggested by the Charity Commission: Governance and Management; Operational; Financial; and Operational/External Environment. The trustees require the Senior Management Team to actively manage these risks throughout the year. The primary risks facing the charity are a failure to achieve financial stability in the medium-term, and failing to meet the necessary standards in our service delivery required by clients, funders and supporters.

Remuneration Policy for Key Management Personnel

The Board of Trustees and the Senior Management Team (SMT) make up the Key Management Personnel of the charity and are responsible for directing and controlling, running and operating the charity on a day to day basis.

All Trustees give their time freely and no Trustees received remuneration in the year. Details of Trustees' expenses are disclosed in Note 6 to the accounts.

All posts in Refugee Action are paid according to the level of responsibility in their roles. Refugee Action aims to pay at the median in comparison with other similar charities. Each post is classified in one of 13 salary bands. Staff are generally appointed on the bottom of the band and progress through via annual increments. Refugee Action has a policy of sustaining a 4:1 ratio between the highest and lowest paid post. As with all other posts in the charity, Refugee Action pays its SMT according to the level of responsibility in their roles.

Statement of Trustees' responsibilities

The Trustees (who are the directors of Refugee Action for the purposes of company law) are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year that give a true and fair view of the state of affairs of the charitable company and the incoming resources and application of resources, including the income and expenditure, of the charitable company for the year. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently
- observe the methods and principles in the Charities SORP
- make judgements and 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 charitable company will continue in operation.

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company 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 charitable company and hence for taking reasonable steps for the detection and prevention of fraud and other irregularities.

Statement of disclosure of information to auditors

In so far as the trustees are aware:

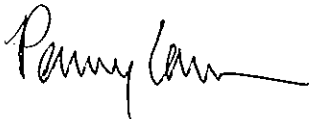
- here is no relevant audit information of which the charitable company's auditor is unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charity's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

MHA MacIntyre Hudson have indicated their willingness to continue in office and offer themselves for re-appointment as such under Section 485 of the Companies Act 2006.

In approving the Trustees' Annual Report, we also approve the Strategic Report included therein, in our capacity as company directors.

This report was approved by the Board of Trustees on 8 December 2016 and signed on their behalf by:



Penny Lawrence
Chair of the Board of Trustees

Review of activity 2016

From the Board Chair, [Penny Lawrence]

A very warm welcome on behalf of everyone at Refugee Action. I'm delighted to introduce our Annual Report, which highlights Refugee Action's achievements in 2015-16 and, excitingly, our future plans.

From my experience as Deputy Chief Executive of Oxfam Great Britain, I know only too well the many challenges faced by refugees forced to flee war and persecution. The events of this year made it such a significant time for me to join Refugee Action.

I and all at Refugee Action strongly welcome the rise in public awareness and concern for refugees in the UK. We will do all we can – with our partners and supporters and allies - to ensure that, together, we achieve our vision of enabling asylum seekers and refugees to rebuild their lives successfully in the UK.

This report records and celebrates the difference you have helped us make for asylum seekers and refugees, through our direct support and advice, and our campaigning. With your support our asylum crisis services helped people in desperate need. With your support we helped over 500 refugees to resettle and integrate in the UK. And, with your support, and with many others, we have persuaded the government to resettle 20,000 Syrian refugees.

I and all my colleagues on the board are absolutely committed to achieving even more in the years ahead. In the pages of this report you'll see the overall goals we have set for giving practical support and advice to asylum seekers and refugees – both directly and through our new Good Practice team. You'll also discover how we plan to make a difference through our campaigns and advocacy. For better or worse, government policies have a huge impact on how successfully refugees can rebuild their lives in the U.K.

There have been significant changes to the board of Refugee Action this year. I want to thank all departing board members for giving their time and expertise. I'd particularly like to thank my predecessor Julia Meiklejohn for her immense contribution to Refugee Action from the very beginning to retiring as board chair earlier this year. Please also join me in welcoming our four new board members and the skills and experience that they bring.

As you'll see, Refugee Action has ambitious goals for the next three years. With your help, we will achieve them. A huge heartfelt thank you for everything you've helped us achieve so far.

Looking back on a remarkable year

Chief Executive, Stephen Hale OBE @shale geneva

Compiling this report has given me a great opportunity to reflect on what a remarkable and occasionally tumultuous year this has been for Refugee Action's staff, volunteers, partners and allies.

The year saw a major expansion of Refugee Action's resettlement work. Local authorities appointed us to integrate Syrian refugees following strong public pressure and the commitment to resettle 20,000 Syrian refugees. It also, sadly, marked the end of our Choices Voluntary Return service in December 2015, due to a change in government policy. The service provided support to almost 28,000 people over the past five years. It closed at the end of 2015, and will be sorely missed.

This was a very memorable year for me personally. It was my first year in post, having joined in February 2015. I want to thank all the staff and volunteers who made me feel so welcome and from whom I have learned so much. Thanks also goes to the other organisations that I have come to know, respect and collaborate with to achieve our shared goals.

Collaboration is absolutely fundamental to achieving the vision we have set in our new strategy for 2016-19. This report contains the headline objectives we have set in that strategy. It also celebrates the different ways in which we work with other organisations, as partners in our services and allies in our campaigning. It's also a huge thank you for the generosity of our supporters and the support we have received from trusts and foundations, which have made it possible for us to help refugees in all the ways you're about to hear about. Refugee Action is a small charity seeking to meet rising needs. Thank you for making it possible.

Refugee Action exists to support asylum seekers and refugees in the UK, and to ensure that the UK plays a full part in responding to the global refugee crisis. That crisis rages more strongly than ever. Globally, over 60 million people are currently displaced by war and persecution. Awareness of their plight has never been higher. It has moved many, but very evidently not all, to act. Martin Luther King said "The arc of the moral universe is long but it bends towards justice". Together we can make it so.

Our vision for the future

Strategy for 2016 – 2019

In the midst of so much external change, Refugee Action has developed a new three-year strategy. We can't wait to share it with you. It includes the change we seek for asylum seekers and refugees, a mission for the organisation we want to be and specific objectives for our support services, campaigning and partnerships with other organisations.

Our vision

Refugee and asylum seekers will be welcome in the UK. They will get justice, live free of poverty and be able to successfully rebuild their lives.

Our Mission

To achieve this vision, our aim is that:

Refugee Action plays a leading role in overcoming the challenges facing refugees and asylum seekers in the UK. We work with others to develop and deliver innovative services that benefit the majority of asylum seekers and refugees. We successfully build public and political support for policy change, so they can rebuild their lives. We are a trusted partner and ally for organisations that seek to enable refugees to rebuild their lives in the UK.

Our objectives

We will achieve our objectives through both direct services to asylum seekers and refugees, and by giving support and advice to other organisations. We'll deliver direct services in London, the West Midlands, the North-West and West Yorkshire.

Justice

1. Secure support for most new asylum-seekers so that they can focus on their asylum case and get protection where it is needed.
2. Secure a significant increase in the quantity and quality of legal advice available to refused asylum-seekers so that those who need protection get it.

Freedom from poverty

3. Reduce the levels of homelessness and precarious housing among people failed by the asylum system.
4. Ensure that refugees and other migrants settling in the UK are able to avoid poverty and to thrive, in particular through employment – avoiding debt and maintaining good health and positive relationships with host communities.
5. Ensure that refugees resettled in the UK are empowered to rebuild their lives successfully.

Campaigns and influence

6. Persuade the UK government to provide safe and legal routes for 100,000 refugees by 2020, through campaigns that reflect our experience of best practice.
7. Ensure faster, fairer asylum decisions by securing tangible improvements to the system; and defend the rights of asylum seekers and refugees to rebuild their lives in Britain without falling into poverty.

8. Build a strong and committed campaigns supporter base of at least 50,000 people; and work with a broad range of 'unusual' allies to engage up to 2 million people in campaigning to make Britain a country that respects the rights of refugees.

Plans for 2016-17

We will work across all eight of these objectives in 2016-17. We will expand our direct support and advice to asylum seekers and refugees seeking justice and an escape from poverty. We will work with local authorities and our partners to enable refugees to rebuild their lives in the UK. Through our campaigns and advocacy we will seek new safe and legal routes to the UK for refugees, and for improvements to the asylum system.

Working with others

Here at Refugee Action we know that we cannot succeed alone, and we are absolutely committed to working with others. Many, many other organisations share our vision of a UK that welcomes asylum seekers and refugees. Our services, our campaigns and of course our good practice work all involve working both in formal partnerships and in looser alliances with others, who share our overall vision and specific objectives.

Support service partners

- Red Cross (various regions)
- Rainbow Haven (Greater Manchester)
- Revive (Greater Manchester)
- GMIAU (Greater Manchester)
- Asylum Link (Liverpool)
- St Mungo's (London)
- Praxis (London)
- Safe Passage (London)
- Assirt (Birmingham)
- Asian Resource Centre (Birmingham)
- Solace (Bradford)
- Freedom from Torture (Greater Manchester / Bradford)
- Family Action (Bradford)

Immigration capacity building partners

- SYRLJ
- GMIAU
- NEST
- NNRF
- Kent University
- Justice First

Campaigns and advocacy partners

Refugee Action works closely with a range of organisations in our campaigns and advocacy. More information on this is included in the campaign section of this annual report.

Key trusts and foundations supporting our work

- Comic Relief
- Sigrid Rausing Trust
- Legal Education Foundation
- Future Advice Fund
- Esmée Fairbairn Foundation
- Barrow Cadbury Trust
- Big Lottery Fund
- Bradford District Care NHS Foundation Trust
- Bradford Metropolitan District Council

Our support and advice for asylum seekers and refugees

Many of the refugees and asylum seekers we meet say, 'I don't know what I would have done without Refugee Action.' Through our support services we provide somewhere to turn, for advice and practical help that can be impossible to find elsewhere.

Justice and Poverty

Our Justice and Poverty services programme aims to ensure that people who need protection get it and those who experience poverty and homelessness, as asylum-seekers or refugees, are able to find ways out of it. Our services are rooted in refugees' and asylum-seekers' experiences. Time after time refugees find it impossible to fully understand the complex asylum process as they move through it. As a consequence they're made homeless and destitute at various stages of the asylum process, and need expert legal advice.

Our approach to increasing justice and tackling poverty is two-pronged. The first is to deliver high quality, innovative and highly targeted services to refugees and asylum-seekers in the regions where we operate: London, West Midlands, the North-West and since January 2016 West Yorkshire following the transfer to Refugee Action of staff and services there from the Northern Refugee Centre. The second is to provide support for other refugee and asylum organisations to maximise their ability to increase justice and tackle poverty, through our Good Practice and Partnerships team established in January 2016 as part of our new strategy.

Increasing Asylum Justice

Our Increasing Asylum Justice project in the North-West is designed to provide 'early intervention' casework support to asylum-seekers, shortly after claiming asylum. This ensures they are ready to face the challenges and complex barriers ahead of them. It includes additional legal advice for those needing to make 'further submissions' on their asylum case, to address specific gaps in legal aid provision. This is in partnership with Greater Manchester Immigration Aid Unit (GMIAU).

One example could be solving a housing problem to ensure greater focus on an asylum claim, or providing detailed support so an asylum seeker has all the information they need to feel prepared, ahead of presenting their case to the Home Office.

"We were completely in a strange land, knowing nothing about the rules and the system. We had come here with four children, and when we arrived we were in a confused state of panic. We'd had to leave one son behind in the rush to leave – it was awful. Nothing was clear. Refugee Action has been with us all along. When we were refused, our solicitor didn't have the time to explain it to us – Refugee Action were the ones who explained why we had been refused."

Street Legal

Street Legal is a ground-breaking collaboration between the refugee and migrant sector (Refugee Action and Praxis) and the homelessness sector (St Mungo's). It responds to the growing population of destitute non-EU migrants in crisis with 'no recourse to public funds'.

Street Legal aims to maximise each partner's resources and expertise to help asylum seekers, refugees and migrants – to address their immigration issues while providing them with safe accommodation.

Refugee Action employs an Immigration Caseworker to provide legal advice to people who are ineligible for legal aid, to resolve their immigration situation and secure housing. All legal support work is provided on an outreach basis, on the streets and at night shelters. The service works with people who face multiple and complex issues including mental and physical health needs, substance misuse, relationship and family breakdown, rejection from their communities and shame or fear of return.

In 2015/16, our Street Legal Immigration Advisor assisted 59 entrenched rough-sleeping refugees, asylum-seekers and migrants to explore resolutions to their cases.

Asylum Crisis

Our Asylum Crisis service is a targeted service, providing complex advice and advocacy at specific stages of the asylum process. Support is given when destitution and homelessness is a huge risk and existing services and resources cannot address this gap.

These services work with some of the most vulnerable and disempowered people in our communities, by targeting the following key crisis points. These include destitution and homelessness at the start of the asylum process, which is created by the Home Office's 'gatekeeping' process for those newest to the country, and those with both a refusal of their asylum case and a refused Section 4 application. Advocacy expertise on the project includes Section 98, Section 95, Section 4 appeals and Community Care assessments.

The services started in January 2016 and by March had provided complex advice and advocacy to over 75 destitute asylum-seekers, significantly reducing levels of homelessness.

So many of the families we meet have no financial support.

Recently we worked with a family living in a private rental. They had no way of paying their rent or feeding their children.

While the father was out of the house, the landlord came and served an eviction notice. He removed the family from the house and changed the locks.

Social Services supported them for one night. After that, they had nowhere to go. Out of sheer desperation they stayed the night in a hospital waiting room and the next in a friend's car.

We applied for help from the Home Office. However, they said the family should not have left their rental property, as the landlord didn't have a court order for repossession. The Home Office said the family had made themselves homeless.

We were determined to help the family. We advocated on their behalf and issued a Pre Action Protocol against the Home Office, on the basis of their statutory obligations. Finally, they agreed to support the family. This story is sadly one of many.

Refugee Resettlement

Thanks to public pressure and campaigning by Refugee Action, and many others, this year saw a dramatic expansion of the UK's resettlement programmes. As the UK's leading experts in refugee resettlement, Refugee Action has played, and will continue to play, a significant part in ensuring the success of this programme. Our goal is to ensure that every refugee is able to rebuild their life successfully.

Gateway

Refugee Action is the largest provider of the Gateway Protection programme in the UK. Across the country, the UK government offers just 750 refugees resettlement on this programme per year.

Gateway works with refugees in UNHCR refugee camps around the globe. Some refugees have had a prolonged wait for resettlement, often giving birth to children who have never experienced life outside the camps. Our Gateway Protection programme team received 401 vulnerable refugees, including Iraqis from Syria, Congolese from Burundi, Somalis and Ethiopians from Kenya and Eritreans and Sudanese from Egypt.

In partnership with six local authorities in Greater Manchester, we support the refugees for their first 12 months in the UK. We help them integrate, become independent and contribute to their new communities.

Syrian Vulnerable Persons Resettlement

Prior to September 2015, just 216 Syrians had been welcomed to the UK through the government's Syrian resettlement programme. Public pressure dramatically changed that. In September 2015, Prime Minister David Cameron committed to resettle 20,000 vulnerable Syrians by the end of the parliament, and 1,000 by Christmas 2015.

Drawing on our experience of delivering resettlement for over 30 years, we set about planning how best to support the expanded programme. During this year, our response included:

- Working with Birmingham City Council to receive, support and accommodate 50 Syrians
- Working with Islington Council to provide intensive support and co-ordinate the development of Syrian resettlement in Islington
- Working with Staffordshire County Council to support 50 Syrians
- Working with Shropshire Council to prepare to support 50 Syrians
- Training for local authorities on good practice, ahead of the arrival of Syrian refugees

To ensure the success of our resettlement programme, we have established new partnerships and alliances with many different charities and services in these areas. For instance, Spring Housing provides accommodation services to some of our Syrian resettlement programmes, and the British Red Cross have partnered with us to coordinate the arrival of refugees. Great news.

In each of these areas we have established and trained new resettlement teams, and welcomed and trained many new volunteers and staff. Local communities have played crucial roles and been very active in supporting resettlement – particularly in taking refugees for the first time.

Members of the community have donated furniture and other items for refugees to make use of when they arrive. And we have also recruited, trained and supported new interpreters in each of the new resettlement areas.

In each of our teams we work to the same set of tried and tested principles. These include:

- Working collaboratively, in partnership with refugees to give them support
- Ensuring our work encourages independence of the refugees
- Integrating refugees and enhancing local services, rather than replicating services or segregating refugees

"Over 100 amazing new volunteers have joined our resettlement teams fulfilling vital roles such as helping refugees settle in when they first arrive, accompanying them to appointments and helping them practice English."

A lasting legacy: Closure of our Voluntary Return service

Sadly our Assisted Voluntary Return service, Choices, closed at the end of December 2015. Refugee Action was the primary provider of the UK's AVR service through Choices for the last five years. During that time we supported 27,996 people considering voluntary return, supported 22,972 to make applications to the Home Office for return and 1,230 people to return to their home countries.

The decision to return is often the second most difficult decision a person will make. The first is the decision to flee or leave their country. Motivations for return include both push (inability to build a life in the UK) and pull factors (family reunion, changes to safety or political factors in the country of return), but research shows that pull factors impact far more on an individual's decision to return.

There is no evidence that creating a 'hostile environment' in the UK leads to increased returns. Combined with these motivations are the fears many people have about return – a sense of shame or failure. This can either be for leaving or returning – a common fear is that they may not be able to build a sustainable life post-return, or in some cases ongoing fears of persecution.

To deliver this service effectively Refugee Action worked in partnership both in the UK and around the World. In the UK we worked with Northern Refugee Centre (NRC), North East Refugee Service (NERS), Wolverhampton Refugee & Migrant Centre (RMC) and Bryson House in Northern Ireland.

Refugee Action formed a ground-breaking global partnership in countries of return that supported people after they had landed, to re-establish themselves in their home countries and build a sustainable future. These countries included CISP Algeria, Caritas Bangladesh, UNITAS Bolivia, Projeto Resgate Brazil, QZC China, AGREDS Ghana, Caritas India, ETTC Iraq, Hibiscus Jamaica, CISP Malawi, Nou Nouvo Baz Mauritius, Caritas Mongolia, Pro-Natura Nigeria, SSD Pakistan, Siyath Foundation Sri Lanka, InterAid Uganda, DERT-SA Zimbabwe & South Africa.

The good work goes on

Following its closure, the organisation wanted to build on the legacy of more than 15 years of work. The result was the creation of a role that will take forward the work of the new Voluntary Return Good Practice project.

This project began by focusing on the sharing of up-to-date information of the Home Office's return programmes and on helping other organisations and community groups across the UK to support people facing this difficult decision. In the period between January and April 2016, the project has worked closely with our specialist Embassy team to help people wishing to return to apply for the travel documents needed to do so.

The project has also focused on future objectives, as it becomes embedded within the Good Practice and Partnerships team. We have developed a role that will work with up to five organisations nationally – to develop their knowledge and capacity to deliver advice to those considering return, following the principles taken from our Choices service. Alongside this work, the aim is to develop a small second tier advice service, with volunteer input, to support organisations we will be working with.

We will continue to work with partners and key stakeholders to monitor the returns process in the UK and to share good practice around this area of work – especially in preparation for the changes coming up through the proposals in the new Immigration Act.

Janitha's return

In 2008 Janitha left his family in Sri Lanka and came to the UK. He said, "Life in the UK was different to what I expected – I wasn't allowed to work, so I couldn't help my family. I had debts to pay. It was hard being away from my family. My wife and daughters were alone."

Janitha heard about the Choices service both at his reporting centre and through his friends, and decided that he wanted to be back with his family. He found the service very helpful. "They explained everything to me. They were very kind."

Janitha returned to Sri Lanka in 2012. "I came back to my family, and my house and things weren't very different", he said. "I had my business to work in and my family was happy I was back." Janitha runs a leisure wear business from his home with his wife and daughter. He employs four people to work for him. Life is not easy though. "We have to work hard and long hours. We are trying very hard. We now have some orders, but they are not all the time. We have to pay our workers, our loan, and school for my daughter."

Janitha said the Choices' overseas partner, Siyath, was helpful too. "They call to find out how we are and if we're having any problems. They are doing a very good job."

Campaigns and advocacy

Our campaigns mean more refugees can reach safety and rebuild their lives successfully in the UK. We draw on the insight and experiences of refugees to help us campaign for change. At the heart of every campaign is the aim to secure practical changes by government that benefit asylum seekers and refugees, and to broaden and deepen public and political support for refugees.

Collaboration with others is absolutely central to our approach. We work with both long-standing partners within the refugee and asylum sector, and new partners beyond it. We know that by working closely with others, who share our aims and bring different perspectives or specialism, we're far more likely to achieve our shared goals.

We launched our 'Another Way' campaign in Spring 2015. It was inspired by the appalling death toll in the Mediterranean of people fleeing repression and conflict to seek safety in Europe, and the inadequacy of the UK's response.

The campaign included a petition and policy briefing (produced jointly with Refugee Council and Scottish Refugee Council). It also provided clear focus for supporters, parliamentarians and the media, around our call on the government to allow more refugees safe routes to gain protection in Britain. The campaign had a strong emphasis on increasing resettlement places to the UK.

Responding to the refugee crisis

As Europe's growing refugee crisis dominated the headlines through the summer, our campaigning developed in partnership with new and long-standing allies.

The trade union UNISON was among many to endorse and spread the 'Another Way' campaign message via social media. And together with Citizens UK, we staged a 'Remembrance Walk' in June with Kindertransport survivors to parliament, to call on the government to increase resettlement.

In September, we added our 'Another Way' petition signatures to those of Citizens UK and other partners (including Save the Children, Amnesty International UK, 38 degrees and Avaaz), to stage a joint presentation to parliament of 1.4 million actions taken across the UK in support of refugees.

A few days later, we joined a host of other organisations to show our and the public's strong support for the #RefugeesWelcome message on Solidarity with a march in London. Our chief executive addressed the rally at the end of the march, which was attended by over 100,000 people including Refugee Action supporters and current and former clients. The message was a deafening roar of clear public support for the UK to do more to welcome refugees.

In response to this growing public and political clamour, the Prime Minister announced the UK would resettle 20,000 Syrian refugees by 2020 – a move which we and others warmly welcomed.

Our resettlement focus shifted from public campaigning to private advocacy, highlighting to government our insight and experience of successful resettlement. We worked with the media and parliamentarians to increase understanding of resettlement, and how it benefits those involved.

A force for family reunion

We know that, while hugely significant, the resettlement commitment only went some way to addressing the scale of the need. In February 2016 we launched '**Family Reunion**', a new public campaign. Family reunion is another way for refugees to reach safety without being forced to make dangerous journeys, but one that presents many obstacles and challenges for potential beneficiaries.

Our campaign included a digital tool to allow users to experience how restrictive current rules are, a petition, a detailed policy briefing and the story of a Refugee Action client separated from his pregnant wife as a result of the rules.

In March, ahead of a major UN summit on the Syrian refugee crisis, we took our campaign to the national press. In partnership with Citizens UK, and supported by Help Refugees, Good Chance and Letters Live, we arranged for over 100 public figures to sign an open letter to the Prime Minister. Their

letter was widely reported, and called on the government to help divided families and separated children by strengthening family reunion policies.

We will continue to work in close partnership with organisations that have an operational or campaigning focus on family reunion, including Refugee Council, British Red Cross and UNICEF. We need to pool our resources and amplify our individual voices, to bring about the change we're seeking.

**Independent Auditor's Report to the Members of
REFUGEE ACTION (Company reg. no. 01593454)**

We have audited the financial statements of Refugee Action for the year ended 31 March 2016 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cashflows 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) including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's trustees 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 charitable company and the charitable company's trustees 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 Trustees' Responsibilities Statement set out in the Annual Trustees' Report, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

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 Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charitable company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the financial statements.

In addition, we read all the financial and non-financial information in the Trustees' Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2016, and of the 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.

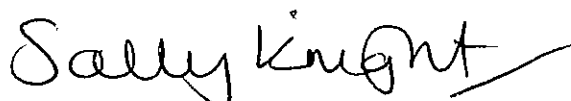
Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Trustees' Annual Report (including 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:

- the charitable company has not kept adequate and sufficient accounting records, or returns adequate for our audit have not been received from branches not visited by us; or
- the charitable company 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.



Sally Knight FCA (Senior Statutory Auditor)

For and on behalf of

MHA MacIntyre Hudson

Chartered Accountants and Statutory Auditor

New Bridge Street House

30-34 New Bridge Street

London

EC4V 6BJ

Date: 14 December 2016

REFUGEE ACTION
STATEMENT OF FINANCIAL ACTIVITIES
(Incorporating income and expenditure account)
For the year ended 31 March 2016

	Notes	Restricted funds £'000	Unrestricted funds £'000	Total 2016 £'000	Total 2015 £'000
INCOME FROM:					
Donations	2	-	943	943	356
Investment and other income		1	7	8	14
<i>Charitable activities</i>	3	9,593	-	9,593	12,000
TOTAL (Total Income)		9,594	950	10,544	12,370
EXPENDITURE ON:					
Raising funds		-	654	654	532
<i>Charitable activities:</i>					
AVR - Choices		7,583	149	7,732	10,277
Asylum advice and community development services		1,760	161	1,921	1,717
Campaigns		14	168	182	132
TOTAL (Total expenditure)	5	9,357	1,132	10,489	12,658
NET INCOME/(EXPENDITURE)		237	(182)	55	(288)
Transfer between funds		(78)	78	-	-
NET MOVEMENT IN FUNDS FOR YEAR		159	(104)	55	(288)
TOTAL FUNDS AT START OF YEAR		985	3,896	4,881	5,169
TOTAL FUNDS AT END OF YEAR		1,144	3,792	4,936	4,881

NOTES

The Home Office stopped the funding of AVR – Choices on 31st December 2015 and the project has thus finished from that date.

Details of movements in restricted funds are given in Note 12.

The notes on pages 26 to 40 form part of these financial statements

REFUGEE ACTION

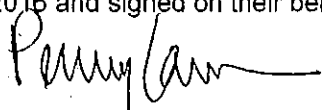
(A company limited by guarantee) Registered company number
01593454

BALANCE SHEET

As at 31 March 2016

	Note	2016 £'000	2016 £'000	2015 £'000	2015 £'000
FIXED ASSETS					
Tangible fixed assets	8		92		89
CURRENT ASSETS					
Debtors	9	1,090		2,307	
Cash at bank and in hand		4,070		3,299	
		<u>5,160</u>		<u>5,606</u>	
CREDITORS: amounts falling due within one year	10	(290)		(783)	
		<u></u>		<u></u>	
NET CURRENT ASSETS			4,870		4,823
TOTAL ASSETS LESS CURRENT LIABILITIES					4,912
CREDITORS: amounts falling more than one year	14	(26)			(31)
NET ASSETS	12		<u>4,936</u>		<u>4,881</u>
CHARITY FUNDS					
Restricted funds	12		1,144		985
Unrestricted funds:					
General Fund	12		530		1,305
Designated funds	12		3,262		2,591
			<u>4,936</u>		<u>4,881</u>

The financial statements were approved, and authorised for issue, by the Trustees on 8 December 2016 and signed on their behalf by:

A handwritten signature in black ink, appearing to read 'Penny Lawrence', with a long horizontal flourish extending to the right.

Penny Lawrence
Chair

The notes on pages 26 to 40 form part of these financial statements

REFUGEE ACTION

STATEMENT OF CASH FLOWS

For the year ended 31 March 2016

	2016 £'000	2015 £'000
Cash flows from operating activities:		
Net cash provided by (used in) operating activities	839	1,639
Cash flows from investing activities (See reconciliation below):		
Dividends, interest and rents from investments	8	14
Purchase of property, plant and equipment	(76)	(35)
Net cash provided by (used in) investing activities	<u>(68)</u>	<u>(21)</u>
 Change in cash and cash equivalents in reporting period	771	1,618
Cash and cash equivalents at the beginning of the reporting period	<u>3,299</u>	<u>1,681</u>
Cash and cash equivalents at the end of the reporting period	<u>4,070</u>	<u>3,299</u>
 Reconciliation of net movement in funds to net cash flow from operating activities		
	2016 £'000	2015 £'000
Net movement in funds for the reporting period (as per the statement of financial activities)	55	(288)
Adjustment for:		
Depreciation charges	73	98
Dividends, interest and rents from investments	(8)	(14)
(Increase)/decrease in debtors	1,217	2,974
Increase/(decrease) in creditors	<u>(498)</u>	<u>(1,131)</u>
Net cash provided by (used in) operating activities	<u>839</u>	<u>1,639</u>

The notes on pages 26 to 40 form part of these financial statements

1. ACCOUNTING POLICIES

1.1 Basis of preparation under FRS 102 SORP 2015

The Financial Statements of the Charity, have been prepared under the historical cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: 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)), the Charities Act 2011 and the Companies Act 2006.

The Charity constitutes a public benefit entity as defined by FRS 102. The financial statements are prepared in sterling which is the functional currency of the Charity and rounded to the nearest £1,000.

1.2 Reconciliation with Previous Generally Accepted Accounting Practice

These Financial Statements are the first Financial Statements of the Charity prepared in accordance with Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (FRS 102) and the Charities SORP 2015 (SORP 2015). The financial statements for the year ended 31 March 2015 were prepared in accordance with previous Generally Accepted Accounting Practice ('UK GAAP') and SORP 2005.

Some of the FRS 102 recognition, measurement, presentation and disclosure requirements and accounting policy choices differ from previous UK GAAP. Consequently, the Trustees have amended certain accounting policies to comply with FRS 102 and SORP 2015.

In preparing the accounts, the Trustees have considered whether in applying the accounting policies required by FRS 102 and the Charities SORP FRS 102 a restatement of comparative items was needed. A restatement of comparative balances was determined not to be required.

1.3 Going concern

The Trustees assess whether the use of the going concern assumption is appropriate, i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the Charity to continue as a going concern. The Trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements and have concluded that the Charity has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the Charity's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

1.4 Company status

Refugee Action is a company limited by guarantee in the United Kingdom. The members of the company are the Trustees named on page 1. In the event of the Charity being wound up, the liability in respect of the guarantee is limited to £1 per member. The address of the registered office is given in the charity information on page 1 of these financial statements.

1.5 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objects of the Charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Charity for particular purposes. The cost of administering such funds is charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

1.6 Income and endowments

All income and endowments are included in the Statement of Financial Activities when the Charity is legally entitled to the income and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income.

- Donations and legacies are included in full in the Statement of Financial Activities when probable. Grants, where entitlement is not conditional on the delivery of specific performance by the Charity, are recognised when the Charity becomes unconditionally entitled to the grant.
- Donated services and facilities are included at the fair value to the Charity where this can be quantified. The value of services provided by volunteers has not been included in the accounts.
- Income from contracts and grants, where related to performance and specific deliverables, are recognised as the Charity earns the right to consideration by its performance.

Income tax recoverable in relation to donations received under Gift Aid is recognised at the time of the donation.

The Charity receives government grants in respect of Refugee Resettlement, Assisted Voluntary Return and Gateway projects. Income from government and other grants are recognised at fair value when the charity has entitlement after any performance conditions have been met; it is probable that the income will be received and the amount can be measured reliably. If entitlement is not met then these amounts are deferred.

1.7 Expenditure

All expenditure is accounted for on an accruals basis and has been included under expense categories that aggregate all costs for allocation to activities. Where costs cannot be directly attributed to particular activities they have been allocated on a basis consistent with the use of the resources. In particular office costs and support costs have been allocated on the basis of the number of staff working in offices on different functions.

Fundraising costs are those incurred in seeking donations and legacies. Campaigns costs are those costs incurred to secure practical changes by government that benefit asylum seekers and refugees, and to broaden and deepen public and political support for refugees. Support costs are those costs incurred directly in support of expenditure on the objects of the Charity and include project management carried out at Headquarters. Governance costs included as part of support costs are those associated with meeting the constitutional and statutory requirements of the Charity and include the audit fees and costs linked to the strategic management of the Charity.

1.8 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives as follows:

Furniture, fittings and equipment	- 5 years
Computer equipment	- 4 years
Leasehold improvements	- Over the period of the lease

All fixed assets costing more than £1,000 are capitalised.

1.9 Debtors receivable and creditors payable within one year

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure

1.10 Cash at Bank and in hand

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

1.11 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the Charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide. Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

1.12 Operating leases

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged to the Statement of Financial Activities as incurred.

1.13 Employee benefits

When employees have rendered service to the Charity, short-term employee benefits to which the employees are entitled are recognised at the undiscounted amount expected to be paid in exchange for that service. Termination benefits, including redundancy costs, are recognised when the company has an obligation to pay the benefits and they can be measured reliably.

1.14 Pensions

Refugee Action is a member of a defined benefit multi-employer scheme (see Note 14). There is insufficient information available to use defined benefit accounting therefore the scheme has been treated as a defined contribution scheme for accounting purposes and contributions are recognised in the period in which they relate. In addition to meeting the current cost of providing pensions for staff the Charity is making additional payments into the fund over a 10 year period in order to eliminate the deficit on the scheme. The Charity has accrued the full present value of deficit reduction payments for the current year and up to the end of the 10-year period. The pension charge for the year comprises the amount payable by the Charity to the scheme for the current cost of providing pensions – and to employees' individual pension schemes where they are not part of the scheme – in the year, along with the deficit reduction cost as above. Due to certain guarantees included in the scheme there is an employer's debt which would become payable if the Charity left the scheme and this is explained in Note 14.

As a multi-employer scheme within the definition of FRS 102, no other assets or liabilities of the scheme are included on the Charity's Balance Sheet.

1.15 Financial instruments

The Charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value. This is detailed in Note 15.

1.16 Taxation

The Charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a Charitable Company for UK corporation tax purposes. Accordingly, the Charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

1.17 Critical accounting estimates and areas of judgement

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Charity makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

As disclosed in Note 14, The TPT Solutions Pension Scheme deficit reduction liability depends on the contributions payable over a 10 year period recognised at present value based on a 3% increase in interest p.a.

The estimated employer debt on withdrawal from the Plan is based on the Scheme's Actuarial valuation as at 30 September 2015. This valuation is based on a number of factors that are determined on an actuarial basis using a variety of assumptions. A factor of 3% has been applied to the 2015 valuation to reflect the estimated increase of the debt to 31 March 2016.

1.18 Foreign currencies

Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. Monetary assets and liabilities are retranslated at the rate of exchange ruling at the balance sheet date. All differences are taken to the SOFA.

2. Donations

	Restricted Funds £'000	Unrestricted Funds £'000	Total 2016 £'000	Total 2015 £'000
Donations from the public		943	943	356
	-	943	943	356

The total income for 2015 amounting to £356k was unrestricted.

3. INCOME FROM CHARITABLE ACTIVITIES

	Restrict ed Funds £'000	Unrestrict ed Funds £'000	Total 2016 £'000	Total 2015 £'000
Home Office grants and contracts:				
Asylum advice and community development services				(56)
Gateway Settlement services	1,296		1,296	1,286
Choices (Assisted Voluntary Return)	7,638		7,638	10,393
Grants from other public authorities:				
Liverpool City Council	7	-	7	23
The Big Lottery Fund:				
Preventing Homelessness - Manchester	52	-	52	
Liverpool Asylum Seeker Destitution	30		30	32
Bristol City Council	39	-	39	42
Birmingham City Council	77		77	
Islington City Council	53		53	
Staffordshire City Council	10	-	10	
Other grants:				
Sigrid Rausing Trust	60	-	60	60
Red Cross	-	-	-	10
Caritas Austria	-	-	-	18
Comic Relief	78	-	78	107
St Mungo's Housing Association		-	-	9
Future Advice Fund	21		21	
Legal Education Foundation	19		19	
Groundwork UK	16	-	16	40
Migration Work CIC	-		-	25
French Huguenot Church Trust			-	8
South West Legal Trust			-	3
Esmée Fairbairn Unbound	70	-	70	

	60	60	
Bradford Metropolitan District Council	20	20	
Bradford District Care NHS Foundation Trust	34	34	
Barrow Cadbury	10	10	
Citizens UK	1	1	
London Legal Support	2	2	
	9,593	9,593	12,000

The whole of the £12,000,000 income for 2015 was restricted.

The Charity received grants from the Home Office for the Assisted Voluntary Return project and Gateway Protection Scheme as shown in Note 3. Refugee Action has also received grants from local authorities for the Syrian Resettlement Scheme, Shared Awareness project based in Liverpool and Bristol Stronger Communities project. There were no unfulfilled conditions for any of these projects.

4. NET INCOME / EXPENDITURE

This is stated after charging:

	2016 £'000	2015 £'000
Depreciation of tangible fixed assets	73	98
Auditor's remuneration - audit (excluding VAT)	19	19
Other fees payable to auditors (excluding VAT)	1	1

5. ANALYSIS OF EXPENDITURE

	Staff costs £'000	Office costs £'000	Other direct costs £'000	Allocated Support costs £'000	Total 2016 £'000	Total 2015 £'000
Costs of generating funds						
Fundraising & publicity	214	20	384	36	654	532
Charitable expenditure						
AVR Choices	2,891	405	3,476	960	7,732	10,282
Asylum advice & community development services	1,106	131	434	250	1,921	1,714
Campaigns	131	14	37	-	182	130

Costs of activities in furtherance of Charity's objects	4,128	550	3,947	1,210	9,835	12,126
Support costs	815	94	337	(1,246)	-	
Total expenditure	<u>5,157</u>	<u>664</u>	<u>4,668</u>	<u>-</u>	<u>10,489</u>	<u>12,658</u>

Details of Staff costs and Support costs are given respectively in Notes 6 and 7.

Office costs and Support costs have been allocated between activities on the basis of head count of staff employed on those activities.

6. STAFF COSTS AND NUMBERS

Staff costs were as follows:

	2016 £'000	2015 £'000
Salaries	3,918	4,922
Social security costs	382	486
Pension costs	378	471
Redundancy payments	241	66
Agency staff	238	272
	<u>5,157</u>	<u>6,217</u>

Following the decision of the Home Office to stop the funding of our AVR Choices project, a large number of our staff employed to deliver the AVR project were made redundant at the end of December 2015. The total redundancy payment for such staff was around £229k and was fully funded by the Home Office.

The average monthly numbers of employees during the year was as follows:

	2016 No.	2015 No.
Fundraising and publicity	4	5
AVR - Choices	77	119
Asylum advice and community development services	34	32
Campaigns	1	1

Support costs

14	16
<u>130</u>	<u>173</u>

Trustees and Key Management Personnel remuneration and expenses:

The total amount of employee benefits received by key management personnel is £391,473 (2015 £343,977). One member of staff (2015 – Nil) received employee benefits in the range of £80,000 to £90,000. No member of staff (2015 – two) received employee benefits in the range of £70,000 to £80,000. One member of staff (2015 – one member of staff) received employee benefits in the range of £60,000 to £70,000. All other employees earned less than £60,000.

7 Trustees (2015 – 7) received reimbursements for travel and subsistence expenses amounting to £1,685 (2015 – £3,766). No Trustees received any remuneration (2015 – Nil).

The Charity contributes 8 per cent of basic salaries plus £600 per annum to an independently operated, voluntary, non-contributory, money purchase scheme open to those of its permanent employees who wish to participate (see also Note 14). The Charity pays contributions for those employees who opt to participate in the scheme but has no liability to provide pensions to former employees. Staff can opt for the contribution to be made to their own personal pension schemes instead of the Charity's scheme. At the year-end there were outstanding contributions amounting to £69 (2015 – £1,540), which are included in Creditors.

7. SUPPORT COSTS

	2016 £'000	2015 £'000
Finance	288	322
Human Resources	226	257
Information Technology	290	270
Chief Executive's office	258	273
Governance costs	42	46
Other support costs	142	134
	<u>1,246</u>	<u>1,302</u>

Governance costs

	2016 £'000	2015 £'000
Staff costs	16	17
Overhead allocation	1	3
Audit and accountancy fees	23	23
Trustee expenses	<u>2</u>	<u>3</u>
	<u>42</u>	<u>46</u>

Support costs are allocated between activities based on head count as explained in Note 5.

8. TANGIBLE FIXED ASSETS

	Furniture, fittings and equipment £'000	Leasehold improve- ments £'000	Total 2016 £'000	Total 2015 £'000
Cost				
At start of the year	635	50	685	985
Additions	76	-	76	35
Disposals	(255)	-	(255)	(335)
At end of the year	<u>456</u>	<u>50</u>	<u>506</u>	<u>685</u>
Depreciation				
At start of the year	546	50	596	833
Charged for the year	73	-	73	98
Eliminated on disposal	(255)	-	(255)	(335)
At end of the year	<u>364</u>	<u>50</u>	<u>414</u>	<u>596</u>
Net book value at start of the year	<u>89</u>	<u>-</u>	<u>89</u>	<u>152</u>
Net book value at end of the year	<u>92</u>	<u>-</u>	<u>92</u>	<u>89</u>

9. DEBTORS - Amounts falling due within one year

	2016 £'000	2,015 £'000
Grants receivable	973	1,809
Prepayments	66	179
Other debtors	51	319
	<u>1,090</u>	<u>2,307</u>

10. CREDITORS - Amounts falling due within one year

2016 £'000	2,015 £'000
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Trade creditors	163	395
Taxes and social security	82	128
Accruals	45	260
	<u>290</u>	<u>783</u>

11. COMMITMENTS

At 31 March 2016 the Charity had future minimum lease payments under non-cancellable operating leases on its premises as follows:

	2016 £'000	2015 £'000
Expiry date:		
Within 1 year	146	46
Within 2 to 5 years	29	244
	<u>175</u>	<u>290</u>

12. STATEMENT OF FUNDS

	Brought Forward £'000	Income £'000	Expenditure £'000	Transfers In/(out) £'000	Carried Forward £'000
DESIGNATED FUNDS					
Fixed assets	16	-	(7)	78	87
Pension fund	982	-	-	(100)	882
Premises leases	725	-	-	(482)	243
Sickness & maternity leave	178	-	-	(128)	50
Front-line services, Donor acquisition and campaigns fund	-	-	-	2,000	2,000
Destitution fund	40	-	-	(40)	-
Top Up fund	200	-	-	(200)	-
Donor acquisition fund	300	-	-	(300)	-
Tendering fund	<u>150</u>	<u>-</u>	<u>-</u>	<u>(150)</u>	<u>-</u>
TOTAL GENERAL FUND	2,591	-	(7)	678	3,262
	1,305	950	(1,125)	(600)	530

UNRESTRICTED	3,896	950	(1,132)	78	3,792
RESTRICTED FUNDS					
Asylum advice services	206		(9)		197
Community development	66	-	(16)	-	50
Voluntary return project	318	7,638	(7,584)	(78)	294
Community development projects	176	459	(339)	-	296
Gateway Settlement	20	1,296	(1,275)	-	41
VPRS Birmingham		77	(71)	-	6
VPRS Islington		53	(53)	-	-
VPRS Staffordshire		10	(10)	-	-
Campaigns		60		-	60
Other projects	2	-	-	-	2
Redundancy fund	197	1	-		198
RESTRICTED	985	9,594	(9,357)	(78)	1,144
TOTAL FUNDS	4,881	10,544	(10,489)	-	4,936

DESIGNATED FUNDS

The Fixed assets fund reflects the unrestricted resources tied up in fixed assets. £78,000 being the net book value of fixed assets from the voluntary return project (which finished at end of December 2015) was transferred to this fund.

As explained in Note 14, Refugee Action has been notified by TPT Retirement Solutions that an estimated liability of £856,000 would be payable should it have to withdraw from the pension scheme. This is based on the valuation as at 30 September 2015. With the application of a 3% interest rate in the period to 31 March 2016, the estimated liability would be £882,000. A designated fund has been established to reflect this potential liability, with the transfer in the year representing the movement between the two year ends' estimated debt on withdrawal balances.

A designated fund has been established to cover potential liabilities associated with the Charity's rented properties. These include the potential cost of dilapidations as well as the potential rent commitments which it may not be possible to assign should the Charity have to vacate some of its premises. Following the closure of the AVR choices project the Charity's rented floor space has decreased substantially and £482,000 was transferred out of this fund to reflect such reduction.

The Sickness and maternity leave fund was established to provide for exceptional sickness and maternity costs. The year-end balance is calculated as the cost of 1.7 FTE staff being on sick leave for six weeks and 1.7 FTE staff being on maternity leave for twenty weeks. Following the closure of the AVR choices project the Charity's number of staff has decreased substantially and £128,000 was transferred out of this fund to reflect such reduction.

Following the loss of a substantial Home Office funding the Board of Trustees have approved a strategy to achieve financial sustainability by 2018/19. The strategy is based on investing our reserves to enable us to substantially increase our public funding base, run campaigns and deliver front-line services. Trustees have thus established the Front-line services, Donor acquisition and campaigns fund to help finance the investments required for these activities until 2018/19.

The investment required for our Donor acquisition work is now merged with the Front-line services, Donor acquisition and campaigns fund. As a result Trustees have decided to abolish the Donor acquisition fund and the funds which were previously designated have been transferred out in full.

Trustees have decided to abolish the Destitution, Top Up and Tendering funds. As a result the funds which were previously designated for these purposes have been transferred out in full.

RESTRICTED FUNDS

Asylum advice services grants were received from the Home Office's UK Border Agency (UKBA) to provide a one-stop advice service (including operating a reception service and providing accommodation advice) to new refugees and to assist in-country asylum seekers.

Community development programme grants were received from the Home Office to enable the Charity to plan and promote better services for asylum seekers, refugees and their communities.

Voluntary return project (Choices) grants were also provided by the Home Office. The programme provided advice, information and counselling to individuals considering returning to their country of origin. As this project has now finished due to the termination of the funding by the Home Office, the balance carried forward will be used to deliver Choices related activities.

Various funders have contributed towards the Charity's community development projects, which aim to support and promote positive integration and long-term settlement of refugees and displaced people in different parts of the UK.

The Gateway Settlement Project, funded by the Home Office, is run in partnership with Manchester Councils. The project provides integration support to refugees who arrived in the UK direct from refugee camps as part of the government's Gateway Protection Programme.

Refugee Action won contracts for the Syrian resettlement scheme in Birmingham, London Borough of Islington and Staffordshire. The project provides integration support to Syrian refugees who arrive in the UK under the government's Syrian Vulnerable Persons Resettlement programme.

The Campaigns fund expected to be financed by various funders is used to contribute towards the costs of the newly established team that leads on Refugee Action's campaigning work.

The Charity maintains a Redundancy fund from restricted project grants to ensure that it will always have the resources to meet its contractual and statutory commitments in the event of having to make staff redundant. Interest arising on the fund is credited to it.

The balances on all the funds except for the Redundancy fund are due to be spent in the period to March 2018, except to the extent that they are represented by fixed assets (see Note 13).

13. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Tangible fixed assets £'000	Net current assets £'000	Non current liabilities £'000	Total £'000
Restricted funds:				
Asylum advice services	3	194	-	197

Community development	-	50	-	50
Voluntary return project	-	294	-	294
Community development projects	-	296	-	296
Gateway Settlement	4	37	-	41
VPRS Birmingham	-	6	-	6
Campaigns	-	60	-	60
Other projects	-	2	-	2
Redundancy fund	-	198	-	198
Total restricted funds	7	1,137	-	1,144
Total unrestricted funds	85	3,733	(26)	3,792
Total	92	4,870	(26)	4,936

Unrestricted funds include the designated funds shown in Note 12, all of which are represented entirely by net current assets, except for the fixed assets fund, which is represented by fixed assets.

14. PENSION SCHEME

The Charity participates in the TPT Retirement Solutions (previously known as The Pensions Trust) Growth Plan (the Plan). The Plan is funded and is not contracted-out of the State scheme. The Plan is a defined benefit multi-employer pension plan. It is not possible in the normal course of events to identify on a reasonable and consistent basis the share of underlying assets and liabilities belonging to individual participating employers. As the Plan is a multi-employer scheme, the assets are co-mingled for investment purposes, and benefits are paid out of the Plan's total assets. Accordingly, due to the nature of the Plan, the accounting charge for the period under FRS 102 represents the employer contribution payable.

Refugee Action paid contributions at the rate of 8% of basic salary plus £600 p.a. during the year; members did not make any obligatory contributions.

As at the balance sheet date there were 83 (2015 – 174) active members of the Plan employed by the Charity, which continues to offer membership of the Plan to its employees.

The Plan's Trustee commissions an actuarial valuation of the Plan every three years. The purpose of the actuarial valuation is to determine the funding position of the Plan by comparing the assets with the past service liabilities as at the valuation date. Asset values are calculated by reference to market levels. Accrued past service liabilities are valued by discounting expected future benefit payments using a discount rate calculated by reference to the expected future investment returns.

The rules of the Plan give the Plan's Trustee 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. If the actuarial valuation reveals a deficit, the Trustee will agree a recovery plan to eliminate the deficit over a specified period of time either by way of additional contributions from participating employers, investment returns or a combination of these.

The actuarial valuation results at 30 September 2011 were completed in 2012. The valuation of the Plan was performed by a professionally qualified Actuary using the Projected Unit Method. The market value of the Plan's assets at the valuation date was £780 million and the Plan's Technical Provisions (i.e. past service liabilities) were £928 million. The valuation therefore revealed a shortfall

of assets compared with the value of liabilities of £148 million, equivalent to a funding level of 84%, and thus the Trustee was required to prepare a recovery plan setting out the steps to be taken to make up the shortfall. A copy of the recovery plan in respect of the September 2011 valuation was forwarded to The Pensions Regulator on 2 October 2012.

As a result of the recovery plan, Refugee Action was notified that additional contributions of £3,726 +3% interest p.a. are payable in the 10 years from 1 April 2013 in order to eliminate its share of the deficit in the Plan. The Charity has made an accrual for the present value of the total outstanding deficit contributions and the balance payable in over one year at the balance sheet date was £26,000 (2015: £31,000). This is not discounted on the basis that the effect of discounting would not be material. The results of the 2014 actuarial valuation were available at the end of 2015 but there was no change to Refugee Action's contributions.

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 and The Pensions Act 2011 has more recently altered the definition of Series 3 of the Growth Plan so that a liability arises to employers from membership of any Series except Series 4. The debt is due in the event of the employer ceasing to participate in the Plan or the Plan winding up. 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 securing benefits by purchasing annuity policies from an insurer, plus an 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 liability attributable to employment with the leaving employer compared to the total amount of the Plan's liabilities (relating to employment with all the currently participating employers). The leaving employer's debt therefore includes a share of any 'orphan' liabilities in respect of previously participating employers. The amount of the debt therefore depends on many factors including total Plan liabilities, Plan investment performance, the liabilities in respect of current and former employees of the employer, financial conditions at the time of the cessation event and the insurance buy-out market. Therefore, the amounts of debt can be volatile over time.

When an employer withdraws from a multi-employer defined benefit pension scheme which is in deficit, the employer is required by law to pay its share of the deficit, calculated on a statutory basis (known as the buyout basis). Due to a change in the definition of money purchase contained in the Pensions Act 2011 the calculation basis that applies to the Growth Plan has been amended to include Series 3 liabilities in the calculation of an employer's debt on withdrawal.

The Growth Plan is a "last man standing" multi-employer scheme. This means that if a withdrawing employer is unable to pay its debt on withdrawal the liability is shared amongst the remaining employers. The participating employers are therefore jointly and severally liable for the deficit in the Growth Plan.

Refugee Action has been notified by TPT Retirement Solutions of its estimated employer debt on withdrawal from the Plan based on the financial position of the Plan as at 30 September 2015. As of this date the estimated employer debt for Refugee Action was £856,000 (30 September 2014 £982,000) including Series 3. However, the Scheme Actuary has advised that the figure quoted as at 30 September 2015 is likely to have increased by approximately 3% to £882,000 as at 31 March 2016. Refugee Action has designated funds to the value of £882,000 to represent the estimated liability which would be payable should the charity withdraw from the Plan.

15. Financial Instruments

At the balance sheet date the charity held the following:

Financial assets

Debt Instruments measured at amortised costs

Grants receivable

2016	2015
£'000	£'000

	973	1,809
Other debtors	<u>51</u>	<u>319</u>
Total	<u>1,024</u>	<u>2,128</u>

Cash at bank and in hand of £4,070,000 (2015 £3,299,000) is held at face value.

Financial liabilities

Measured at amortised costs

	2016 £'000	2015 £'000
Trade creditors		
Accruals	163	395
	<u>45</u>	<u>260</u>
	<u>208</u>	<u>655</u>

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Service delivery

Refugee Action is an independent, national charity working to enable refugees to build new lives in the UK. We provide practical emergency support for newly arrived asylum seekers and long-term commitment to their settlement. As one of the country's leading agencies in the field, Refugee Action has more than 30 years' experience in pioneering innovative work in partnership with refugees.

Company no. 01593454 Registered charity no. 283660

To make a donation towards our work please go to
www.refugee-action.org.uk/give or call 0845 894 2536

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