



a company limited by guarantee and not
having a share capital

**Report and Financial Statements
for the year ended 31 March 2015**

**Charity number: SC008639
Company number: SC145067**

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Reference and Administrative Information

Company Name: Scottish Refugee Council
Charity Registration Number: SC008639
Company Registration Number: SC145067
Registered Office: 12 Hope Street, Edinburgh, EH2 4DB
Operational address: 5 Cadogan Square, 170 Blythswood Court, Glasgow, G2 7PH.

Directors

The Directors of the charity for the financial year are as follows:

Susan Moody (appointed Chair 16 January 2015)
Liz Leonard (appointed Vice Chair 18 September 2014)
Douglas Campbell (director, resigned as Vice Chair 18 September 2014)
Katharine Jones
James Jopling
Muleya Mundemba
Dorothy Murray
Laurie Naumann
Janine Hunt (elected 16 January 2015)
Judith Robertson (Chair retired 16 January 2015)
Nicola Munro (retired 16 January 2015)
Twimukye Mushaka (retired 16 January 2015)
Sanjin Kaharevic (resigned 13 November 2014)
Umaima Musa (resigned 5 March 2015)

Secretarial Services	Davidson Chalmers (Secretarial Services) Limited
Chief Executive	John Wilkes (seconded to Scottish Government May to September 2014)
Acting Chief Executive	Gary Christie (May to September 2014)
Auditor	Scott-Moncrieff, 25 Bothwell Street, Glasgow, G2 6NL
Bankers	Bank of Scotland, 32a Chambers Street, Edinburgh, EH1 1JB
Solicitors	Davidson Chalmers LLP, 12 Hope Street, Edinburgh, EH2 4DB
Taxation	Scottish Refugee Council is a charitable company and is recognised as such by HM Revenue and Customs for taxation purposes. As a result there is no liability for corporation tax.

Report of the Directors for the year ended 31 March 2015

The Directors are pleased to present their report together with the Financial Statements of the charity, Scottish Refugee Council, for the year ended 31 March 2015.

The Financial Statements comply with the Memorandum and Articles of Association of the company and the Statement of Recommended Practice – Accounting and Reporting by Charities (2005).

Structure, governance and management

Scottish Refugee Council was set up in 1985 as an unincorporated charity (Scottish Charity Number SC008639). In June 1993, it became a Company Limited by Guarantee (company number SC145067) and was granted Charitable Status. The constitutional documents under which Scottish Refugee Council was incorporated are the Memorandum and Articles of Association. The Memorandum of Association sets out the objects and powers of the company and the Articles of Association set out the rules for the running of the company's internal affairs. In the event of the company being wound up, members are required to contribute an amount not exceeding £1.

Recruitment and appointment of the Board of Directors

All members of the charity are eligible to be nominated for election as a Director of the organisation. The Directors of the company are also charity Trustees for the purposes of charity law and under the company's Articles of Association are known as Directors of the Board. Under the requirements of the Memorandum and Articles of Association the members of the Board are:

- elected at the Annual General Meeting or co-opted by the Board of Directors;
- may serve a three-year period; and
- are entitled to be re-elected or co-opted for a subsequent three years.

The number of members of the Board must not exceed fifteen, but should not be less than five. In addition, to maintain relevant skills, knowledge and representation, the Directors have the power to co-opt any person. The Board may co-opt up to five members and should ensure that at any given time there are at least two refugee Directors. The Board appoints a Chair and Vice Chair from among its own members, for a period of three years and they may be re-appointed for a further three years provided they shall not be entitled to hold their office for more than an aggregate of six years.

No Director is entitled to serve for a continuous period of more than six years from the date of original election or co-option with the exclusion of the Chair and Vice Chair. They may serve as a Director for a maximum of ten years, their term in office as Chair or Vice Chair not exceeding six years (two terms of three years).

There was one appointment, two resignations and three retirements in 2014/15. At the AGM held on 16 January 2015 three Directors were required to stand down and one Director was elected.

Directors' induction and training

All new members of the Board are given a full induction, which includes relevant documentation in a pack and a series of short sessions to familiarise themselves with the organisation and the context within which it operates. These seminars are led by the Chair and the Senior Management Team (SMT) and cover:

- Governance including roles and responsibilities of Directors, the strategic plan and the operational framework;
- Services and Development;
- Policy and Communications; and
- Financial and Risk Management.

Members of the Board are given opportunities to attend training and development applicable to their roles. They are also invited to attend Scottish Refugee Council events throughout the year.

During 2014/15 in addition to the normal board meeting cycle, a Board Strategic Review Day was held in November 2014.

Risk management

The Board has conducted its own review of the major risks the charity faces and of the systems in place to manage those risks. Actions required to strengthen the existing systems and procedures have been identified and progress is monitored. An annual review of the major risks faced by the charity and the systems and procedures in place to deal with those risks and progress on the action plan is undertaken by the Board.

The six principal risks rated by the Board as high or medium that the charity faced in the year ended 31 March 2015 were identified as:

- Sources of funding become constrained due to changes in economic environment or non-statutory funders
- Changes in government policy results in loss of business
- Unable to meet pension liability
- Effective strategic relationships are not developed and maintained leading to loss of reputation and or business
- Public attitudes towards refugees/asylum seekers continues to deteriorate
- Governance fails in managing financial controls and regulation compliance

These risks are managed by the risk management strategy discussed above.

Organisational structure

The body responsible for the strategic direction and governance of the organisation is the Board of Directors and it employs a Chief Executive to deliver the strategy. The Board currently meets bi-monthly and receives reports from the senior management team and the Finance and Audit Committee. Each sub-committee has specific terms of reference and functions, which are reviewed annually, delegated by the Board and a Chair appointed by the Board.

A clear system of delegated authority is in place and the day-to-day responsibility for the organisation's operations rests with the Chief Executive and the Senior Management Team (SMT).

Objectives and activities

The charitable objectives of Scottish Refugee Council contained in the Memorandum and Articles of Association can be summarised as:

- Providing relief and assistance to displaced people, refugees, asylum seekers, their families and dependents who have sought refuge in Scotland;
- Providing and disseminating information to voluntary organisations and statutory authorities working with this group of people;
- Advancing education and promoting the relief of poverty; and
- Working to address the reasons people are forced to seek protection as refugees.

This year was the first full year of delivery of the 2014-2017 Strategic Plan. The plan sets out the vision and five key strategic priorities that the organisation wants to achieve in order to fulfil its purpose.

Our **vision** is for a Scotland in which all people seeking refugee protection are welcome and where women, children and men are protected, find safety and support, have their human rights and dignity respected and are able to achieve their full potential.

Our five key **strategic priorities** are to:

1. Increase public empathy with refugees and campaign for an end to discrimination, racism and prejudice;
2. Advocate for the rights of refugees and people seeking asylum and for fair and just legislation and policies;
3. Support refugees' integration and inclusion;
4. Ensure that refugees and people seeking asylum have access to quality advice services, information and support; and
5. Develop an efficient organisation which supports staff and volunteers and ensures quality and value for money.

Strategy for achieving stated objectives

We have adopted the following strategy to seek to achieve our stated objectives:

Strategic Priority 1: Increasing Public Empathy

- We will work to ensure that refugees are represented and promoted in the media accurately and fairly by proactively working with the mainstream media in Scotland and the UK.
- We will continue to build on our reputation as the 'go-to' organisation for journalists, stakeholders and members of the public to seek accurate and up-to-date information about refugees in Scotland.

- We will continue to develop our own communications, website, training and social media to engage, inform and challenge attitudes to create a more welcoming environment for refugees in Scotland. We will develop strong, targeted and explicit messages that reframe the terms of the debate.
- We will continue to involve refugees in all aspects of our communications work, from planning and designing our messaging to working with them to raise their voices through the mainstream media and other communications channels.

Strategic Priority 2 : Advocacy

- We will continue to build on our reputation as the credible, evidenced and powerful voice for refugees and refugee issues in Scotland. Working with refugees, community groups, partner organisations and others, we will proactively influence the UK and Scottish Governments and other decision makers using the most effective methods, to develop legislation, policy and practice which uphold our international obligations to treat refugees fairly and humanely.
- We will build on our specialist expertise and knowledge on the needs and experiences of refugees and asylum seekers within devolved policy areas; and women and children issues. We will work with the Scottish Government and others to implement Scotland's strategy for refugee integration, *New Scots: Integrating Refugees in Scotland's Communities* (2014-2017).
- We will continue to ensure the particular issues facing refugees in Scotland influence our advocacy priorities and that refugees are involved in different aspects of our advocacy and campaigning work from planning to implementation. We will continue to create platforms for refugees to speak out for themselves and to empower refugee groups to advocate on issues important to them.

Strategic Priority 3 : Refugee Integration

- We will support and empower refugee community organisations throughout Scotland to organise, speak for themselves and have influence on their lives and communities.
- We will work with refugees, community groups, faith groups, public sector bodies and government to ensure refugees are enabled to build social relationships; are involved, active and safe in their local communities.
- We will work with partners to ensure measures are in place to support more effective engagement between refugees and local and national decision-making structures.
- We will work with partners to ensure refugees and local people have opportunities to participate together in cultural, community, sporting and other activities, such as those offered as part of Refugee Festival Scotland.

Strategic Priority 4 : Quality Services

- We will deliver our three year funded Holistic Refugee Integration Service to newly recognised refugees in Scotland, assisting them to access housing, employment, healthcare, education and build a new life in Scotland.
- We will continue to support young people who are seeking asylum or who have been trafficked, through the Scottish Guardianship Service.
- We will continue to prioritise and develop new person-centred services for refugees and people in the asylum process, such as our new Key Worker Service for Newly Arrived Asylum-Seeking Families, which make a demonstrable impact on refugees' protection, welfare and integration where we can find suitable funding and resources.
- We will continue to train and work with service providers to ensure they understand and meet the particular needs of refugees.
- We will ensure that refugees are involved at the centre of the planning, design, implementation, monitoring and evaluation of direct advice services.

Strategic Priority 5 : Efficient and Effective Organisation

- We will build on developing a robust, committed organisation which works to the highest standards of quality, transparency, compliance and value for money.
- We will continue to drive for an organisation with a diverse funding base where staff and volunteers are safe, valued and equipped to empower and make a difference to the lives of refugees.
- We will continue to develop our use of technology to find new ways of delivering services and communicating with our supporters, members and the general public.
- We will ensure that our board of directors are effectively supported to work to the highest standards and to provide the right strategic direction for the organisation.
- We will develop an organisational culture which embeds refugee involvement and empowerment in all aspects of the organisation, from recruiting refugee volunteers to maintaining our constitutional commitment that a significant proportion of our board members are themselves refugees.

Significant activities, achievements and performance

Our significant charitable activities during 2014/15 are broken down into three areas:

1. Refugee and Asylum services;
2. Refugee Integration; and
3. Policy and Advocacy.

1. Refugee and Asylum services

Asylum Advice and support

Our Home Office funding for our long running advice services, the Scottish Induction Service and the One Stop Shop service, supporting people through the asylum process from registration to decision came to an end in 2013/14. The Home Office contracted a new UK wide model of service which was secured by another organisation based in England. We ensured a smooth transition of our staff through TUPE transfer and minimal disruption to service users in the period to June 2014 when the new Asylum Advice services began.

During the transition period 100 clients presented themselves at our office to request assistance after they were not able to get help from the new Home Office services with 14 of these cases being new arrivals including 2 victims of rape and 1 victim of trafficking. In total 158 advice sessions were provided for vulnerable clients.

We were pleased to see the delivery of a new Scottish Government funded target advice service supporting families in the asylum process. The service provides an allocated keyworker who provides an initial assessment, advocacy, emotional support and advice with a focus on needs around safety, financial stability, accommodation, health, community life, education, legal and asylum issues. The service works with many statutory and other services to address the needs of the families. Overall, 108 asylum-seeking families have been supported since commencement of the project with 135 children supported from families of over 21 nationalities.

In August we secured funding through a partnership project with Refugee Survival Trust and others to provide a Destitution Advice and Support Service (DASS) through a combination of direct service provision, telephone advice and signposting to partner organisations and statutory bodies.

Refugee Advice services

This has been the second year of delivery for our Big Lottery project with funding from them and a range of other funders. The service is to support all refugees in Scotland who are given some form of leave to remain by the Home Office and is delivered in partnership with Red Cross, WEA, the Bridges programme and others.

The service provides an initial assessment which develops an individual action plan around various aspects of support; financial, education, housing and employment. During this year we delivered initial assessments for 880 refugees with 510 refugees having their 6 month action plan review completed.

Some of the highlights from the service included; 283 refugees provided with English language assessments, 188 refugees have been referred to Bridges programmes for employability support, 45 started courses at WEA for higher levels of adult literacy, 428 people supported to claim Job Seekers Allowance, 25 people supported to claim health related benefits and 28 refugees started college courses at Glasgow Clyde college.

In partnership with the British Red Cross we also provided a service supporting refugees being reunited with their families with 54 families provided with support.

During this year we piloted a new approach to supporting refugees through the use of educated and trained peers. We recruited and trained 10 Health Peer Educators and volunteers to deliver pilot sessions with refugees and asylum seekers supporting 20 individuals. Later in the year the project delivered peer educations to 3 groups of peers for Tigrinian, Farsi and Arabic speakers. The project is being evaluated by Queen Margaret University to assess the project's potential for future service provision.

2. Refugee Integration

The basis of our refugee integration work was underpinned by the Scottish Government's *New Scots* national Refugee Integration Strategy.

Scottish Refugee Council continued to be a key member of the various professional networks that support community cohesion and integration in Glasgow. We liaised with Police Scotland in Glasgow and North Lanarkshire to strengthen links between local police and Motherwell refugee community, to improve local police understanding of refugee community concerns.

With the Cranhill Development Trust we carried out a mapping exercise of refugee and host communities in the East End of Glasgow. The subsequent report has helped Glasgow City Council local teams to plan future engagement with east end refugee communities to ensure better access to leisure facilities and community spaces. Commitment has been secured by Glasgow City Council and other stakeholders to use this resource in their own planning for future service provision and engagement with communities.

We continued in our approach of provision of six month intensive support to refugee organisations to help them improve their capacity and expertise and during this year supported the following organisations: SASRA, ECRS, CCUS and CAMASS.

We supported a Motherwell group, Best Way Community Development, to secure £10,000 from Awards for All to support the delivery of their film/drama project. We continued to support the Scottish Refugee Policy Forum to help them achieve their aims.

We worked with Parent Network Scotland and Volunteer Glasgow to plan, promote and deliver a community conference on volunteering and family challenges for communities integrating into Scotland which was attended by 80 asylum seekers and refugees.

Another key focus of our integration work continues to be supported by our Arts and Cultural programme. We provided the co-ordination for Scottish Refugee Week 2014 with highlights including: 36 Community Celebrations events, the provision of a Welcome Tent in Glasgow city centre, a main programme of over 130 partnership events including involvement in Glasgow 2014 Cultural Programme and the Scottish Government Event Scotland Homecoming programme. Refugee Week Scotland 2014 was attended by an estimated number of 23,000 people.

During the year we delivered *A View from Here* project looking at the experiences of Glasgow from refugee perspectives. The video produced was used as part of Glasgow 2014's Cultural Programme to an audience of approximately 400 tourists, visitors and the general public. The *A View from Here* volunteer refugee photographer Iman Tajik won the 'No Place Like Home' Scottish Housing and Support Conference Award 2014.

Our participation with the Commonwealth Games led to a number of refugees and asylum seekers being prioritised for inclusion as Host City Volunteers and as Baton Bearers.

3. Policy and Advocacy

We continued our communications and media work and were involved in securing around 200 media items about refugees in the Scottish media on issues such as Syrian resettlement, a Scottish Refugee Council report on asylum accommodation issues, our contribution to the Independence Referendum and the Smith Commission and FGM in Scotland. We supported over 40 refugees to speak to the media and 70 media items appeared across Refugee Week Scotland with an estimated public relations equivalent value of £145k. We supported 5 Syrian refugees to share their experiences in print and on radio. We worked with 3 refugee women participants in a Scottish Book Trust project to discuss their stories with the media

Our use of social media increased and by the end of the year we had 7,200 followers on Twitter, and 3000 likes on Facebook. Our website underwent a refresh in preparation for 2015 and our 30th anniversary. There were around 62,000 unique visitors to our website during the year.

Our policy and advocacy work continued with examples such as a joint paper on gender and welfare reform with Engender, Close the Gap, and Zero Tolerance, which was presented to MSPs in April 2014. We facilitated the Refugee Women's Strategy Group to meet with Scottish Government Minister Humza Yousaf who also visited some asylum accommodation.

We organised a House of Lords reception at the beginning of Refugee Week 2014 and a number of MPs and Lords attended. We also continued to support the Still Human Still Here coalition UK national campaign on Early Day Motion 99 calling for the Home Secretary to uprate asylum support rates after the decision process leading to freezing of rates was deemed unlawful.

We took a lead in advocacy on changes to asylum accommodation in Glasgow in the production of a report, "The Extent and Impact of Asylum Accommodation Problems in Scotland". The Home Office and accommodation provider Serco agreed to look at and address some of the issues raised in the report.

A key focus for this year was the influencing work we did around the Independence Referendum and the subsequent Smith Commission report and progressing the recommendations of the New Scots refugee integration strategy. Our recommendations appeared both in the Scottish Government's own Referendum White Paper and the Smith Report.

We secured funding from the Scottish Government and produced a seminal report on the issue of Female Genital Mutilation (FGM) in Scotland. The report was launched by the Cabinet Secretary for Social Justice in December 2014 which led to a commitment by the Scottish Government of £220k of resources to take this work forward.

We worked the Law Society of Scotland, the Crown Office and Procurator Fiscal Service, to secure agreement to develop guidance providing clarity for legal defence issues flowing from Article 31 Refugee Convention.

Our public campaigns focussed on raising issues to do with: problems with asylum accommodation in Scotland and the ongoing issues of asylum destitution.

We commissioned a Learning Report by Scottish Refugee Council on providing advice through advocacy to asylum seekers in Scotland from 2000 to 2014, based on our experiences of delivering the Home Office advice services. This will be published in 2015.

As one of the three key partners alongside the Scottish Government and COSLA we were able to progress the first year of implementation of the New Scots strategy. We established a Core Group that met regularly during the year and ensured that the voices of refugees were heard and involved in the delivery of the strategy. We took the lead in organising delivering the Year 1 Impact Conference attended by 150 stakeholders with key inputs from the Scottish Cabinet Secretary for Social Justice, Glasgow City Council and UNHCR.

We supported refugee speakers to engage with the Scottish Human Rights Commission around their Scottish National Action Plan (SNAP) on Human Rights. We further supported the Refugee Women's Strategy Group to meet with the Home Office to discuss gender issues in the asylum process.

We were the only Scottish organisation to be invited to the annual United Nations High Commission for Refugees conference in Geneva and supported refugees to attend and speak.

Our training service continued to improve understanding and awareness of refugee issues and help other statutory and voluntary agencies and services adapt to the needs of refugees and assist in their integration. We delivered courses to a range of statutory and voluntary sector audiences. Our Public Training Programme delivered a number courses including: Working with Asylum Seekers and Refugees module; Supporting Refugee Women; Working with Interpreters; Essentials of Asylum.

We also delivered training to a range of different organisations including: Homestart North Glasgow; STAR; Glasgow English for Speakers of Other Languages (ESOL) Forum; Lourdes Secondary School; City of Glasgow College.

Developing an effective organisation

We continued to focus on ensuring that our organisation was managed and governed effectively. Our board of directors met on a regular basis to determine strategic policy, consider the key risks for the organisation and oversee the finances.

Our internal audit work looked at three areas of operation which were given a reasonable or substantial assurance level. The AGM in January 2015 approved the unqualified accounts for 2013/14.

We continued to focus on our investment in IT technology with new finance and HR systems procured.

We secured resources from the Big Lottery Better by Design programme so that we could review and update our HR policies.

Our staff team were supported by a volunteer force. We worked with 84 volunteers during the year and support our volunteers with our Investing in Volunteers accreditation.

Our focus on delivery of our funding development strategy continued. We developed a fundraising programme to maximise the opportunities provided by our 30th anniversary in 2015.

Refugee Speaker Programme has been very successful and is attracting more audiences than anticipated and is contributing towards increasing donations and supporters rather than memberships. Our membership programme to focus on organisation membership continued with over 40% of our membership coming from this category.

Our Patron, Baroness Helena Kennedy QC hosted a House of Lords Parliamentary Reception in June 2014 to showcase our work in Scotland.

Costs of generating funds

The Head of Funding Development (HFD) is a member of the senior management team and works with colleagues to support the work on key funding priorities and major grants. The HFD also leads on the other areas of the strategy in diversifying our funding base, increasing unrestricted funding and developing a strategy on major donors and givers. The focus is on generating restricted and unrestricted funds through approaches to trusts and foundations and building our membership and general supporter and donor base.

Voluntary income is one part of the income generation that the funding development strategy covers. Voluntary income can come from membership and donations and has increased by 63% to £31k (2013/14 £19k) while income from training events and other areas increased by 65% to £88k (2013/14 £53k). This increase in voluntary income is encouraging and demonstrates a positive direction in this work.

The costs of generating funds have increased by 9% to £24k (2013/14 £22k).

Support costs

Support costs totalled £105k (2013/14 £117k) a decrease of 10%.

Support costs are the administration and overhead costs that cannot be directly attributed to our charitable activities. They are allocated to our charitable activities on the basis of staff numbers in each area of activity as is demonstrated on page 24, note 6.

Governance

Governance costs totalled £106k (2013/14 £121k) a decrease of 12%.

As can be seen from note 7, page 24, a total of £78k (2013/14 £93k) was expended on ensuring the strategic direction and management of the organisation was maintained. Governance costs include strategic management as well as the fees in relation to the external audit, internal audit, annual report and legal services. Strategic management includes senior management time spent on supporting and servicing Board and Committee meetings, strategic planning and governance-related activities.

In 2014/15 a total of four Board meetings were held, four meetings of the Finance and Audit Committee were held and no meetings of the Staffing Sub-Committee were convened. The board also held a strategic development day in November 2014.

The risk register for 2014/15 was considered and approved by the board at their meeting in March 2014. Quarterly reports on risk management are reviewed by the Senior Management Team and bi-annually by the Finance and Audit Committee and the Board.

Plans for future periods (SMT)

The Board held its annual strategy day in November 2014. The Board reviewed the impact of the outcome of Scotland's independence referendum on the Strategic Plan 2014-17, considered options for how to resource the strategic plan objectives and considered what plans the organisation should put in place to celebrate its 30th anniversary in 2015.

Directors' responsibilities in relation to the financial statements

The Directors are responsible for preparing the Directors' Report and Financial Statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Directors 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 net income and expenditure, of the charitable company for the year. In preparing the financial statements the Directors are required to:

- Select suitable accounting policies and apply them consistently;
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable accounting standards and statements of recommended practice have been followed, subject to any departures disclosed and explained in the financial statements; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Directors are responsible for keeping proper 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, the Charities and Trustee Investment (Scotland) Act 2005 and Regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended). The applicable law also sets out the Directors' responsibilities for the preparation and content of the Directors' Report.

The Directors are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the Directors are aware:

- There is no relevant audit information of which the charitable company's auditor is unaware; and

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

Financial review

Income for the year was £2,451k (2013/14 £2,667k), a decrease of 8.1%.

Expenditure for the year was £2,424k (2013/14 £2,647k) a decrease of 8.4%, resulting in a surplus in this year of £27k (2013/14 £20k) or 1.1% of incoming resources.

Whilst the Directors note that this result will have a small positive impact on our overall general reserves, they remain cautious about our future and the ability of the organisation to meet its ongoing deficit liabilities to Scottish Voluntary Sector Pension Scheme (SVSPS), a defined benefit scheme. They regularly review our position and put into place measures to minimise the organisation's risk exposure.

Principal funding sources

Scottish Refugee Council has a diverse funding base as can be seen from note 3, page(s) 22 and 23. The grants received from our charitable activities totalled £2,311k from 25 different sources (2013/14 £2,553k).

Our Scottish Government Strategic Grant was £550k (2013/14 £550k). Other funding from the Scottish Government was £579k (2013/14 £423k).

Transitional funding was received from UKBA of £118k (2013/14 £102k). The UKBA asylum services are no longer provided and income for the year was nil (2013/14 £628k).

Other significant sources of funding for the year were Big Lottery £696k (2013/14 £366k) and Comic Relief £144k (2013/14 £144k).

We extend our thanks to all funding bodies, donors and supporters.

Reserves policy

Scottish Refugee Council has built up a fund total of £2,420k through prudent management. Providing services to refugees and asylum seekers in a volatile and uncertain market subject to sudden changes in legislation which may lead to reductions in funding or changes in the way Scottish Refugee Council is funded. Despite the volatility of this sector the Directors want to ensure that all available funds are used to benefit refugees and asylum seekers whether directly or indirectly.

The Directors have forecast the level of free reserves (those funds not tied up in fixed assets and designated and restricted funds) the charity will require to sustain its operations for a period of not less than six months is £1,211k (2013/14 £1,319k).

The actual free reserves at 31 March 2015 were £1,107k which is £104k short of the target figure. The Directors recognise that this is less than the target of six months, amounting to over five months running costs. They consider three months to be the very minimum level of free reserves. The target of six months' running costs continues to be our strategy to sustain the continued viability of the organisation and the directors will continue to address this strategy.

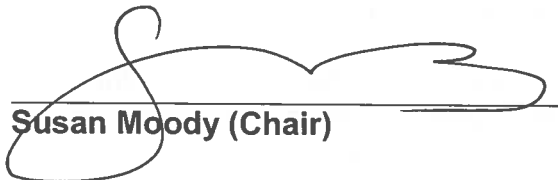
Auditor

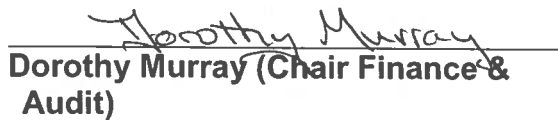
A resolution was passed at the AGM on the 16 January 2015 re-appointing Scott Moncrieff as auditor for the charity.

Small Company Exemptions

This report has been prepared in accordance with the special provisions of Part VII of the Companies Act 2006 relating to small companies.

Approved by the Directors on 20 August 2015 and signed on their behalf by:


Susan Moody (Chair)


Dorothy Murray (Chair Finance & Audit)

Independent Auditor's Report to the Directors and members of Scottish Refugee Council for the year ended 31 March 2015

We have audited the financial statements of Scottish Refugee Council for the year ended 31 March 2015 which comprise the Statement of Financial Activities (incorporating the Income and Expenditure Account), the Balance Sheet, the Cash Flow Statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

This report is made solely to the charity's members, as a body, in accordance with Section 495 and 496 of the Companies Act 2006 and to the charity's directors, as a body, in accordance with Section 44 (1) (c) of the Charities and Trustee Investment (Scotland) Act 2005 and Regulation 10 of the Charities Accounts (Scotland) Regulations 2006 (as amended). Our audit work has been undertaken so that we might state to the members and the charity's directors those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and its directors as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of Directors and Auditor

As explained more fully in the Directors' responsibilities statement set out in the Directors' Report, the directors (who are also the Trustees of the charitable company for the purpose of charity law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

We have been appointed as auditor under section 44 (1) (c) of the Charities and Trustees Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with regulations made under those Acts.

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

Scope of the audit of the financial statements

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

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2015 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with the United Kingdom Generally Accepted Accounting Practice; and

- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 (as amended) requires us to report to you if, in our opinion:

- the charitable company has not kept proper and adequate records 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 directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption in preparing the directors' report; or
- the directors were not exempt from the requirement to prepare a strategic report.

Scott-Moncrieff

Gillian Donald
Senior statutory auditor
For and on behalf of Scott-Moncrieff
Statutory Auditor
Chartered Accountants
25 Bothwell Street
Glasgow
G2 6NL

Dated: 20 August 2015

Statement of Financial Activities (SOFA) (incorporating the Income and Expenditure Account) for the year ended 31 March 2015

	Notes	Unrestricted Funds	Restricted Funds	2015	2014
Incoming resources					
Incoming resources from generated funds: -					
Voluntary Income	2	30,742	-	30,742	19,483
Investment Income		20,817	-	20,817	41,094
Incoming resources from charitable activities: -					
Grant income	3	702,384	1,609,319	2,311,703	2,553,363
Income from training, events and publications	4	87,739	-	87,739	53,316
Total incoming resources		841,682	1,609,319	2,451,001	2,667,256
Resources expended					
Costs of generating funds	5	23,950	-	23,950	21,906
Charitable activities - Activities in furtherance of the charity's objectives	6	732,472	1,561,139	2,293,611	2,503,822
Governance costs	7	58,096	48,180	106,276	121,330
Total resources expended		814,518	1,609,319	2,423,837	2,647,058
Net incoming resources before transfers		27,164	-	27,164	20,198
Transfer between Funds	9	-	-	-	-
Surplus		27,164	-	27,164	20,198
Fund balances at 1 April 2014		2,392,906	-	2,392,906	2,372,708
Fund balances at 31 March 2015		2,420,070	-	2,420,070	2,392,906

All the activities of the charitable company are classed as continuing

The notes on pages 20 to 32 form part of the financial statements

Balance Sheet as at 31 March 2015

	Notes	2015		2014	
		£	£	£	£
Fixed Assets					
Tangible assets	11		-		2,469
Current Assets					
Cash at bank and in hand		2,361,706		2,572,555	
Debtors	12	<u>354,583</u>		<u>302,369</u>	
		2,716,289		2,874,924	
Creditors: amounts falling due within one year	13	296,219		484,487	
Net Current Assets			<u>2,420,070</u>		<u>2,390,437</u>
Net Assets			<u>2,420,070</u>		<u>2,392,906</u>
Funds					
Designated funds	15		1,312,746		1,280,170
General funds	15		1,107,324		1,112,736
Restricted funds	16		-		-
Total			<u>2,420,070</u>		<u>2,392,906</u>

The financial statements have been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006 and with the Financial Reporting Standard for Smaller Entities (effective April 2008).

Approved by the Directors on 20 August 2015 and signed on their behalf by:

.....
 Susan Moody
 Chair

.....
 Dorothy Murray
 Chair of Finance & Audit Committee

Company Registration No: SC145067

The notes on pages 20 to 32 form part of these financial statements

Cash Flow Statement for the year ended 31 March 2015

	Notes	2015 £	2014 £
Net cash outflow from operating activities	(a)	(231,666)	(131,949)
Return on investments and servicing of finance			
Bank Interest		20,817	41,094
Capital Expenditure			
Payments to acquire tangible fixed assets		-	(2,960)
Decrease in Cash	(b)	(210,849)	(93,815)

Notes to the Cash Flow Statement

(a) Reconciliation of operating surplus/(deficit) to net cash outflow from operating activities

	2015 £	2014 £
Surplus	27,164	20,198
Increase in debtors	(52,217)	(34,615)
Increase/(decrease) in creditors	(169,290)	5,268
(Decrease)/increase in deferred income	(18,975)	(91,117)
Depreciation	2,469	9,411
Bank Interest	(20,817)	(41,094)
Net cash outflow from operating activities	(231,666)	(131,949)

(b) Reconciliation of net cash flow to movement in net funds

	2015 £	2014 £
Net liquid resources at 31 March 2014	2,572,555	2,666,370
Decrease in cash	(210,849)	(93,815)
Net liquid resources at 31 March 2015	2,361,706	2,572,555

The notes on pages 20 to 32 form part of these financial statements

Notes to the Financial Statements for the year ended 31 March 2015

1. Accounting Policies

Basis of accounting

The financial statements have been prepared under the historical cost convention and are in accordance with Statement of Recommended Practice: Accounting and Reporting by Charities (SORP2005) issued in March 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended), the Companies Act 2006 and the Financial Reporting Standard for Smaller Entities (effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

Going concern

A deficit has been budgeted for in the next financial year to provide additional investment capacity to secure future funds and grants. However from 1 April 2016, the charity expects to return to a breakeven position or surplus. The Scottish Refugee Council has a healthy bank balance and strong net assets and thus the directors have prepared the financial statements on a going concern basis.

Fixed assets

Fixed assets are included in the balance sheet at cost.

A full year's depreciation is provided in the year in which the fixed assets are purchased and depreciation is calculated using the straight-line method. The rates of depreciation used for tangible fixed assets capitalised are:

Computer equipment	2 years	50%
Equipment, fixtures & fittings	3 years	33 ¹ / ₃ %

Purchases of equipment, fixture and fittings, funded from a Capital Grant or which form part of a major refurbishment are capitalised provided the individual value of the asset is over £500.

Grant income

Grant income is credited in the year to which it relates. Such income is only deferred where the terms of the grant stipulate that the grant may only be used in future accounting periods or there are conditions imposed that must be met before Scottish Refugee Council has unconditional entitlement.

Membership and donations

Memberships and donations are credited in the year in which they relate.

Investment income

Investment income is recognised on a receivable basis.

Resources expended and allocation of expenditure

Expenditure is recognised on an accruals basis as a liability is incurred. Where possible, expenditure is allocated to the category to which it relates. Where this is not possible, expenses are apportioned on the basis of the time spent by staff on each activity.

Costs of generating funds

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

Charitable expenditure

Charitable expenditure comprises those costs incurred by Scottish Refugee Council in the delivery of activities and services for its beneficiaries. It includes costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Governance costs

Governance costs comprises all costs involving the public accountability of the charity and its compliance with regulation and good practice together with costs in relation to the charity's strategic direction and management. These costs include costs related to the statutory audit and legal fees associated with requirements of the company secretary.

Support costs

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources. Details of the basis of allocation are provided in note 6, page 24.

Pensions

Scottish Refugee Council operates a multi-employer defined benefit scheme providing benefits based on final pensionable salary. The assets of the scheme are held separately from those of the charity. Contributions to the scheme are charged to the Statement of Financial Activities in order to spread the cost of pensions over employees' working lives with Scottish Refugee Council. The contribution rate is determined by a qualified actuary on the basis of triennial valuations, using the projected unit method.

This scheme closed to future accruals on 31 March 2010 due to the deficit situation, outlined in note 17 pages 29 to 31.

From 1 April 2010 a defined contribution pension has been available for staff.

We will also offer the option to join a personal pension scheme based on the government minimums for pension auto enrolment sometime during 2015.

Value added tax

The charity is registered for VAT. Irrecoverable VAT is charged to the expense to which it relates.

Funds

Restricted funds are those received for specific purposes. They cannot be spent on general activities. Designated funds have been set aside by the Directors for a particular future event. General funds can be spent at the Directors' discretion.

Operating leases

Rentals payable under operating leases are charged to the Statement of Financial Activities on a straight line basis over the term of the lease.

2 Incoming resources from generated funds	2015 Unrestricted £	2014 Unrestricted £
Voluntary Income		
Donations	26,112	15,074
Membership Fees	4,630	4,409
	30,742	19,483

3 Grant Income	2015 Unrestricted £	2015 Restricted £	2014
Grant income			
Scottish Government – RRR1	550,000		550,000
Scottish Government – Housing	-	130,000	130,000
Scottish Government – PSP	-	232,196	87,179
Guardianship Pilot Project	-	200,000	200,000
SG – Refugee Women	-	1,299	901
Employability Skills			
Scottish Government - FGM	-	15,170	4,839
UKBA Asylum Service Main Grant	-	-	628,332
UKBA OSS move on	55,206	-	57,706
UKBA Transition costs	62,659	-	44,250
ESF Priority 5 – Glasgow Works	-	50,045	113,160
EIF - BRC	-	43,623	3,350
Big Lottery – Policy and Communications	2,189	-	-
	670,054	672,333	1,819,717
Carried forward			

3 Grant Income (continued)	2015		2014
	Unrestricted £	Restricted £	£
Brought forward	670,054	672,333	1,819,717
Big Lottery - HR	3,420	-	-
Big Lottery – JNC	-	692,579	365,531
Local Authorities	28,910	-	28,873
Charitable Trusts			
NHS Greater Glasgow & Clyde	-	18,178	-
HBOS Foundation	-	-	6,250
Creative Scotland	-	-	7,201
Comic Relief	-	144,473	143,972
Diana, Princess of Wales, Memorial Fund	-	-	78,000
The Paul Hamlyn Foundation	-	-	3,000
Heritage Lottery Fund	-	20,342	61,050
Rosa Fund	-	4,167	833
EIS – Refugee Week	-	3,000	3,000
Glasgow Housing Association	-	-	4,000
Celtic Charity Fund	-	1,000	-
The Henry Smith Charity	-	23,600	23,600
Goldberg Charitable Trust	-	6,000	6,000
The Hugh Fraser Foundation	-	2,000	-
The Martin Connell Charitable Trust	-	-	1,000
Refugee Survival Trust	-	3,183	-
Small trusts	-	18,464	1,336
	702,384	1,609,319	2,553,363

4 Other income					2015	2014
					£	£
Training Fees					11,100	7,335
Miscellaneous Income					76,639	45,981
					87,739	53,316
5 Costs of generating funds					2015	2014
					£	£
Donations					20,343	16,948
Membership Fees					3,607	4,958
					23,950	21,906
6 Resources expended on charitable activities						
	Basis of allocation	Refugee and Asylum Services	Refugee Integration	Policy and Advocacy	Total 2015	Total 2014
Costs directly allocated to activities		£	£	£	£	£
Staffing Direct		67,000	734,618	367,784	1,169,402	1,400,557
Project Direct		6,671	658,536	75,924	741,131	642,004
Overhead Direct		15,953	174,916	87,571	278,440	344,290
Support costs allocated to activities						
Staffing Staff No's		4,927	54,025	27,048	86,000	98,117
Other Staff No'		4,136	9,254	5,248	18,638	18,854
Total resources expended		98,687	1,631,349	563,575	2,293,611	2,503,822
7 Governance costs					2015	2014
					£	£
Strategic Management					77,592	93,220
External Audit					6,090	6,012
Internal Audit					8,910	8,429
Annual Report					2,850	3,129
AGM					5,747	3,530
Legal Fees					2,450	4,682
Board Costs					2,637	2,328
					106,276	121,330

8 Charitable Expenditure

2015
£

2014
£

This includes expenditure for:

Operating lease charges – property

157,632

157,632

Depreciation

2,469

9,411

9 Transfers between Funds

Note 15 (Page 28), reflects transfers from general reserve to designated reserves reflecting pension commitments and development and change commitments. These allocations are based on the charity's reserve policy.

10 Staff numbers and costs

2015
£

2014
£

Wages and salaries

1,015,813

1,207,642

Social security costs

82,425

95,412

Pension costs

171,993

152,537

1,270,231

1,455,591

2015
Number

2014
Number

The average number of monthly paid staff during the period was

42

48

The full time equivalent number of monthly paid staff during the period was

35

41

The number of employees whose remuneration amounted to more than £60,000 in the year was as follows:

2015
Number

2014
Number

£60,001 - £70,000

1

1

Total pension fund contributions paid on behalf of the above amounted to £6k (2014: £6k).

Directors are not remunerated. The total received by Directors for reimbursement of expenses for attending meetings amounted to £1k (2013/14 £1k). Reimbursements were paid to seven Directors in 2014/15 and to the same number in 2013/14. The organisation purchased Directors Indemnity Insurance totalling £1.3k (2013/14 £1.9k).

11 Tangible fixed assets	Computer Equipment	Equipment Fixtures & Fittings	Total
Cost	£	£	£
As at 1 April 2014 and 31 March 2015	175,558	52,544	228,102
Depreciation			
As at 1 April 2014	173,089	52,544	225,633
Charge for year	2,469	-	2,469
At 31 March 2015	175,558	52,544	228,102
Net Book Value			
At 31 March 2015	-	-	-
At 31 March 2014	2,469	-	2,469
12 Debtors		2015	2014
		£	£
Trade debtors		67,946	73,639
Prepayments and Accrued Income		286,637	228,730
		<u>354,583</u>	<u>302,369</u>
13 Creditors: Amounts falling due within one year		2015	2014
		£	£
Trade creditors		82,359	141,875
Accruals		27,558	131,571
Deferred income (Note14)		157,095	176,071
Pension liability		21,691	8,246
VAT Liability		7,516	26,724
		<u>296,219</u>	<u>484,487</u>

14 Deferred income	2015	2014
	£	£
Scottish Government – PSP	-	95,321
SG – Employability Skills	-	209
Scottish Government - FGM	-	15,170
Big Lottery - JNC	43,828	8,952
HBOS Foundation	22,867	22,868
Comic Relief	38,851	-
Better by Design	14,358	-
NHS Greater Glasgow & Clyde	14,022	16,000
William Grant Foundation	10,000	-
Educational Institute of Scotland	-	3,000
Legacy – Fulton	5,619	10,000
Refugee Week Income	3,000	2,341
Miscellaneous Income	1,550	710
Other Small Trusts	-	500
Celtic FC Foundation	3,000	1,000
Balance at 31 March 2015	157,095	176,071

15 Unrestricted Funds	Balance at 1 April 2014	Incoming resources	Outgoing resources	Transfers In / (Out)	Balance at 31 March 2015
	£	£	£	£	£
Designated Funds					
(i) Potential debt on withdrawal from pension scheme	961,840	2,576	-	-	964,416
(ii) Development and change	273,241	-	-	-	273,241
(iii) ICT	25,089	-	-	-	25,089
(iv) Property repairs	20,000	-	-	-	20,000
(v) SRC 30 th Anniversary	-	-	-	30,000	30,000
Designated Funds	1,280,170	2,576	-	30,000	1,312,746
General Funds	1,112,736	839,106	(814,518)	(30,000)	1,107,324
Totals	2,392,906	841,682	(814,518)	-	2,420,070

The Directors have decided it prudent to set aside funds in this year for expenditure which the charity is likely to incur in the future:

- (i) As disclosed in note 17 pages 29 to 31, Scottish Refugee Council has a potential liability, based upon the most recent information available, of £4,260k in connection with their membership of the Scottish Voluntary Sector Pension Scheme (SVSPS). This is the estimated employee's debt on withdrawal. Scottish Refugee Council have no immediate plans to withdraw and have agreed to pay £94k (2013/14 £90k) escalating by 3% per annum to clear the actual pension liability outstanding. This designated reserve has been created to help fund future payments and to cover any future long term plans with regard to withdrawal;
- (ii) To make provision for the development of the organisation and manage change;
- (iii) To make provision for investments in communications and technology which will benefit the aims of the charity; and
- (iv) To provide for future ongoing commitments to maintenance of premises.
- (v) To make provision for Scottish Refugee Council 30th Anniversary events and projects taking place in 2015/16.

16 Restricted Funds	Balance at 31 March 2014 £	Incoming resources £	Resources expended £	Balance at 31 March 2015 £
Scottish Government				
Housing	-	130,000	130,000	-
SG - PSP	-	232,196	232,196	-
SG – Guardianship Pilot	-	200,000	200,000	-
SG – Refugee Women				
Employability Skills	-	1,299	1,299	-
SG – FGM	-	15,170	15,170	-
ESF Priority 5 –				
Glasgow Works	-	50,045	50,045	-
EIF -BRC	-	43,623	43,623	-
Big Lottery - JNC	-	692,579	692,579	-
Goldberg Charitable				
Trust	-	6,000	6,000	-
Comic Relief –				
Women’s Development	-	144,473	144,473	-
Heritage Lottery	-	20,342	20,342	-
Other restricted funds	-	73,592	73,592	-
	<u>-</u>	<u>1,609,319</u>	<u>1,609,319</u>	<u>-</u>

The balance in restricted funds as at 31 March 2015 relates to funds which have been granted for specific projects but which were not fully spent in the financial year 2014/15.

17 Pension

Scottish Refugee Council participates in the Scottish Voluntary Sector Pension Scheme ('the Scheme'). The Scheme is a multi-employer defined benefit scheme. The Scheme is funded and was contracted-out of the State scheme until 31 March 2010, when the Scheme was closed to future accrual.

The Scheme operated a single benefit structure, final salary with a 1/60th accrual rate until 30 September 2007. From October 2007 there were two benefit structures available, final salary with a 1/60th accrual rate and final salary with an 1/80th accrual rate, until the date of Scheme closure on 31 March 2010.

The Scheme closed to future accrual on 31 March 2010. There is currently no intention to wind-up the Scottish Voluntary Sector Pension Scheme and it continues in paid-up form.

The Trustee commissions an actuarial valuation of the Scheme every three years in order to determine the level of future contributions required so that the Scheme can meet its pension obligations as they fall due.

Asset values are calculated by reference to market levels. Accrued pension benefits are valued by discounting expected future benefit payments using a discount rate calculated by reference to the expected future investment returns.

It is not possible in the normal course of events to identify on a consistent and reasonable basis the share of underlying assets and liabilities belonging to individual participating employers. This is because the Scheme is a multi-employer scheme where the Scheme assets are co-mingled for investment purposes and benefits are paid from total Scheme assets. Accordingly, due to the nature of the Scheme, the accounting charge for the period under FRS17 represents the employer contribution payable.

The last formal valuation of the Scheme was performed as at 30 September 2011, by a professionally qualified actuary using the Projected Unit Method. The market value of the Scheme’s assets at the 30 September 2011 was £66.2 million. The valuation revealed a shortfall of assets compared with the value of liabilities of £28.8 million (equivalent to a past service funding level of 69.7%).

The financial assumptions underlying the valuation as at 30 September 2011 were as follows:

Valuation date/assumption	30 September 2011 (current valuation) nominal % p.a.
Rate of return pre-retirement	5.8
Rate of return post retirement	4.0
Rate of salary increases	4.4
Rate of pension increases pre 5 April 2005	2.4
Rate of pension increases post 5 April 2005	1.9
Rate of price inflation (CPI)	2.4

If an actuarial valuation reveals a shortfall of assets compared to liabilities the Trustee must prepare a recovery plan setting out the steps to be taken to make up the shortfall. From 1 April 2013 a new recovery plan came into effect, following the finalisation of the 2011 valuation. Contributions payable from 1 April to 31 March 2015 amounted to £94k.

The recovery plan has been submitted to The Pensions Regulator.

The Scheme Actuary has prepared an Actuarial Report that provides an approximate update on the funding position of the Scheme as at 30 September 2013. Such a report is required by legislation for years in which a full actuarial valuation is not carried out. The funding update revealed an increase in the assets of the Scheme to £81 million and a decrease in the shortfall of assets compared to liabilities to approximately £34 million, equivalent to a past service funding level of 71%. The 30 September 2014 valuation process is underway and the results of this valuation, which is expected to be finalised by 31 December 2015, will be included in next year’s disclosure note.

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 Scheme. The debt is due in the event of the employer becoming insolvent or ceasing to participate in the Scheme, or the Scheme winding up.

The debt for the Scheme as a whole is calculated by comparing the liabilities for the Scheme (calculated on a buyout 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 Scheme. 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 Scheme's liability attributable to employment with the leaving employer compared to the total amount of the Scheme'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. Therefore, the amount of the debt depends on many factors including total Scheme liabilities, Scheme investment performance, the liabilities in respect of current and former employees of the employer, financial conditions at the time of the cessation event and the insurance buy-out market. The amounts of debt can therefore be volatile over time.

Scottish Refugee Council has been notified by The Pensions Trust of the estimated employer debt on withdrawal from the Scheme based on the financial position of the Scheme as at 30 September 2014. As of this date the estimated employer debt for Scottish Refugee Council was £4,260k. The charity does not intend to withdraw from the scheme and the pension trustees have confirmed that there is no intention to wind up the scheme.

18 Commitments

Buildings - 5 Cadogan Square	Annual Rent 2015 £	Annual Rent 2014 £
2 – 5 years	157,632	157,632
TOTAL	157,632	157,632

19 Analysis of net assets between funds

	General funds £	Designated funds £	Restricted funds £	Total £
Fixed assets	-	-	-	-
Current assets	1,403,543	1,312,746	-	2,716,289
Current liabilities	(296,219)	-	-	(296,219)
Net assets at 31 March 2015	<u>1,107,324</u>	<u>1,312,746</u>	<u>-</u>	<u>2,420,070</u>

20 Related parties

The Poverty Alliance is a related party of the Scottish Refugee Council as Twimukye Mushaka is the Fieldwork Development Officer for the Alliance and a director of Scottish Refugee Council. During the year purchases of £200 (2013/14: £200) were made from Poverty Alliance.

The ACOSVO is a related party of the Scottish Refugee Council as John Wilkes is a member and CEO of Scottish Refugee Council. During the year purchases of £110 (2013/14: £nil) were made from ACOSVO.