
REFUGEE ACTION
(A company limited by guarantee)

CHARITY REFERENCE AND ADMINISTRATIVE DETAILS
FOR THE YEAR ENDED 31 MARCH 2018

Refugee Action (A Company Limited by Guarantee)
Annual Report 2017-18

Registered charity number: 283660
Registered company number: 01593454

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**CHARITY REFERENCE AND ADMINISTRATIVE DETAILS
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Refugee Action's audited accounts and Trustees' report 2017 – 2018

Refugee Action is an independent, national charity. Our vision is that refugees and people seeking asylum will be welcome in the UK. They will get justice, live free of poverty and successfully rebuild their lives. We provide practical support to refugees and people seeking asylum; train and support other charities working with refugees and people seeking asylum; and make the case to government for policies that improve their ability to access justice and rebuild their lives. Refugee Action has more than 35 years of experience of developing and delivering solutions to the challenges faced by refugees and people seeking asylum 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 (Chair from 8 March 2018, Vice Chair to 7 March 2018)

Penny Lawrence (Chair resigned 8 March 2018)

Joe Jenkins

Jeremy Lester (Honorary Treasurer resigned 7 December 2017)

Stefanie Pfeil

Jon Quinn (Resigned 25 July 2018)

Chris Randall

Irmani Smallwood

Amaf Yousef

Tom Skrinar (Honorary Treasurer appointed 7 December 2017)

Ros Lucas (Appointed 7 December 2017)

Independent Auditors

MHA MacIntyre Hudson

Chartered Accountants and Statutory Auditor

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

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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

**WELCOME FROM THE BOARD CHAIR
FOR THE YEAR ENDED 31 MARCH 2018**

Welcome from the Board Chair, Andy Gregg

Welcome to our annual report. As the chair of the Refugee Action board I am incredibly proud of the difference we have made over the past year to the lives of refugees and people seeking asylum in the UK, as captured here.

We took a bold decision back in 2016 to set a profoundly new approach for Refugee Action. The vision we outlined then was short, simple but hugely ambitious: to enable all refugees and people seeking asylum to access justice and to successfully rebuild their lives in the UK. To achieve this we put campaigning at the heart of our new theory of change, and established a good practice and partnerships team to support the many local charities that share our vision. These two new teams would, we hoped, work alongside our front-line support to refugees and asylum seekers and dramatically increase our overall impact.

This report captures the great progress we have made since then, in all three aspects of our work. This year our front line teams of staff and volunteers directly supported more resettled refugees than ever. Our good practice and partnerships team has increased the quality and quantity of immigration advice in the UK, a crucial issue for people seeking justice in the asylum system. Our campaigns team won dramatic improvements in access to emergency support for people seeking asylum.

This success is the direct result of the generosity and commitment of our funders and supporters. Refugee Action is in the midst of a challenging financial transition. The board continues to closely monitor progress against our three year budget, and is grateful to all those who support our work and are helping us make the transition to financial sustainability and success.

Finally I want to recognise my fellow board members, including Penny Lawrence who chaired the board so ably in 2017-18. A skilled and stable board is a vital foundation for any successful organisation. Thanks to each of them for their time, their wisdom and their commitment to the work of Refugee Action.

Andy Gregg

20 September 2018

**TRUSTEES' ANNUAL REPORT
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Chief Executive, Stephen Hale OBE @shalegeneva

Refugee Action's work now fully reflects the bold decisions we made in early 2016 about the future direction of our organisation. I'm constantly in awe of the skills and commitment of our staff and volunteers, and delighted to introduce this report and to highlight how over the past year we have:

- Supported over 2,700 people going through the asylum system to access justice and escape poverty
- Supported over 1,700 resettled refugees rebuilding their lives in the UK (750 from Syria and over 900 from other countries)
- Provide training and support that strengthened the work of over 100 asylum charities
- Won dramatic improvement in access to emergency support for people seeking asylum.

I'm incredibly excited about the work we can do and the impact we can make in 2018 and beyond. But this report is about the past year. It has of course been a hugely turbulent time in British politics. Immigration is right at the centre of the sometimes highly polarised debate about Britain's future direction in the aftermath of the Brexit vote. Much is up for grabs. At Refugee Action we're passionate and determined to ensure that Britain is a country that truly welcomes refugees, and enables them to rebuild their lives successfully. Campaigns and advocacy will continue to be a priority for us, as all political parties reflect on the approach Britain should take in the future.

Our work and progress in all areas is underpinned by the values which we hope shape everything we do; first our commitment to stand with refugees and asylum seekers and for our work to be shaped by their needs and views; second our determination to be bold and innovative in our work; and finally our commitment to collaborate at all times with others who share our vision and objectives.

I want to take this opportunity to say a huge thank you to every one of the people, and organisations that has supported our work this year. We're here because you make it possible. A thousand thank you's, on behalf of all those with whom we work.

Stephen Hale OBE

Chief Executive

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TRUSTEES' ANNUAL REPORT
FOR THE YEAR ENDED 31 MARCH 2018

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 2018. 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) and is a company limited by guarantee. 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 organisation are discussed. Refugee Action carries out an annual assessment of the risks facing the charity. Details of trustees' expenses and related transactions are disclosed in Note 6 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 Leadership Team (SLT) that reports to the Chief Executive and manages the primary functions of the charity. SLT members in 2017/18 were:

- Stephen Hale, Chief Executive
- Lou Calvey, Head of Resettlement
- Tim Hilton, Head of Services and Good Practice
- Zoe Grumbridge, Head of Fundraising and Brand
- Wayne Murray (resigned SMT August 2017), Head of Fundraising and Brand
- Nicola Parker, Head of Human Resources

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- Yemane Tsegai, Head of Finance, IT and Facilities
- Mariam Kemple Hardy, Head of Campaigns

The SLT is assisted by a staff team that comprised 108 staff at the end of March 2018. With the help of volunteers, the organisation delivered services in four regions of England during 2017/18. These were in London (including headquarters), the West Midlands (the main office base for all activities in the West Midlands is in Birmingham), the North-West and West Yorkshire. The organisation also carried out training and support to other charities as well as communications, advocacy and campaigning work to further the mission and objectives of the charity.

OBJECTIVES AND ACTIVITIES

About Refugee Action

Refugee Action is an independent, national charity that works to ensure that refugees and people seeking asylum in the UK can successfully rebuild their lives. In early 2016 the organisation set a three-year strategy to guide all our work and ensure that we move towards this goal. The charity defined a vision of the future we want to build and a mission statement outlining the organisation we need to be to achieve this goal. Plus specific objectives for our support to asylum seekers and refugees, our campaigning and the support we provide to other organisations.

The objectives of the Charity are to provide aid to refugees and asylum seekers, to promote the development of refugee communities, to improve access to employment and enhance opportunities for refugees and asylum seekers, and to raise awareness of refugee issues, influence policy and campaign for refugee rights.

Our vision for 2016-19

Our vision is that refugees 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 for 2016-19

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 for 2016-19

Our three year objectives are set out below. We will achieve these objectives through both direct services to asylum seekers and refugees, support and advice to other organisations, and campaigns. We will 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 level 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, debt avoidance, 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.

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 Trustees have had regard to the guidance on public benefit published by the Charity Commission in exercising their powers and duties.

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.

Financial review

For the year ended 31 March 2018 the charity made a deficit of £254K (2017: £473K deficit) decreasing total funds to £4.21m (2017: £4.46m). This resulted from a deficit of £618k on unrestricted and a surplus of £364k on restricted funds before transfer between funds. Including the £195k transferred from restricted to unrestricted funds, the deficit on unrestricted and surplus on restricted funds were £423k and £169k respectively. This deficit was anticipated by the board, as part of the substantial financial transition that the organisation is making. Refugee Action is diversifying our funding sources and investing in public fundraising, through a rolling three year budget to ensure our long-term financial sustainability that is approved by the board annually. Details of the state of the charity's reserves are given in the Reserves Policy section below.

Income

Refugee Action's total income for the year ended 31 March 2018 has increased by £1.35m to £6.5m (2017: £5.2m).

During the financial year, our restricted income for Resettlement and Justice and Good Practice services have increased by £1.27m and £458k respectively. On the other hand, donations from the public has decreased by £379k.

During the financial year, we received total grant funding of £1.41m (2017: £1.4m) from the Home Office.

The balance of the income for the year ended 31 March 2018 included grants £4.1m (2017: £2.4m), donations from the public £971k (2017: £1.4m) and investment income of £2k (2016: £6k).

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Expenditure

Refugee Action's total expenditure for the year ended 31 March 2018 increased to £6.8m (2017: £5.6m). Out of this, the cost of providing services to our clients was £5.9m (2017: £4.6m).

Staff costs for the year ended 31 March 2018 increased to £3.9m (2017: £3.3m). On the other hand, the percentage of staff costs to total costs has slightly decreased to 58 percent (2017: 59 percent).

The cost of raising funds for the year ended 31 March 2018 decreased to £822k (2017: £1m).

Treasury Management policy

The charity has an appropriate treasury management policy. The trustees consider the most appropriate treasury 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.

The General Fund comprises 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 anticipated unrestricted expenditure for three and six months is £525k and £1.05m respectively. The year-end balance in the General Fund amounted to £667k, which is within the range of the policy

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 and net book value of fixed assets), or reasonably foreseeable (such as commitments to meet debt on withdrawal from pension scheme, staff redundancy costs and 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 2019/20.

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.

Approach to Fundraising

At Refugee Action, we're committed to treating everyone with respect, which is why we are committed to the highest standards in data protection and fundraising practice. We are registered with the Fundraising Regulator and abide by their Fundraising Promise and the Code of Fundraising Practice. We adhere to all relevant legislation and best practice in the sector particularly around the protection of our supporters data and privacy which we are deeply committed to upholding. Over the last year we have reviewed and updated our confidentiality consent and privacy policies in order to be fully compliant with the General Data Protection Regulation (GDPR) by the time this became law in May 2018. In cases where we work with suppliers or third parties, we ensure they work to the highest standards and are fully compliant with data protection. We have not used professional fundraising agencies to raise funds for us in the year or commercial participators, and do not currently undertake any street fundraising, door to door fundraising or telephone fundraising. We value all the feedback we receive from our supporters and adapt our communications frequency to them when they request this. We take any complaints very seriously and have a committed Supporter Care team who will respond to and follow up on any complaints made. This year we continued to receive an extremely low level of complaints in response to our fundraising activity. In total four were recorded. All complaints are carefully reviewed to determine any changes we need to make, and we update our database whenever this is requested.

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

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Senior Management Team to actively manage these risks throughout the year. The principal 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.

Approach to Safeguarding

As one of the leading charities working with refugees and people seeking asylum, creating a robust safeguarding environment is of pivotal importance to Refugee Action. We review our policies, guidance and procedures regularly. In the past twelve months we have signed off an updated policy and set of practice guidance to identify, monitor and manage any safeguarding risks facing children and vulnerable adults. We have reviewed and updated our mechanisms of internal safeguarding audits, ensuring that all action taken to ensure the safety of our service users has the direct oversight of our Senior Leadership Team, who report a summary of these through to our Board of Trustees regularly. We've continued to evolve our good practice through implementing a series of Knowledge and Skills Sharing events rooted in the safeguarding needs of our service users – this will continue throughout 2018/19.

Remuneration policy for key management personnel

The Board of Trustees and the Senior Leadership Team (SLT) 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. We undertake market benchmarking exercise every two year to check this. 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. As with all other posts in the charity, Refugee Action pays its SLT according to the level of responsibility in their roles.

Activities, Performance and Achievements

1. Empowering people seeking asylum

The asylum system damages, de-humanises and disempowers so many of the people who go through it, who have fled persecution, discrimination and violence. The lack of information and support given to people going through the system means they frequently do not understand their rights. As a result many end up homeless, destitute, in poverty, suffering lasting health and mental health challenges, and isolated and marginalised.

Our asylum services are designed to address this and to enable people seeking asylum to access justice and escape poverty. We develop and test new approaches that:

- Give people understanding and knowledge of the asylum process as early as possible
- Provide legal advice for people who struggle to access legal aid
- Support people seeking asylum to build a case against incorrect refusals of asylum support
- Provide specialist support for especially vulnerable groups such as young people reuniting with their families, rough sleepers in the capital and asylum-seeking families
- Tackle destitution and poverty after a grant of refugee status.

We provided a range of asylum services across North West, West Yorkshire, West Midlands and London in 2017-18. We:

- Supported 2,707 people who were going through or had gone through the asylum system
- Provided almost 10,000 advice and support sessions.
- Delivered these services with over 100 trained expert volunteers.

Project focus – Asylum Guides, Greater Manchester

“The UK is a knowledge economy, if you don't have knowledge you will suffer in ignorance. [Asylum Guides] are there to shine a light on your path” *Service user on Asylum Guides project*

Asylum Guides, a 2-year pilot project funded by the Legal Education Foundation in Greater Manchester, is part of Refugee Action's commitment to support people earlier in their asylum journey, empowering them to engage with their pathway through the asylum system. People entering the asylum system do not access formal information about all the elements of the system to help them make decisions. Yet when things go wrong in the asylum process, it can be a matter of life and death. Our Asylum Guides are volunteers who are trained to inform and support people through their journey.

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"[My Asylum Guide] gave me lots of useful information. It was very positive. I had ideas but I did not really know about what would happen. I didn't know that not everybody is accepted for asylum for instance, or that there are all these processes. I didn't know that at all." Only 3% of people entering the Asylum Guides project positively indicated knowledge of the Geneva Convention, yet their future safety and protection depended on it. This rose to 96% after support from their Guide.

- 206 people seeking asylum were supported by a volunteer Asylum Guide through the project
- 29 people from local communities became Asylum Guides
- 49% were reached before their substantive interview
- Of the people who completed their asylum journey with the support of an Asylum Guide, 63% were granted refugee status at initial decision, compared to the national figure for the same period of 26%

Project focus- Asylum Crisis

Our Asylum Crisis projects empower vulnerable people to escape homelessness or prevent them from falling into it. They provide the expert advice and complex casework they need to understand their options and prove their eligibility for support. Critically, we advocate on their behalf against wrongful refusals by the Home Office or Local Authorities.

Tighisti's story – Asylum Crisis Birmingham

Soon after she arrived in the UK and claimed asylum, in 2015, Tighisti, a 27 year old Eritrean, was detained by the Home Office. After release she feared being detained again so left her accommodation to live with friends and stopped reporting to the Home Office. As a result, they withdrew her asylum claim.

She found a solicitor who re-opened her case but then dropped her. Her friend asked her to leave the house and local advice agencies told her she could not get Home Office support again as her asylum claim was withdrawn.

When Asylum Crisis in Birmingham started working with her, she was street homeless, frightened and desperate for help. We completed an application for support, helped her find a new solicitor, gave her a destitution payment, obtained temporary accommodation, and arranged for British Red Cross to provide ongoing financial support until her application was resolved.

When the Home Office incorrectly rejected her support application claiming that she did not have a pending asylum claim, we helped her to successfully appeal this decision, with support from our close ally, The Asylum Support Appeals Project. She now has a new solicitor advising her how to proceed with her asylum claim.

Lara's story - Asylum Crisis Manchester

"Information was very helpful and useful. Refugee Action assisted me from the start to the end. They not only supported me with the right documents and how to approach the Home Office (HO), when I was not sure how my HO application was going, they always made reassuring phone calls to know if I have got some news. Eventually, I got the much-awaited good news – Refugee Leave to Remain, which was due to their invaluable support. So much has improved. I now have peace of mind and can seek for work and access mainstream benefits."

2. Good practice and partnerships

At Refugee Action we believe that a network of strong, effective and innovative charities is critical to achieving a step change in the quality of support provided to refugees and asylum seekers in the UK. Many excellent small to medium sized refugee and asylum support charities across the country are doing great work, but are not connected to others facing similar challenges. Our Good Practice & Partnerships team provides support to these organisations, building on their existing assets, skills and expertise by:

- Creating links, connections, networks between them;
- Developing skills and expertise (eg immigration and asylum legal advice);
- Testing and sharing new approaches to service delivery.

Over the last year we have supported over 100 organisations covering all parts of the country.

Project focus- Frontline immigration advice project

The Frontline project – funded by Paul Hamlyn Foundation, Legal Education Foundation and Unbound Philanthropy – emerged from Refugee Action's 35 years advising and supporting people seeking asylum to access legal advice. The complexities of the UK's immigration rules and refugee protection system mean that people require expert advice and support to resolve their immigration status. People often only realise this need when they are in crisis.

Unfortunately, cuts to publicly funded immigration advice and legal aid mean that support organisations are unable to refer them to the specialist caseworkers needed to resolve their crisis.

Frontline provides a webinar-based training programme, supported by online resources, to help advisors pass immigration legal advice assessments (to become registered with the Office of the Immigration Services Commissioner, OISC). It also supports and mentors their organisations as they become OISC-registered.

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In its second year (of three), Frontline provided support and guidance to 83 organisations from all parts of the UK and trained 247 advisors from those organisations towards either OISC Level 1 or Level 2.

By March 2018, 22 organisations had changed their OISC registration level and 66 staff and volunteers from those organisations had changed their registration level

"To be honest, I think it's a brilliant project.... and the way it's organised (on-line) is brilliant. The coaching is fantastic." *Entraide, Solihull-based refugee advice and support organisation*

"The training is good. Everyone is talking about it. It is like having a team around you from your computer helping you to learn, encouraging to learn.... given me lots of confidence". *Volunteer, Manchester Refugee Support Network*

Project focus - Early Action Charter

During 2017/18, we developed an Early Action Charter for the asylum system. People seeking asylum have told us they need help to avoid crisis by better understanding the system and how to escape crisis after key decisions on their claim. Organisations supporting people seeking asylum recognise the importance of preventative approaches, but often don't have the capacity to develop them within their organisations or a place to go to share and learn about early action approaches. Our Early Action Charter programme will launch in summer 2018. It aims to:

- Prevent people seeking asylum from falling into or remaining in crisis.
- Strengthen early action practice across the UK.
- Create an early action evidence base to influence the Home Office, Local Authorities and funders.

The organisations involved are: MRANG (Liverpool), Nottingham and Nottinghamshire Refugee Forum, Action Foundation (Newcastle), PAFRAS (Leeds), Southwark Day Centre (London), Bristol Refugee Rights, Brushstrokes (Birmingham) and Refugee Action.

The good practice and partnerships team also worked on two other important initiatives in 2017-18. We began to share our asylum guides project with other organisations keen to work with volunteers to improve support to new arrivals, and supported other organisations through our Voluntary Return Good Practice Project to deliver accurate advice and information to their service users on options around assisted voluntary return.

"Having access to the learning and support from the Frontline Immigration Advice project this year has been of huge benefit to us as an organisation in meeting the increasing need for immigration advice in our area. Refugee Actions' willingness to support local organisations working with asylum seekers and refugees, sharing knowledge and supporting staff and

volunteers on the journey to OISC registration has provided a significant boost to our service and demonstrates Refugee Actions' commitment to genuine partnership. Our experience of the project has led us to develop further work with Refugee Action this year on providing early advice and action for those seeking asylum in our area." *Dave Newall, Project Manager, Brushstrokes Community Project*

3. Supporting refugee resettlement

An absolutely integral part of our work at Refugee Action is supporting refugees to rebuild their lives in the UK. We've been working with refugees arriving through resettlement programmes ever since we were established in 1981. Our skills, knowledge and passion for this work is now more in need than ever. With your help and the support of our incredible team of staff, local communities and volunteers, **we resettled more refugees this year than ever in our history:**

Record numbers of arrivals

- **We supported over 1,700 refugees undergoing resettlement.** 894 people arrived during the year. 843 people arrived prior to the start of 2017-18.
- Over 750 were refugees affected by the war in Syria, making a new home in the UK.
- 939 refugees came from other countries including Somalia and Iraq, and arrived through the UN Refugee Agency's Gateway Resettlement Programme.
- We also supported 34 refugees to resettle through the Vulnerable Children's Resettlement Scheme
- We recruited and trained 175 new volunteers who now work alongside our staff to provide the best possible support and advice.

Many challenges face refugees arriving through resettlement programmes. Our focus is on empowering them to set and achieve their personal goals, and on enabling them to access language classes, health services, education for children, and other services that are vital to them establishing themselves successfully in a new country. A core focus of our work over the past year has been on maximising the quality of the support we provide to every refugee, and ensuring we have effective ways to measure the impact of our work.

Refugees resettling in the UK face significant challenges. One is welfare policies, which trap some refugees in poverty and debt and cause both stress and hardship. We've worked with local authorities, the Home Office and the Department for Work and Pensions to improve their understanding of the impact these policies have on refugees and to improve relevant policies and practices.

A second issue is hate crime. We've seen an increase this year in the number of crimes motivated by hatred committed against the refugees we work with. This has a devastating impact on families and communities. People like Ayesha, who was walking along a pavement near her home with her two daughters when a man pulled up in a car and threw liquid in her face – Ayesha was terrified – she thought it was acid. Thankfully it was water. No refugee

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should have to experience hate crime. Every incident needs to be fully investigated by the police and appropriate action taken.

The resettlement of refugees is about so much more than ensuring that they have a new home. It's about helping people to feel safe again, and to reach their goals free of the threat of war, torture or hunger.

Training for community groups

This year we also established a new training and support programme for community groups working to resettle refugees into communities across the UK, through community sponsorship. We will continue this in 2018-19, providing training and support based on our experience so that communities can provide the best possible support to refugees arriving in the UK.

Emad's story

Emad worked in Syria's tourism industry for two decades before war broke out, forcing him and his family to flee to Egypt where they lived for four years.

Their home and the tourism office their family owned in Homs were looted and later destroyed during heavy shelling. One of Emad's knees was shattered by a sniper's bullet. He was treated in Egypt for his injury, where he was given an artificial knee. "My wife and I had a good life before the fighting broke out. I used to take tourists to all the heritage sites that we loved and that represented our life, which was a good life. This has all been lost."

After enduring years of uncertainty in Egypt, Emad and Rana were resettled here in April 2017.

"Refugee Action met us at the airport and brought us to our new home," says Emad, adding that the support they received from Refugee Action was overwhelming – from helping them access English language lessons and health services and benefits, to providing them with practical everyday advice and guidance. "The caseworkers understand our frustrations and challenges. And they help us every step of the way. They care so much about our wellbeing."

With support from Refugee Action, the family are learning English and have made friends with local people. Emad has received medical treatment for his injury and their son Alaa is working at a local factory.

Rana says that being in the UK has finally helped the family regain stability. "We feel relaxed again. We say 'it's great to be home' because this is now our home."

4. Campaigns and influencing

Let Refugees Learn

Refugees are desperate to rebuild their lives in the UK. But far too often they are hampered by an inability to access English lessons. That's why Refugee Action launched the Let Refugees Learn campaign that calls for the Government ensure all refugees have the opportunity to learn English.

Over the past year, our campaign has gone from strength to strength. In particular, we were privileged to be chosen to lead the Jo Cox Commission on Loneliness spotlight month on refugees and people seeking asylum. We used this moment to highlight that inability to speak English is the single most important cause of isolation and loneliness amongst refugees. During the month, we published the report *Safe but Alone* that used evidence from English Language providers across the country to show that the current system is not fit for purpose. The report attracted wide-ranging media coverage and support from MPs across the political spectrum. We secured a Westminster Hall debate on the subject and hosted a parliamentary reception attended by the Home Secretary and Shadow Home Secretary where experts by experience spoke about how learning English had changed their lives and presented a 10,715-strong petition to the Government calling for change. We were particularly excited to attend a reception at Number 10 where Amal, one of our refugee champions, was able to personally lobby the Prime Minister about the campaign!

As a result of our work, the Government has committed to developing a national strategy to improve access to English language classes across England, plans to set up a Centre of Excellence to support the provision of voluntary language support and committed to providing 8 hours of English classes per week to resettled Syrians. There is more we are determined to achieve but the campaign has already made its mark.

Stand Up For Asylum

The vast majority of refugees who come to the UK each year make their own often dangerous journey here, and claim asylum on arrival. Yet, after harrowing journeys, instead of the sanctuary they seek, they find themselves navigating a UK asylum system that disempowers, dehumanises and damages those who need it. It's a system that leaves people destitute, homeless or in squalid accommodation and without the most basic support to live their lives in dignity. Furthermore, a desperate lack of legal support and information creates impossible barriers to justice, leaving many unable to make their case for protection. The system is unfair and ineffective and in urgent need of change.

It doesn't have to be this way. That is why we launched the Stand Up For Asylum campaign at the start of 2018, to raise awareness of the need for a better asylum system and convince politicians to take action. We kicked-off the campaign by publishing our vision for a fair and

TRUSTEES' ANNUAL REPORT
FOR THE YEAR ENDED 31 MARCH 2018

effective asylum system; where those going through the system can expect compassion, fair decisions, support to live their lives in dignity and help to rebuild their lives, whatever the outcome of their asylum claim. The campaign will last for three years

Our first report *Slipping Through the Cracks: how Britain's asylum support system fails the most vulnerable*, and campaigning around this has succeeded in exposing the bad practices that were leaving people destitute on the streets and ensured that those who need emergency support are more likely to get it when they need it. There's much more to come!

Thank you

We achieve nothing alone. Everything we do at Refugee Action, and the difference we make, is the result of the support we receive and those with whom we collaborate.

Our funders and donors

Many thanks to the trusts and foundations who have made significant grants this year to support our work.

- Access to Justice Foundation
- Alan and Babette Sainsbury Charitable Fund
- Aziz Foundation
- Barrow Cadbury Trust
- Big Lottery Fund (Reaching Communities, Help Through Crisis, Building Better Opportunities)
- Bradford District Care NHS Foundation Trust (BDCFT)
- Bradford Metropolitan District Council
- City Bridge Trust
- Comic Relief
- Esmée Fairbairn Foundation
- John Ellerman Foundation
- Joseph Rowntree Charitable Trust
- Legal Education Foundation
- Network for Social Change
- Paul Hamlyn Foundation
- Rayne Foundation
- Leri Charitable Trust
- Segelman Trust
- Sigrid Rausing Trust
- Unbound Philanthropy
- Utley Foundation

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**TRUSTEES' ANNUAL REPORT
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"Esmee Fairbairn Foundation is proud to support Refugee Action to stand up for people seeking asylum in the UK. Supporting the core running costs of organisations like Refugee Action is key to making a difference for those who have experienced real hardship and danger, and have the right to safety and better treatment." *Esmee Fairbairn Foundation*

"Refugee Action is a valuable partner for the Barrow Cadbury Trust because it shares our commitment to campaigning work that is rooted in the experiences and stories of refugees and asylum seekers. It also has a clear-headed and strategic approach to policy influencing and an understanding of the value of working with allies towards clear goals." *Barrow Cadbury Trust*

"The Utley Foundation is delighted to support the life-changing work carried out by Refugee Action. We are consistently impressed with the support and care the organisation provides for its beneficiaries, offering a service that changes lives in such difficult circumstances. We would like to extend a thank you to all the staff and volunteers that work so hard and we are so grateful to be able to join you for a part of this journey." *Utley Foundation*

Services partners

Thanks to each of the organisations with whom we have collaborated and partnered over the past year.

- Asylum Support Appeals Project (ASAP)
- British Red Cross
- Clifford Chance
- Deighton Pierce Glynn
- Rainbow Haven
- Revive
- Asylum Link
- St Augustine's
- Kirklees CALC
- Solace
- Hope Projects
- Praxis
- St Mungo's
- Groundwork
- Helen Bamber Foundation
- Southwark Day Centre for Asylum Seekers
- Freedom from Torture
- Safe Passage
- The Migrants' Law Project
- The Huddersfield Mission
- Bevan House, Bradford
- Bradford University Social Work Department

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- Bradford College Social Work Department
- Better Start Bradford
- Solace
- Islington Refugee Forum
- St Margaret's Church
- Fatima House
- Peace House
- Restore
- Brushstrokes
- CARAS
- Young Roots
- Croydon Young Refugees Forum
- Paiwand
- University of East London Social Work Department
- St Chad's Centre
- Coram Children's Centre
- The Hive
- Shropshire Supports Refugees (CIC)
- Shrewsbury School
- The Gateway Education and Arts Centre.

"At Hope Projects we work with Refugee Action to challenge flawed refusals of asylum. We provide housing, money for food and essentials, and legal advice. Refugee Action bring dedication and unrivalled expertise to this, especially challenging Home Office refusals of housing and support. Together we are able to help dozens of people every year who would otherwise be destitute and street homeless." *Hope Projects*

Asylum good practice and partnership partners

Our asylum good practice and partnership team is grateful for the contribution made by the following:

Delivery partners:

- CAST (Centre for Acceleration of Social Technology)
- DLA Piper
- Homeless Link

Partners supporting the development of the Early Action Charter Programme:

- Action Foundation
- Bristol Refugee Rights
- Brushstrokes
- MRANG

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**TRUSTEES' ANNUAL REPORT
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- Nottingham and Nottinghamshire Refugee Forum
- PAFRAS
- Southwark Day Centre for Asylum Seekers

"The learning and support from the Frontline Immigration Advice Pilot project this year has been of huge benefit to us as an organisation helping us to meet the increasing need for immigration advice in our area. Without this project, it is doubtful we would have considered taking steps to increase our capacity to provide immigration advice this year. Refugee Actions' willingness to support local organisations working with asylum seekers and refugees, sharing knowledge and supporting staff and volunteers on the journey to OISC registration has provided a significant boost to our service and demonstrates Refugee Actions' commitment to genuine partnership. Our experience of the Frontline Immigration Advice Pilot has led us to develop further work with Refugee Action this year that focuses on providing early advice and action for those seeking asylum in our area." *Dave Newall, Project Manager, Brushstrokes Community Project*

"The opportunity to work with Refugee Action and KCALC has been of significant benefit to St. Augustine's Centre. In the first year, the project has enabled us to start a service sadly lacking in Calderdale, and our 2 newly OISC-accredited staff are delivering much needed immigration advice to some of the most vulnerable in our community. We value expanding our professional networks through the project, learning as we develop. Over the next year, more staff will be able to train and qualify, and we will embed OISC provision into our current holistic support and advocacy programme." *Becky Hellewell, Immigration Advisor, St Augustine's Centre.*

Collaboration with campaign partners

Collaboration is at the heart of how we campaign. Many thanks to all those with whom we have consulted, collaborated and partnered. This year we have worked with other organisations to produce campaign reports such as *Slipping Through the Cracks*, to make sure we can present the best possible case; consulted widely with organisations across the sector to identify priorities for the Stand Up For Asylum campaign and develop our vision for the asylum system; and used our leadership of the Jo Cox Commission on Loneliness spotlight month on refugees and people seeking asylum to coordinate national and local organisations to speak together in calling for better access to English classes, with partners holding "Start a Conversation" events up and down the country to raise awareness of the issue. The feedback of two of our partners is below.

Partner focus: Asylum Matters

Refugee Action's approach to developing their Stand Up for Asylum campaign was impressive. They consulted closely with other organisations in the sector in order to ensure their work complemented existing initiatives and addressed the most urgent needs for people seeking

**TRUSTEES' ANNUAL REPORT
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asylum. The result was important and impactful campaigns which others could build on with their advocacy and which paved the way for stronger collaboration across the sector.

Partner focus: Xenia

Refugee Action has been a great nurturing support to Xenia, as they reached out to us as valued innovators rather than having the normal top-down approach that large charities can sometimes have. Our involvement with the Jo Cox Loneliness Commission was a very positive one thanks to the dedicated collaborative working values held by the all members of the Refugee Action team we interacted with. During the focus groups our participants felt supported by the facilitators and we were kept well-informed throughout the process including involving us in follow-up actions and events. It has been a pleasure to work with Refugee Action, and we are privileged to have had opportunities to work with them.

Plans for the future

Refugee Action's plans and objectives for 2018-19 flow very directly from the work described elsewhere in the annual report. We continue to work to achieve the vision, mission and objectives outlined in this report for 2016-19. We are working to achieve this through direct support and advice to people seeking asylum and refugees, support to other charities, and campaigns to address the policy issues affecting refugees in the UK. There will be a high level of continuity in our support for resettled refugees in London, the West Midlands and North-West and also in the direct support and advice we provide in these regions and in West Yorkshire. Our good practice team will continue this year to focus on increasing the quantity of legal advice available, but will be expanding our work through a new Early Action partnership working with other charities to increase the support available to people at an early stage of the asylum process. The focus of our campaigning this year will be on the challenges faced by people seeking asylum in the decision-making process and in entering the job market. During the course of this year we will develop a new strategy for our work in 2019-22.

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, which 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

- There is no relevant audit information of which the charitable company's auditor is unaware.
- 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 has indicated their willingness to continue in office and offer themselves for re-appointment as such under Section 485 of the Companies Act 2006.

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**TRUSTEES' ANNUAL REPORT
FOR THE YEAR ENDED 31 MARCH 2018**

This report was approved by the Board of Trustees on 20 September 2018 and signed on their behalf by:

A handwritten signature in black ink, appearing to be 'Andy Gregg', with a stylized, cursive script.

Andy Gregg
Chair of the Board of Trustees

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF REFUGEE ACTION

For the Year Ended 31 March 2018.

Opinion

We have audited the financial statements of Refugee Action (the 'charitable company') for the year ended 31 March 2018 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

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 2018, and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- *the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or*
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company's ability to

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF REFUGEE ACTION

For the Year Ended 31 March 2018.

continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the trustees' report (incorporating the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF REFUGEE ACTION

For the Year Ended 31 March 2018.

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement trustees' annual 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, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.


REFUGEE ACTION
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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF REFUGEE ACTION

For the Year Ended 31 March 2018.

Use of our report

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



Sudhir Singh 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: 30 October 2018

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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF REFUGEE ACTION

For the Year Ended 31 March 2018.

	Notes	Restricted funds £'000	Unrestricted funds £'000	Total 2018 £'000	Total 2017 £'000
INCOME FROM:					
Donations	2	143	828	971	1,350
Investment and other income		-	2	2	6
Charitable activities	3	5,526	-	5,526	3,796
TOTAL (Total Income)		5,669	830	6,499	5,152
EXPENDITURE ON:					
Raising funds:	5	-	822	822	1,024
Charitable activities:	5				
AVR – Choices		73	-	73	225
Asylum advice and community development services		5,019	450	5,469	4,070
Campaigns		213	176	389	306
TOTAL (Total expenditure)		5,305	1,448	6,753	5,625
NET INCOME/(EXPENDITURE)		364	(618)	(254)	(473)
Transfers between funds	12	(195)	195	-	-
NET MOVEMENT IN FUNDS FOR YEAR		169	(423)	(254)	(473)
TOTAL FUNDS AT START OF YEAR	12	1,054	3,409	4,463	4,936
TOTAL FUNDS AT END OF YEAR	12	1,223	2,986	4,209	4,463

REFUGEE ACTION
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**STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2018**

NOTES

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

The notes on pages 38 to 62 form part of these financial statements.

All income and expenditure derive from continuing activities.

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Registered company number: 01593454

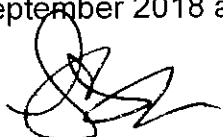
BALANCE SHEET
AS AT 31 MARCH 2018

	Note	2018 £'000	2018 £'000	2017 £'000	2017 £'000
FIXED ASSETS					
Tangible fixed assets	8		95		146
CURRENT ASSETS					
Debtors	9	1,928		1,715	
Cash at bank and in hand		2,825		3,037	
		<u>4,753</u>		<u>4,752</u>	
CREDITORS: amounts falling due within one year	10a	(622)		(413)	
NET CURRENT ASSETS			4,131		4,339
TOTAL ASSETS LESS CURRENT LIABILITIES					
CREDITORS: amounts falling more than one year	10b	(17)			(22)
NET ASSETS			<u>4,209</u>		<u>4,463</u>
CHARITY FUNDS					
Restricted funds	12		1,223		1,054
Unrestricted funds:					
General Fund	12		667		430
Designated funds	12		2,319		2,979
			<u>4,209</u>		<u>4,463</u>

REFUGEE ACTION
(A company limited by guarantee)
Registered company number: 01593454

BALANCE SHEET
AS AT 31 MARCH 2018

The financial statements were approved, and authorised for issue, by the Trustees on 20 September 2018 and signed on their behalf by:



Andy Gregg
Chair of the Board of Trustees

The notes on pages 38 to 62 form part of these financial statements.

REFUGEE ACTION
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STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2018

	2018 £'000	2017 £'000
Cash flows from operating activities:		
Net cash provided by / (used in) operating activities	(203)	(914)
Cash flows from investing activities (See reconciliation below):		
Dividends, interest and rents from investments	2	6
Purchase of property, plant and equipment	(11)	(125)
Net cash provided by (used in) investing activities	(9)	(119)
Change in cash and cash equivalents in reporting period	(212)	(1,033)
Cash and cash equivalents at the beginning of the reporting period	<u>3,037</u>	<u>4,070</u>
Cash and cash equivalents at the end of the reporting period	<u>2,825</u>	<u>3,037</u>
Reconciliation of net movement in funds to net cash flow from operating activities		
	2018 £'000	2017 £'000
Net movement in funds for the reporting period (as per the statement of financial activities)	(254)	(473)
Adjustment for:		
Depreciation charges	62	71
Dividends, interest and rents from investments	(2)	(6)
(Increase) in debtors	(213)	(625)
Increase in creditors	204	119
Net cash provided by / (used in) operating activities	<u>(203)</u>	<u>(914)</u>

The notes on pages 38 to 62 form part of these financial statements

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018**

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 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 the foreseeable future, which the trustees consider to be 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.

1.3 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 3. 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 3 of these financial statements.

The nature of the Charity's operations and principal activities are to provide aid to refugees and asylum seekers, to promote the development of refugee communities, to improve access to employment and enhance opportunities for refugees and asylum seekers, and to raise awareness of refugee issues, influence policy and campaign for refugee rights.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018

1.4 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.

1.5 Income

All income is 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 and that receipt of the funds is probable. 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.
- 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.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018**

The Charity receives government grants in respect of Refugee Resettlement 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.

1.6 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 (which include governance 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 in support of expenditure on the objects of the Charity and include the functions of Chief Executive's office, Finance, Human Resources and Information Technology teams. 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. Irrecoverable VAT is charged as an expense against the activities for which expenditure arose.

1.7 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, in a straight line 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.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018

1.8 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

1.9 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.

1.10 Liabilities and provisions

Liabilities are recognised when there is a present 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.

1.11 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.

1.12 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.

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1.13 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. 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, and represent a contingent liability.

Refugee Action also opened a group personal pension plan with Royal London in July 2017. Pension contribution of all staff who were members of The Pensions Trust Growth Plan with the exception of one staff member was transferred to the Royal London scheme in July. The Royal London plan is a defined contribution scheme and contributions are recognised in the period in which they relate.

The pension charge for the year comprises the amount payable by the Charity to the multi-employer scheme for the current cost of providing pensions, the deficit reduction cost of the multi-employer scheme as mentioned above, Royal London scheme and to employees' individual pension schemes where they are not part of the multi-employer or Royal London schemes in the year.

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.

1.14 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.

1.15 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

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1992, to the extent that such income or gains are applied exclusively to charitable purposes.

1.16 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 2017. This is the latest valuation received by the time of the signing of accounts. This valuation is based on a number of factors that are determined on an actuarial basis using a variety of assumptions. No increase has been applied to the 2017 valuation in projecting the estimated debt to 31 March 2018.

1.17 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 2018 £'000	Total 2017 £'000
Donations from the public	143	828	971	1,350
	143	828	971	1,350

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Of the total £971k income (2017: £1.35m), £828k was unrestricted with the balance of £143k (2017: £80k) being restricted. The £143k restricted income includes £80k received from J M T Cochrane and £60k received from Segelman Trust.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018

3. INCOME FROM CHARITABLE ACTIVITIES

	Restricted Funds £'000	Unrestricted Funds £'000	Total 2018 £'000	Total 2017 £'000
Home Office grants and contracts:				
Asylum advice and community development services				
Gateway Settlement services	1,470	-	1,470	1,352
Choices (Assisted Voluntary Return)	-	-	-	69
Grants from other public authorities:				
Liverpool City Council	752	-	752	184
The Big Lottery Fund:				
Preventing Homelessness – Manchester	45	-	45	59
Liverpool Asylum Seeker Destitution	20	-	20	29
Street Legal Project	62	-	62	39
Transitions project – Bradford	117	-	117	-
Bristol City Council	-	-	-	2
City of Bradford MDC	53	-	53	59
NHS Bradford District Clinical Commissioning Group	86	-	86	86
Birmingham City Council	1,183	-	1,183	332
City of London	12	-	12	29
Hackney City Council	89	-	89	67
Herefordshire City Council	196	-	196	146
Islington City Council	38	-	38	39
Preston & South Ribble City Councils	83	-	83	122
Staffordshire City Council	64	-	64	223
Shropshire City Council	222	-	222	186
Tower Hamlets City Council	45	-	45	-
Worcestershire City Council	136	-	136	220
Grants from Trusts and Foundations				
Legal Education Foundation	37	-	37	74

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NOTES TO THE FINANCIAL STATEMENTS
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Comic Relief	25	-	25	65
Sigrid Rausing Trust	62	-	62	60
Unbound	130	-	130	-
Future Advice Fund	50	-	50	45
Esmee Fairbairn	139	-	139	52
Barrow Cadbury	75	-	75	50
John Ellerman Foundation	50	-	50	50
Paul Hamlyn Foundation	50	-	50	50
City Bridge Trust	55	-	55	27
Citizens UK	-	-	-	18
A & B Sainsbury	17	-	17	17
Network for social change	(13)	-	(13)	13
Joseph Rowntree	45	-	45	10
BBC Children in Need	29	-	29	10
Leri Charitable Trust	-	-	-	7
Access for Justice Foundation	-	-	-	5
Groundwork UK	41	-	41	-
Utleigh Foundation	20	-	20	
Rayne foundation	24	-	24	
Social Finance	15	-	15	
Aziz Foundation	2	-	2	-
	5,526	-	5,526	3,796

Income from charitable activities was £5.5m (2017: £3.8m) of which the full amount (2017: £3.8m) was attributable to restricted funds.

The Charity received grants from the Home Office for the Gateway Protection Scheme as shown in Note 3. Refugee Action has also received grants from local authorities for the Syrian Resettlement Scheme, Family & Children's service and Advice & Health project. There were no unfulfilled conditions for any of these projects.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018

4. NET INCOME / EXPENDITURE

This is stated after charging:

	2018 £'000	2017 £'000
Depreciation of tangible fixed assets	62	71
Auditor's remuneration - audit	19	20
Other fees payable to auditors	-	-

NOTES TO THE FINANCIAL STATEMENTS
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**5. ANALYSIS OF
EXPENDITURE**

	Direct Staff costs £'000	Direct Office costs £'000	Other direct costs £'000	Allocated Support costs £'000	Total 2018 £'000	Total 2017 £'000
Costs of raising funds						
Fundraising & publicity	294	30	414	84	822	1,024
Charitable expenditure						
AVR Choices	56	6	10	1	73	225
Asylum advice & community development services	2,832	326	1,480	831	5,469	4,070
Campaigns	238	22	74	55	389	306
Costs of activities in furtherance of Charity's objects	3,126	354	1,564	887	5,931	4,601
Support costs	523	89	359	(971)	-	-
Total expenditure	3,943	473	2,337	-	6,753	5,625

Of the total £6.75m (2017: £5.63m) expenditure £5.3m (2017: £3.97m) was restricted with the balance of £1.45m (2017: £1.66m) being unrestricted.

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

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

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018

6. STAFF COSTS AND NUMBERS

Staff costs were as follows:

	2018	2017
	£'000	£'000
Salaries	3,138	2,491
Social security costs	304	243
Pension costs	309	240
Redundancy payments	30	10
Agency staff	162	338
	<u>3,943</u>	<u>3,322</u>

The redundancy payments were in relation to three staff made redundant. Of the total expenditure £9k was charged to restricted funds and the balance of £21k was charged to unrestricted funds..

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

	2018	2017
	No.	No.
Fundraising and publicity	8	7
AVR – Choices	1	2
Asylum advice and community development services	87	65
Campaigns	5	4
Support costs	11	13
	<u>112</u>	<u>91</u>

NOTES TO THE FINANCIAL STATEMENTS
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Trustees and Key Management Personnel remuneration and expenses:

The total amount of employee benefits received by key management personnel, as defined within the Trustees' Report, is £431,442 (2017: £429,023). The Chief Executive's benefits excluding employer's pension was £86,224 (2017: £85,159). All other employees earned less than £60,000.

3 Trustees (2017 – 6) received reimbursements for travel and subsistence expenses amounting to £469 (2017 - £1,937). No Trustees received any remuneration (2017 – Nil).

The Charity contributes 8 percent 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. The Charity pays contributions for those employees who opt to participate in the scheme but has no liability to provide pensions to former employees. Until July 2017 staff had an option to 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 overpayments amounting to £2,488 (2017: £3,611 outstanding contributions), which are included in Creditors.

7. SUPPORT COSTS

	2018 £'000	2017 £'000
Finance	178	169
Human Resources	201	204
Information Technology	279	247
Chief Executive's office	272	161
Governance costs	41	39
	<u>971</u>	<u>820</u>

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Governance costs

	2018 £'000	2017 £'000
Staff costs	16	16
Overhead allocation	1	1
Audit and accountancy fees	23	20
Trustee expenses	1	2
	41	39

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

8. TANGIBLE FIXED ASSETS

Cost	Furniture, fittings and equipment £'000	Leasehold improve- ments £'000	Total 2018 £'000	Total 2017 £'000
At start of the year	467	50	517	506
Additions	11	-	11	125
Disposals	(33)	-	(33)	(114)
At end of the year	445	50	495	517

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Depreciation

At start of the year	321	50	371	414
Charged for the year	62	-	62	71
Eliminated on disposal	(33)	-	(33)	(114)
At end of the year	350	50	400	371
Net book value at start of the year	146	-	146	92
Net book value at end of the year	95	-	95	146

9. DEBTORS - Amounts falling due within one year

	2018 £'000	2017 £'000
Grants and contracts receivable	1,748	1,610
Prepayments	132	66
Other debtors	48	39
	1,928	1,715

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10a. CREDITORS - Amounts falling due within one year

	2018 £'000	2017 £'000
Trade creditors	326	191
Taxes and social security	235	157
Accruals	61	65
	622	413

10b. CREDITORS - Amounts falling due after more than one year

	2018 £'000	2017 £'000
Pension deficit liability	17	22
	17	22

11. COMMITMENTS

At 31 March 2018 the Charity had future minimum lease payments under non-cancellable operating leases on its premises as follows:

	2018 £'000	2017 £'000
Expiry date:		
Within 1 year	159	159
Within 2 to 5 years	292	449
	451	608

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NOTES TO THE FINANCIAL STATEMENTS
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12. STATEMENT OF FUNDS 2018

	Brought Forward £'000	Income £'000	Expen- diture £'000	Transf- ers In/(out) £'000	Carried Forward £'000
DESIGNATED FUNDS					
Fixed assets	116	-	(44)	-	72
Pension fund	982	-	-	(137)	845
Premises leases	243	-	-	-	243
Redundancy fund	-	-	-	195	195
Sickness & maternity leave	50	-	-	-	50
Front-line services, Donor acquisition and campaigns fund	1,588	-	(574)	(100)	914
TOTAL	2,979	-	(618)	(42)	2,319
GENERAL FUND	430	830	(830)	237	667
UNRESTRICTED	3,409	830	(1,448)	195	2,986
RESTRICTED FUNDS					
Asylum advice services	56	30	(42)	-	44
Voluntary return project	138		(73)	-	65
Community development projects	466	1,151	(1,067)	-	550
Gateway Settlement	39	1,470	(1,447)	-	62
VPRS projects	158	2,835	(2,523)	-	470
Campaigns		183	(153)	-	30
Other projects	2	-	-	-	2

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**NOTES TO THE FINANCIAL STATEMENTS
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Redundancy fund	<u>195</u>	<u>-</u>	<u>-</u>	<u>(195)</u>	<u>-</u>
RESTRICTED	<u>1,054</u>	<u>5,669</u>	<u>(5,305)</u>	<u>(195)</u>	<u>1,223</u>
TOTAL FUNDS	<u>4,463</u>	<u>6,499</u>	<u>(6,753)</u>	<u>-</u>	<u>4,209</u>

Designated funds

The Fixed assets fund reflects the unrestricted resources tied up in fixed assets and represents the net book value at the year end.

As explained in Note 14, Refugee Action has been notified by TPT Retirement Solutions that an estimated liability of £845,000 would be payable should it have to withdraw from the pension scheme. This is based on the valuation as at 30 September 2017 and updated to 31 March 2018. 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.

Prior to 2001 Refugee Action was receiving funding from the Home office and other funders to cover potential redundancy costs. The funding we received for this purpose was classified as restricted fund and the unspent balance of the fund as at end March 2017 was £195k. Currently there aren't any unfulfilled conditions for any of the projects for which the funding was provided. Thus, Trustees have now decided to create a designated redundancy fund by moving the full £195k from restricted fund to designated fund. This fund is to ensure that Refugee Action will always have the resources to meet its contractual and statutory commitments in the event of having to make staff redundant.

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 loss of a substantial Home Office funding the Board of Trustees have approved a strategy to achieve financial sustainability by 2019/20. 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

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required for these activities until 2019/20. Following a thorough review Trustees have concluded the total investments required for this purpose in 2018/19 and 2019/20 to be £914k. As a result, Trustees have decided to transfer £100k from this fund to the general fund.

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.

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 front-line services, which provide practical support and advice to asylum seekers and the successful integration of resettled refugees in different parts of the UK. This includes the Gateway Settlement Project, funded by the Home Office, which 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 from different local authorities in England. 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 is financed by various funders is used to contribute towards the costs of the team that leads on Refugee Action's campaigning work.

Trustees consider that the terms of the Redundancy fund have been fulfilled in full, hence the balance has been transferred to unrestricted funds.

The balances on all the funds are due to be spent in the period to March 2019, except to the extent that they are represented by fixed assets (see Note 13).

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STATEMENT OF FUNDS 2017

	Brought Forward £'000	Income £'000	Expen- diture £'000	Transf- ers In/(out) £'000	Carried Forward £'000
DESIGNATED FUNDS					
Fixed assets	87	-	29	-	116
Pension fund	882	-	-	100	982
Premises leases	243	-	-	-	243
Sickness & maternity leave	50	-	-	-	50
Front-line services, Donor acquisition and campaigns fund	2,000	-	(412)	-	1,588
TOTAL	3,262	-	(383)	100	2,979
GENERAL FUND	530	1,275	(1,275)	(100)	430
UNRESTRICTED	3,792	1,275	(1,658)	-	3,409
RESTRICTED FUNDS					
Asylum advice services	197	3	(144)	-	56
Community development	50	-	(50)	-	-
Voluntary return project	294	69	(225)	-	138
Community development projects	296	885	(715)	-	466
Gateway Settlement	41	1,352	(1,354)	-	39
VPRS projects	6	1,545	(1,393)	-	158
Campaigns	60	21	(81)	-	-
Other projects	2	1	(1)	-	2
Redundancy fund	198	1	(4)	-	195
RESTRICTED	1,144	3,877	(3,967)	-	1,054
TOTAL FUNDS	4,936	5,152	(5,625)	-	4,463

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13. ANALYSIS OF NET ASSETS BETWEEN FUNDS 2018

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.

	Tangible fixed assets £'000	Net current assets £'000	Non current liabilities £'000	Total £'000
Restricted funds:				
Asylum advice services	2	42	-	44
Voluntary return project	-	65	-	65
Community development projects	1	549	-	550
Gateway Settlement	8	54	-	62
VPRS projects	12	458	-	470
Campaigns	-	30	-	30
Other projects	-	2		2
Total restricted funds	23	1,200	-	1,223
Total unrestricted funds	72	2,897	17	2,986
Total	95	4,097	17	4,209

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ANALYSIS OF NET ASSETS BETWEEN FUNDS 2017

	Tangible fixed assets £'000	Net current assets £'000	Non current liabilities £'000	Total £'000
Restricted funds:				
Asylum advice services	2	54	-	56
Voluntary return project	-	138	-	138
Community development projects	3	463	-	466
Gateway Settlement	12	27	-	39
VPRS projects	13	145	-	158
Other projects	-	2	-	2
Redundancy fund	-	195	-	195
Total restricted funds	30	1,024	-	1,054
Total unrestricted funds	116	3,271	22	3,409
Total	146	4,295	22	4,463

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.

NOTES TO THE FINANCIAL STATEMENTS
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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 was 1 (2017 – 84) active member of the Plan employed by the Charity. The Charity stopped offering membership of the Plan to its employees from July 2017 as it opened a new pension scheme with Royal London. The Royal London group personal pension plan is a defined contribution scheme. At the balance sheet date there were 94 active members of the plan employed by the Charity.

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 2017 were completed in 2018. 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 £795 million and the Plan's Technical Provisions (i.e. past service liabilities) were £926 million. The valuation therefore revealed a shortfall of assets compared with the value of liabilities of £131 million, equivalent to a funding level of 86%, and thus the Trustee was required to prepare a recovery plan setting out the steps to be taken to make up the shortfall.

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 £17,000 (2017: £22,000). This is not discounted on the basis that the effect of discounting would not be material.

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CONTINGENT LIABILITY

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 2017. As of this date the estimated employer debt for Refugee Action was £845k (30 September 2016: £955k) including Series 3. Refugee Action has designated funds to the value of £845k to represent the estimated liability which would be payable should the charity withdraw from the Plan.

NOTES TO THE FINANCIAL STATEMENTS
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15. Financial instruments

At the balance sheet date the charity held the following:

Financial assets

Debt instruments measured at amortised costs

	2018 £'000	2017 £'000
Grants and other contracts receivable	1,748	1,610
Other debtors	48	39
Total	1,796	1,649

Cash at bank and in hand of £2,825,000 (2017: £3,037,000) is held at face value.

Financial liabilities

Measured at amortised costs

	2018 £'000	2017 £'000
Trade creditors	326	191
Accruals	61	65
	387	256

Related parties note

There were no related party's disclosures or transactions during the year ended 31st March 2018.

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**NOTES TO THE FINANCIAL STATEMENTS
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Head Office

Victoria Charity Centre
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Refugee Action is an independent, national charity. Our vision is that refugees and people seeking asylum will be welcome in the UK. They will get justice, live free of poverty and successfully rebuild their lives. We provide practical support to refugees and people seeking asylum; train and support other charities working with refugees and people seeking asylum; and make the case to government for policies that improve their ability to access justice and rebuild their lives. Refugee Action has more than 35 years' experience of developing and delivering solutions to the challenges faced by refugees and people seeking asylum in the UK.

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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