SCOTTISH REFUGEE COUNCIL
DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017

Charity number: SC008639
Company number: SC145067
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Report of the Directors for the year ended 31 March 2017

The Directors present their annual report and financial statements of the charitable company for the year ended 31 March 2017.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charitable company's memorandum and articles of association, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended), the Companies Act 2006 and 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 (FRS102) published on 16 July 2014.

Objectives and activities

Objectives

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 final 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.

Activities

Strategy for achieving stated objectives

We have adopted the following strategy to seek to achieve our stated objectives:
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Report of the Directors for the year ended 31 March 2017

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 of 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.
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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.

Achievements and performance

Our significant charitable activities during 2016/2017 are broken down into three areas:

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

Refugee and Asylum services

Asylum Advice and support

During this period, we continued to assist new arrivals. We supported 50 people by providing resources to travel to Croydon to claim asylum, refer to other advice services or advocate locally with the Home Office to secure access to the asylum system in Glasgow for vulnerable clients. Volunteers in addition to staff, support this service.
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Asylum Advice and support continued

We deliver Destitute Asylum Seeker Support Service (DASS) with the Refugee Survival Trust, Strathclyde Law Clinic and other partners. The project aims to support destitute asylum seekers with specialist information, advice and legal support. The project supported 178 individuals in this period.

The Scottish Guardianship Service is run in partnership with Aberlour Childcare Trust who take the lead on operational delivery whilst Scottish Refugee Council is the lead partner responsible for strategic development, policy and media. The service provides a guardian to unaccompanied asylum-seeking children to be by their side and on their side during and throughout the asylum process. There were 78 new arrivals benefitting from the Scottish Guardianship Service in this period.

The Family Keywork Service works with families who have recently claimed asylum. We provide advice on preparing for Home Office interviews, asylum support and accommodation issues. During this period we supported 87 new families.

Refugee Advice services

This year we began a new service to support recognised refugees to rebuild their lives in Scotland. The Scottish Refugee Integration Service was developed following an evaluation of our previous service and is funded through a Big Lottery Fund Scotland grant for two years until September 2018. The new model includes working with four local community projects to provide locally accessible service to refugees.

During this period, we assisted 535 new refugees by providing initial assessments, help with claiming benefit entitlements and access to housing options as well as developing Person-centred Integration Plans.

We appointed an external evaluator following a tendering exercise to assist us in modelling the core essential service that will support our advocacy around long-term sustainability.

The Scottish Government provided funding to pilot a peer education ESOL service to support refugees in four local authority areas in Scotland. The project seeks to complement current ESOL provision and provide non-native English speakers with additional opportunities to practice their English outside the classroom. The project is specifically aimed at refugees resettled through the UK Government Syrian Vulnerable Persons’ Resettlement scheme. The main objective of the pilot is to increase the social connections and opportunities for language acquisition for all participants. A Peer Education Programme manager was seconded from City of Glasgow College in October 2016.

Refugee Integration

The basis of our refugee integration work was underpinned by the Scottish Government’s New Scots national Refugee Integration Strategy. This year was the third and final year of this strategy which seeks to focus the work of public bodies across Scotland in supporting refugees to integrate. We lead or participate in all of the sub-groups of this national strategy. A final report of the strategy was published in March 2017 and the Scottish Government has committed to developing a new strategy to be launched in December 2017.
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Report of the Directors for the year ended 31 March 2017

Refugee Integration continued

We continued to work with many refugee community organisations and support the changing provision and profile on integration networks within Glasgow. We also supported communities outside of Glasgow in Arbroath, Forth Valley and Grampian by providing community development support to identify a common purpose.

We provide training in all aspects of policy and practice around refugee issues in Scotland and the UK. We offer courses on all aspects of refugee policy along with information on the latest rights and entitlements and practical, skills-based courses such as how to work most effectively with interpreters. This year, in response to the global crisis facing refugees, our training team developed a new programme of courses specifically for local authority staff working with newly arrived Syrian families.

Refugee Festival Scotland is our annual Scotland-wide celebration of the contribution refugees make to life here and the welcome offered by local people. It provides a platform for raising awareness about refugee experiences and offers a multitude of opportunities for people from across Scotland to come together in solidarity and learn more about each other’s lives. 13,300 people took part in over 100 events across 16 Scottish local authorities in 2016.

Our Heritage Lottery funded project, Lest We Forget that links the experiences of Belgian refugees arriving in Scotland during World War 1 to experiences of refugees arriving today culminated in 2017 with a documentary film and exhibition held at the Mitchell library in Scotland. We developed a new multi-arts project, Share My Table, which began in early 2017.

Policy and Advocacy

This year we have played an important role in Scotland’s response to the global humanitarian crisis and continued our work to influence decision makers locally, nationally, UK-wide and beyond. We were part of the First Minister’s Refugee Taskforce and continued to lead (along with the Scottish Government and COSLA) the unique New Scots refugee integration strategy.

We supported local authorities to deliver Syrian resettlement and the transfer of separated children, sharing our expertise on refugee integration, gender and mental health.

We continued to challenge the UK Government on the inadequacy and ineffectiveness of its asylum support system. This year our influencing led directly to a Home Affairs Select Committee inquiry on asylum accommodation. We tackled failings in asylum support through strategic litigation and meetings with senior Home Office officials.

We worked to highlight the impact of destitution and to challenge the UK Government to prevent and respond to violence against women in the asylum system. We published a manifesto ahead of the Scottish Parliamentary Elections in May and continue to advocate for the rights of refugees to be enshrined in legislation in Scotland.

We supported refugees to have their voices heard and gave evidence to parliamentary inquiries at Holyrood and Westminster.
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Report of the Directors for the year ended 31 March 2017

Policy and Advocacy continued

This year, we also played a leading role in the publication of a National Action Plan on Female Genital Mutilation, shared learning from the Scottish Guardianship Service with partners across Europe, secured a legal entitlement to a guardian for trafficked children in Scotland, and challenged the Immigration Minister on the implications for Scotland of the Immigration Act 2016.

Refugee issues have continued to dominate the headlines this year. Throughout 2016/2017 our media team worked with journalists from across Scottish, UK and international news networks to help them report refugee stories as honestly and accurately as possible. We also use social and traditional media to break down barriers between people and promote better understanding among communities.

This year we launched our ‘Cup of Tea with a Refugee’ campaign. The campaign gets local Scots and refugees together over a cup of tea to have a chat and get to know each other, creating a more inclusive and welcoming society, both online and off.

Developing an effective organisation

In December 2016, the organisation moved premises from Cadogan Square to Portland House in Renfield Street, Glasgow. The move will result in savings over the next three years as well as having premises more suited to the services and range of work we now deliver. We invested at this time in new ICT hardware and software. Our new office space was officially opened by the First Minister of Scotland, Nicola Sturgeon on 1 March 2017.

The AGM was held in March 2017 in our new premises with 28 members attending.

During the year the Administration team leader along with the administration team worked on renewing and renegotiating a significant number of the organisations contracts, this has resulted in reduced core costs to the organisation and ensures we are getting value for money in all areas of the organisation.

The organisation continued to carry out internal audits to ensure we are following all of our policies and procedures to the best of our ability. Internal audit follow up reports also ensure any recommendations we receive are embedded into the organisation in good time.

Scottish Refugee Council continued to partner the British Refugee Council and Welsh Refugee Council on the Joint Client Database, a client database that is used across all of our services.

We continued to be active in ensuring volunteering opportunities for refugee and asylum seekers and recruited over 100 volunteers in roles during the year. A third of our volunteers are refugees and people seeking asylum.

To support our fundraising activities the board agreed to develop a programme of ambassadors – high profile and influential individuals who could increase our reach amongst target audience. During this period, we recruited two ambassadors.

We continued to grow our membership and supporter base. As of end of March 2017, there are 137 members. Sixteen of the members are refugee-led groups.
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Report of the Directors for the year ended 31 March 2017

Monitoring achievement

The board monitors the activities of the charitable company through a number of different approaches. The strategic plan sets out the five key strategic priorities of the organisation. The Chief Executive and senior management team develop an annual operational plan that details the activities and targets for each financial year. The board monitors performance of the annual operational plan at each meeting through the Chief Executive’s report that also sets out a number of Key Performance Indicators that help the board with a closer overview of the organisation’s performance. In addition, every year the board receives a strategic plan progress report, which outlines the achievements for the previous year against the five strategic plan themes.

Financial review

Income for the year was £2,291k (2016: £2,383k), a decrease of 3.9%.

Expenditure for the year was £2,236k (2016: £2,298k) a decrease of 2.7%, resulting in net income of £55k (2016: £85k) or 2.4% of incoming resources.

Net movement for the year was a deficit of £8,133 (2016: £143,460), this is a reduction on expectation, however this is linked to carried forward restricted funds of £101,898.

Principal funding sources

Scottish Refugee Council has a diverse funding base as can be seen from note 7, page 24.

The grants received from our charitable activities totalled £2,078k from 16 different funding streams including several small trusts (2016: £2,154k).

Our Scottish Government Strategic Grant was £534k (2016: £534k). Other funding from the Scottish Government was £597k (2016: £627k). Exit funding was received from UKBA (United Kingdom Border Agency) of £38k (2016: £61k).

Other significant sources of funding for the year were Big Lottery £485k (2016: £504k), Heritage Lottery Fund £60k (2016: £36k) and Oak Foundation for the DASS Project £58k (2016: £45k).

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

Risk management

The Board reviews the major risks the charitable company faces and of the systems in place to manage those risks annually. Actions required to strengthen the existing systems and procedures have been identified and progress is monitored.

The six principal risks rated by the Board as high or medium that the charitable company faced in the year ended 31 March 2017 were identified as:

- Sources of funding become constrained due to changes in economic environment or non statutory funders;
- Public attitudes towards refugees and asylum seekers deteriorate;
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Report of the Directors for the year ended 31 March 2017

Risk management continued

- Changes in governments' policy results in loss of business (Scotland, Glasgow, UK and Europe);
- Unable to meet pension liability;
- Effective strategic relationships are not developed and maintained leading to loss of reputation, business and our role as Scotland’s leading refugee agency;
- Governance fails in managing financial controls, regulation compliance or proactive malicious behaviour.

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

Going Concern

A deficit budget has been approved for the year to 31 March 2018 in order to allow additional capacity to secure future funding and grants. The Scottish Refugee Council holds a healthy cash and bank balance and has continued to meet its liabilities, as they fall due, since the year end. The Directors have therefore prepared the financial statements on a going concern basis.

Reserves policy

After accounting for the defined benefit pension provision, Scottish Refugee Council has built up a fund total of £1,124k, split as £102k restricted funds and £1,022k unrestricted funds, through prudent management.

Providing services to refugees and asylum seekers in a volatile and uncertain market subject to sudden changes in legislation 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 between three and six months, which would be between £559k and £1,118k (2016: £574k - £1,149k).

The actual free reserves at 31 March 2017, those funds not tied up in fixed assets and designated and restricted funds, was £699k. Which is 3.7 months against the target of between 3 – 6 months. For operational purposes the management team look to hold a target of no less than 6 months of unrestricted expenditure, which would be £397k, so with free reserves of £699k this is 10.6 months of unrestricted expenditure. The Directors and management team are continuously looking at ways to increase general reserves and will continue to address this over the coming year.
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Report of the Directors for the year ended 31 March 2017

Plans for the future

In 2016/2017 the organisation consulted widely on the development of a new strategic plan for the period 2017-2020. We asked staff, volunteers, supporters and key external stakeholders on what they thought we should be prioritising over the next few years. The feedback from our consultation told us that:

- We are credible and respected;
- We punch above our weight, particularly in our advocacy and influencing in Scotland and the UK;
- We should remain focused on refugees but look at whether we have a role to play in supporting other displaced people, such as survivors of human trafficking, where there is a need and we have the expertise to do so. We should continue – and do more of – the range of work we are engaged in;
- Stakeholders praised our work in providing support for refugees, integration, raising public awareness and influencing and advocating for change in Scotland and the UK; and
- We should share our expertise as the leading refugee organisation in Scotland and continue partnership working with other organisations across Scotland who are also working with refugees.

The strategic plan 2017-2020 was approved by the Directors in March 2017. During this period, the organisation will work towards the following aims to improve the protection, integration, and welfare of refugees in Scotland and enable refugees' voices to be heard:

- **Challenge and improving public attitudes.** This will include continuing our work with the media as the lead commentator on refugee issues in Scotland;
- **Share our expertise with other organisations in Scotland working with refugees.** This will include further developing our training and consultancy programme across Scotland and develop advice and support services to statutory, voluntary, community and refugee-led organisations in Scotland working with refugees;
- **Help refugees with the support they need to access their rights.** This will include delivering the Scottish Refugee Integration Service and aiming to secure funding when current funding ends in 2018. We will deliver, develop and secure ongoing resources for our existing services for people in the asylum process and seek resources for new complementary services. We will also deliver the Scottish Guardianship Service with our partner, Aberlour Childcare Trust, and secure the ongoing service when the Scottish Government tenders this service.
- **Advocate for the rights of refugees and fair and just legislation and policies.** This will include safeguarding and seeking to progress refugees' rights in light of constitutional change and influencing the focus, content and implementation of New Scots, Scotland's second national refugee integration strategy
- **Improving our effectiveness, efficiency and value for money.** We will continue to diversify our income to support the delivery of this new strategy and we will implement a digital strategy across all of the aims to improve our efficient and effectiveness.

The board will continue to review its approaches to dealing with the potential pension scheme liability and develop an ethical approach and investment policy for maximising the returns on the organisation's reserves.
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Report of the Directors for the year ended 31 March 2017

Structure, governance and management

_Governing Document_

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 charitable company 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 and two resignations in 2016/17. At the AGM held on 3 March 2017 one director was required to stand down as he had served the maximum of 2 terms on the board.

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;
SCOTTISH REFUGEE COUNCIL

Report of the Directors for the year ended 31 March 2017

Directors' induction and training continued

- 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 2016/17 in addition to the normal board meeting cycle, a Board Strategic Review Day was held in November 2016.

Key management personnel remuneration

The Directors consider the board of directors, the chief executive and the senior management team as comprising the key management personnel of the charity in charge of directing and controlling the charity and running and operating the charity on a day to day basis. All directors give their time freely and no trustee remuneration was paid in the year.

Details of trustee expenses and related party transactions are disclosed in note 4 to the accounts.

The pay of the chief executive and senior management team are based on the SCVO (Scottish Council for Voluntary Organisations) approved SJC (Scottish Joint Council) pay scales, widely used in the third sector. Per the standard terms and conditions of the charity, pay increases will be reviewed annually in line with the SJС scales.

Details of the total paid to key management personnel are disclosed in note 12 to the accounts.

Reference and administrative details

Details are given below of the charity’s current trustees, officers and advisers, together with contact details, company and charity numbers.

Trustees
Susan Moody Chair
Liz Leonard Vice-Chair
Katharine Jones
James Jopling
Dorothy Murray
Laurie Naumann Stood down 3 March 2017
Janine Hunt
Mohamed Omar
Monish Bhatia
Humma Irum Wilson Resigned 24 January 2017
Debora Kayembe
Syed Rohullah Naqvi Resigned 19 January 2017
Ian Fulton Appointed 3 March 2017
Peter Lloyd Co-opted 1 July 2017
Ali Mudassir Co-opted 1 July 2017

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Report of the Directors for the year ended 31 March 2017

Reference and administrative details continued

Key management personnel
Chief Executive                   John Wilkes Resigned 19 April 2017
Interim Chief Executive           Gary Christie Appointed 1 April 2017
Head of Policy and Communications Gary Christie
Head of Refugee Integration Services Wafa Shaheen Appointed 27 Sept 2016
Head of Funding Development       Flutura Shala
Head of Finance and Administration Kes Cameron

Ambassadors
Omar Hassan
Amal Azzudin
Amanda McMillan

Registered Office
38 Cadogan Street
Glasgow
G2 7HF

Operational Address
6th Floor
Portland House
13-17 Renfield Street
Glasgow
G2 5AH

Charity Number: SC008639

Company Number: SC145067

Auditor
Alexander Sloan
38 Cadogan Street
Glasgow
G2 7HF

Bankers
Bank of Scotland
32a Chambers Street
Edinburgh
EH1 1JB

Directors’ responsibilities in relation to the financial statements

The charitable company directors are responsible for preparing a directors’ annual report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).
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Report of the Directors for the year ended 31 March 2017

Directors' responsibilities in relation to the financial statements continued

Company law requires the directors to prepare financial statements for each year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing the financial statements, the Directors 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 business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and 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 the Charities Accounts (Scotland) Regulations 2006 (as amended). They 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.

Statement of disclosure of information to the Auditor

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 above report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

Approved by the directors on 17 August 2017 and signed on their behalf by:

Susan Moody
Chair of the Board

Dorothy Murray
Chair of the Finance & Audit Committee
INDEPENDENT AUDITOR’S REPORT TO THE MEMBERS AND DIRECTORS OF SCOTTISH REFUGEE COUNCIL FOR THE YEAR ENDED 31 MARCH 2017

We have audited the financial statements of Scottish Refugee Council for the year ended 31 March 2017 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cashflows and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

This report is made exclusively to the members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and to the charitable company'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 charitable company's members and 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 charitable company and its members and 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 on page 12 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.

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 Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charitable company's circumstances and have been consistently and adequately disclosed; the reasonableness of significant accounting estimates made by the Directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Directors’ Annual Report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2017 and of its Incoming resources and application of resources, including its income and expenditure, for the year then ended;
INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS AND DIRECTORS OF
SCOTTISH REFUGEE COUNCIL FOR THE YEAR ENDED 31 MARCH 2017

- have been properly prepared in accordance with United Kingdom Accounting
  Standard applicable in the UK and Republic of Ireland; and
- have been prepared in accordance 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).

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, and
has been prepared in accordance with applicable legal requirements.

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 accounting 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.

Opinion on other matters

The financial statements for the year ended 31 March 2016 were audited by another firm of
auditors. Their audit report dated 18 August 2016 gave an unmodified audit report.

Allison Devine
Senior Statutory Auditor
For and on behalf of Alexander Sloan, Statutory Auditor
Chartered Accountants
38 Cadogan Street
Glasgow
G2 7HF

17 August 2017
SCOTTISH REFUGEE COUNCIL  
STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 MARCH 2017  
(Incorporating Income and Expenditure account)

<table>
<thead>
<tr>
<th>Notes</th>
<th>Unrestricted Funds 2017</th>
<th>Restricted Funds 2017</th>
<th>Total Funds 2017</th>
<th>Unrestricted Funds 2016</th>
<th>Restricted Funds 2016</th>
<th>As Restated Total Funds 2016</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>£</td>
<td>£</td>
<td>£</td>
<td>£</td>
<td>£</td>
<td>£</td>
</tr>
<tr>
<td>Income</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Donations and legacies</td>
<td>5</td>
<td>123,451</td>
<td>-</td>
<td>123,451</td>
<td>135,485</td>
<td>-</td>
</tr>
<tr>
<td>Charitable activities</td>
<td>6</td>
<td>607,817</td>
<td>1,543,935</td>
<td>2,151,752</td>
<td>687,785</td>
<td>1,543,899</td>
</tr>
<tr>
<td>Investments</td>
<td></td>
<td>15,787</td>
<td>-</td>
<td>15,787</td>
<td>24,543</td>
<td>-</td>
</tr>
<tr>
<td>Total Income</td>
<td></td>
<td>747,058</td>
<td>1,543,935</td>
<td>2,290,993</td>
<td>638,813</td>
<td>1,543,609</td>
</tr>
<tr>
<td>Expenditure</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Raising funds</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Raising donations &amp; legacies</td>
<td>8</td>
<td>123,720</td>
<td>-</td>
<td>123,720</td>
<td>132,305</td>
<td>-</td>
</tr>
<tr>
<td>Charitable activities</td>
<td>9</td>
<td>670,368</td>
<td>1,442,037</td>
<td>2,112,405</td>
<td>621,908</td>
<td>1,543,699</td>
</tr>
<tr>
<td>Total Expenditure</td>
<td></td>
<td>794,088</td>
<td>1,442,037</td>
<td>2,236,122</td>
<td>754,273</td>
<td>1,543,699</td>
</tr>
<tr>
<td>Net (expenditure)/income</td>
<td></td>
<td>(47,031)</td>
<td>101,838</td>
<td>54,807</td>
<td>64,540</td>
<td>-</td>
</tr>
<tr>
<td>Other recognised (losses)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Actuarial (losses) on defined benefit pension scheme</td>
<td></td>
<td>(63,000)</td>
<td>-</td>
<td>(63,000)</td>
<td>(128,000)</td>
<td>-</td>
</tr>
<tr>
<td>Net movement in funds</td>
<td></td>
<td>(110,031)</td>
<td>101,838</td>
<td>(6,133)</td>
<td>(143,460)</td>
<td>-</td>
</tr>
<tr>
<td>Reconciliation of Funds</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total funds brought forward</td>
<td>21</td>
<td>1,132,610</td>
<td>-</td>
<td>1,132,610</td>
<td>1,276,070</td>
<td>-</td>
</tr>
<tr>
<td>Total funds carried forward</td>
<td>21</td>
<td>1,022,579</td>
<td>101,838</td>
<td>1,124,417</td>
<td>1,132,610</td>
<td>-</td>
</tr>
</tbody>
</table>

The Statement of Financial Activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The notes on pages 19 to 33 form part of these financial statements.
SCOTTISH REFUGEE COUNCIL

BALANCE SHEET AS AT 31 MARCH 2017

<table>
<thead>
<tr>
<th></th>
<th>Notes</th>
<th>Unrestricted Funds £</th>
<th>Restricted Funds £</th>
<th>Total Funds 2017 £</th>
<th>As Restated Total Funds 2016 £</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Fixed assets:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Tangible assets</td>
<td>14</td>
<td>176,856</td>
<td>-</td>
<td>176,856</td>
<td>1,392</td>
</tr>
<tr>
<td>Total Fixed Assets</td>
<td></td>
<td></td>
<td></td>
<td>176,856</td>
<td>1,392</td>
</tr>
<tr>
<td><strong>Current assets:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Debtors</td>
<td>15</td>
<td>71,831</td>
<td>126,784</td>
<td>198,615</td>
<td>433,033</td>
</tr>
<tr>
<td>Cash at bank and in hand</td>
<td>24</td>
<td>2,313,683</td>
<td>404,808</td>
<td>2,718,491</td>
<td>2,361,120</td>
</tr>
<tr>
<td>Total Current Assets</td>
<td></td>
<td></td>
<td></td>
<td>2,385,514</td>
<td>2,794,153</td>
</tr>
<tr>
<td><strong>Liabilities:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Creditors - amounts falling due within one year</td>
<td>17</td>
<td>(325,667)</td>
<td>(429,694)</td>
<td>(755,361)</td>
<td>(445,960)</td>
</tr>
<tr>
<td>Net Current assets</td>
<td></td>
<td></td>
<td></td>
<td>2,059,847</td>
<td>2,348,193</td>
</tr>
<tr>
<td>Creditors - amounts falling due after one year</td>
<td>19</td>
<td>(1,214,124)</td>
<td>-</td>
<td>(1,214,124)</td>
<td>(1,216,975)</td>
</tr>
<tr>
<td>Net assets</td>
<td></td>
<td></td>
<td></td>
<td>1,022,579</td>
<td>1,132,610</td>
</tr>
<tr>
<td><strong>The funds of the charity:</strong></td>
<td>21</td>
<td>-</td>
<td>101,898</td>
<td>101,898</td>
<td>-</td>
</tr>
<tr>
<td>Restricted funds</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Unrestricted funds</td>
<td>21</td>
<td>1,022,579</td>
<td>-</td>
<td>1,022,579</td>
<td>1,132,610</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
<td></td>
<td></td>
<td>1,022,579</td>
<td>1,132,610</td>
</tr>
</tbody>
</table>

These financial statements are prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

The financial statements were authorised for issue by the directors on 17 August 2017 and signed on their behalf by:

Susan Moody
Chair

Dorothy Murray
Chair of the Finance & Audit Committee

Charity number: SC008639
Company Registration Number: SC145067
The notes on pages 19 to 33 form part of these financial statements
SCOTTISH REFUGEE COUNCIL

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2017

<table>
<thead>
<tr>
<th>Notes</th>
<th>Total Funds 2017 £</th>
<th>Total Funds 2016 £</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Cash flows from operating activities:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net cash (used in) operating activities</td>
<td>23</td>
<td>542,642</td>
</tr>
</tbody>
</table>

**Cash flows from investing activities:**

| Dividends, interest and rents from investments | 15,787 | 24,543 |
| Purchase of property, plant and equipment | (201,058) | (1,786) |

Net cash provided by investing Activities (185,271) 22,757

Change in cash and cash equivalents in the year 357,371 (586)

Cash and cash equivalent at the beginning of the year 2,361,120 2,361,706

Cash and cash equivalents at the end of the year 2,718,491 2,361,120

The notes on pages 19 to 33 form part of these financial statements
SCOTTISH REFUGEE COUNCIL

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2017

1. Accounting Policies

(a) Basis of preparation and assessment of going concern

The financial statements have been prepared in accordance with the Financial Reporting Standard 102, as issued by the Financial Reporting Council (effective 1 January 2015) the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" and the Companies Act 2006. They are prepared on the historical cost basis.

The charitable company constitutes a public benefit entity as defined by FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

These financial statements are presented in pounds sterling (GBP) as that is the currency in which the charitable company’s transactions are denominated.

The preparation of these financial statements requires the use of certain critical accounting estimates. It also requires directors to exercise their judgement in the process of applying the accounting policies. Use of available information and application of judgement are inherent in the formation of estimates. Actual outcomes in the future could differ from such estimates. The areas involving a high degree of judgement or complexity are disclosed in note 2.

A deficit budget has been approved for the year to 31 March 2018 in order to allow additional capacity to secure future funding and grants. The Scottish Refugee Council holds a healthy cash and bank balance and has continued to meet its liabilities, as they fall due, since the year end. The Directors have therefore prepared the financial statements on a going concern basis.

(b) Income recognition

Income is recognised once the charitable company has legal entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Income from government and other grants, whether ‘capital’ or ‘revenue’ grants, is recognised when the charitable company has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

Income received in advance of the provision of a specified service is deferred until the criteria for income recognition are met (see note 18).

Donations are recognised when the charitable company has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance before the charitable company is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charitable company and it is probable that those conditions will be fulfilled in the reporting period.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charitable company; this is normally upon notification of the interest paid or payable by the bank.
SCOTTISH REFUGEE COUNCIL

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2017

1. Accounting Policies continued

(c) Expenditure recognition

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charitable company to that expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis. All expenses including support costs and governance costs are allocated or apportioned to the applicable expenditure headings. For more information on this attribution refer to note (e) below.

- Costs of raising funds comprise the costs of fundraising materials and salary costs in order to raise voluntary and charitable income and their associated support costs;
- Expenditure on charitable activities includes costs incurred by Scottish Refugee Council in the delivery of activities and services for its beneficiaries and other activities undertaken to further the purposes of the charitable company and their associated support costs;
- Grants payable are payments made to third parties in the furtherance of the charitable objects of the charitable company.

The charitable company deregistered for VAT during the year. As the charitable company had partial exemption status, any irrecoverable VAT was charged as a cost against the activity for which the expenditure is incurred. Since deregistering for VAT all costs are inclusive of VAT.

(d) Donated services and facilities

Donated professional services and donated facilities are recognised as income when the charitable company has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use by the charitable company of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), the general volunteer time is not recognised, and reference can be made to the directors’ annual report for more information about their contribution.

On receipt, donated professional services and donated facilities are recognised on the basis of the value of the gift to the charitable company which is the amount the charitable company would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

(e) Allocation of support and governance costs

Support costs have been allocated between governance costs and other support costs. Governance costs comprise all costs involving the public accountability of the charitable company and its compliance with regulation and good practice. These costs include costs related to statutory audit and legal fees together with an apportionment of overhead and support costs.

Governance costs and support costs relating to charitable activities have been apportioned based on the use of resources. The allocation of support and governance costs is analysed in note 11.
SCOTTISH REFUGEE COUNCIL

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2017

1. Accounting Policies continued

(f) Tangible fixed assets and depreciation

Assets costing more than £500 are capitalised and valued at historical cost.

Depreciation is calculated on a straight line basis as follows:

<table>
<thead>
<tr>
<th>Asset Type</th>
<th>Life</th>
<th>Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tenants Improvements</td>
<td>3 years</td>
<td>33.3%</td>
</tr>
<tr>
<td>Computer Equipment</td>
<td>2 years</td>
<td>50%</td>
</tr>
<tr>
<td>Fixtures &amp; Fittings</td>
<td>3 years</td>
<td>33.3%</td>
</tr>
</tbody>
</table>

(g) Debtors

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

(h) Cash at bank and in hand

Cash at bank and cash 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.

(i) Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

(j) Pensions

Employees of the charitable company are entitled to join a defined contribution 'money purchase' pension scheme.

The money purchase scheme is managed by Aegon UK and the plan invests the contributions made by the employee and employer in an investment fund to build up over the term of the plan. The pension fund is then converted into a pension upon the employee's normal retirement age which is defined as when they are eligible for a state pension.

The charitable company has no liability beyond making its contributions and paying across the deductions for the employee's contributions.

Employees who choose not to join the Aegon UK defined contribution scheme are enrolled in the auto-enrolment Now pension scheme unless they choose to opt-out.

Scottish Refugee Council is also part of the multi-employer defined benefit Scottish Voluntary Sector Pension Scheme (SVSPS) administered by the Pensions Trust. The assets of the scheme are held separately from those of the charitable company. As detailed in note 22, due to the nature of the Scheme, the accounting charge for the period in the statement of financial activities under FRS102 represents the employer contribution payable. The contribution rate is determined by a qualified actuary on the basis of triennial valuations, using the projected unit method.
SCOTTISH REFUGEE COUNCIL

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2017

1. Accounting Policies continued

(j) Pensions

The scheme closed to future accruals on 31 March 2010 due to the deficit situation.

Based on the actuarial valuation at 30 September 2014 and the agreed repayment plan of 13 years and 7 months, as agreed with the Pensions Trust, a net present value liability relative to the pension deficit has been calculated and recognised on the balance sheet from the 1 April 2014 onwards. This has been restated on the 2015 opening and closing figures, and any movement on the net present value has been recognised on the statement of financial activities. The discount rate is based on the discount rate used for government bonds.

(k) Fund accounting

Unrestricted funds comprise those funds which the directors are free to use for any purpose in furtherance of the charitable objects. Unrestricted funds include designated funds where the directors, at their discretion, have created funds for specific purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by the donor or trust deed, or through the terms of an appeal.

Further details of each fund are disclosed in note 21.

(l) 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.

(m) Financial instruments

The charitable company 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.

(n) Taxation

No taxation is provided for as all the income of the charitable company’s activities falls within the exemptions of sections 466 to 493 of the Corporation Tax Act 2010 (CTA 2010).
SCOTTISH REFUGEE COUNCIL
NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2017

2. Critical judgements & estimates

*Judgements in applying policies and key sources of estimation uncertainty*

In preparing the financial statements, management is required to make estimates and assumptions which affect reported income, expenses, assets, and liabilities. Use of available information and application of judgement are inherent in the formation of estimates, together with past experience and expectations of future events that are believed to be reasonable under the circumstances. Actual results in the future could differ from such estimates. The Trustees are satisfied that the accounting policies are appropriate and applied consistently. Key sources of estimation have been applied as follows:

<table>
<thead>
<tr>
<th>Estimate</th>
<th>Basis of estimation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Obligation under pension scheme.</td>
<td>This has relied on the actuarial assumptions of a qualified actuary which have been reviewed and are considered reasonable and appropriate.</td>
</tr>
</tbody>
</table>

3. Legal status

The charitable company is a registered Scottish charity.

The charitable company is a company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £1.

4. Related party transactions and directors' expenses and remuneration

The directors all give freely their time and expertise without any form of remuneration or other benefit in cash or kind (2016: £nil). Expenses paid to the directors in the year totalled £1,344 (2016: £1,512). These expenses were made up of 8 directors reimbursed for their travel expenses.

During the year no director had any personal interest in any contract or transaction entered into by the charitable company (2016: none).

Scottish Detainee Visitors occupy a room within the Scottish Refugee Council property and contribute towards overhead costs. Scottish Refugee Council director Katharine Jones is also a director of Scottish Detainee Visitors. There was no balance outstanding at the year end.

3 directors donated £493 during the year. (2016: 6 directors, £1,401).

The organisation purchased Trustee Indemnity Insurance totalling £1,325 (2016: £1,325).
SCOTTISH REFUGEE COUNCIL

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2017

5. Income from donations and legacies

<table>
<thead>
<tr>
<th></th>
<th>2017</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Donations and membership</td>
<td>122,451</td>
<td>135,485</td>
</tr>
<tr>
<td>Gifts in Kind</td>
<td>1,000</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>123,451</strong></td>
<td><strong>135,485</strong></td>
</tr>
</tbody>
</table>

6. Income from charitable activities

<table>
<thead>
<tr>
<th></th>
<th>2017</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Grants (note 7)</td>
<td>2,077,935</td>
<td>2,153,851</td>
</tr>
<tr>
<td>Training, events and publications</td>
<td>73,817</td>
<td>68,633</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>2,151,752</strong></td>
<td><strong>2,222,484</strong></td>
</tr>
</tbody>
</table>

7. Grants

<table>
<thead>
<tr>
<th></th>
<th>2017</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Scottish Government – Strategic</td>
<td>534,000</td>
<td>534,000</td>
</tr>
<tr>
<td>Scottish Government – Housing</td>
<td>130,000</td>
<td>130,000</td>
</tr>
<tr>
<td>Scottish Government – PSP</td>
<td>-</td>
<td>221,866</td>
</tr>
<tr>
<td>Scottish Government - Guardianship</td>
<td>300,000</td>
<td>205,000</td>
</tr>
<tr>
<td>Scottish Government – Peer Pilot</td>
<td>49,060</td>
<td>-</td>
</tr>
<tr>
<td>Scottish Government – Syrian VPR</td>
<td>135,382</td>
<td>70,208</td>
</tr>
<tr>
<td>UKBA transition costs</td>
<td>38,117</td>
<td>61,240</td>
</tr>
<tr>
<td>Big Lottery – Improving Lives of Refugees</td>
<td>331,904</td>
<td>-</td>
</tr>
<tr>
<td>Big Lottery – Joining a New Community</td>
<td>153,371</td>
<td>489,882</td>
</tr>
<tr>
<td>Local Authorities</td>
<td>138,511</td>
<td>51,224</td>
</tr>
<tr>
<td>DASS (Oak Foundation)</td>
<td>57,963</td>
<td>45,365</td>
</tr>
<tr>
<td>ESF Priority Works</td>
<td>-</td>
<td>(2,006)</td>
</tr>
<tr>
<td>EIF – BRC</td>
<td>-</td>
<td>30,207</td>
</tr>
<tr>
<td>Big Lottery – Investing in Ideas</td>
<td>-</td>
<td>14,358</td>
</tr>
<tr>
<td>Heritage Lottery Fund</td>
<td>60,221</td>
<td>36,318</td>
</tr>
<tr>
<td>Comic Relief</td>
<td>42,723</td>
<td>123,207</td>
</tr>
<tr>
<td>Creative Scotland</td>
<td>27,857</td>
<td>-</td>
</tr>
<tr>
<td>Mental Health Foundation</td>
<td>20,000</td>
<td>-</td>
</tr>
<tr>
<td>NHS Greater Glasgow &amp; Clyde</td>
<td>6,850</td>
<td>19,409</td>
</tr>
<tr>
<td>Small Trusts (&lt; £10,000)</td>
<td>51,976</td>
<td>57,880</td>
</tr>
<tr>
<td>HBOS</td>
<td>-</td>
<td>22,868</td>
</tr>
<tr>
<td>Diana, Princess of Wales, Memorial Fund</td>
<td>-</td>
<td>4,700</td>
</tr>
<tr>
<td>Henry Smith Charity</td>
<td>-</td>
<td>23,600</td>
</tr>
<tr>
<td>ECRE</td>
<td>-</td>
<td>14,525</td>
</tr>
</tbody>
</table>

**Total** | **2,077,935** | **2,153,851** |
8. Raising funds – expenditure on raising donations and legacies

<table>
<thead>
<tr>
<th></th>
<th>Direct Costs</th>
<th>Support Costs</th>
<th>Total 2017</th>
<th>As Restated Total 2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Seeking donations &amp; grants</td>
<td>83,789</td>
<td>36,014</td>
<td>119,803</td>
<td>127,875</td>
</tr>
<tr>
<td>Governance costs (note 11)</td>
<td>-</td>
<td>3,917</td>
<td>3,917</td>
<td>4,430</td>
</tr>
<tr>
<td></td>
<td><strong>83,789</strong></td>
<td><strong>39,931</strong></td>
<td><strong>123,720</strong></td>
<td><strong>132,305</strong></td>
</tr>
</tbody>
</table>

9. Analysis of expenditure on charitable activities

<table>
<thead>
<tr>
<th></th>
<th>Direct Costs</th>
<th>Support Costs</th>
<th>Total 2017</th>
<th>As Restated Total 2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Refugee &amp; Asylum Services</td>
<td>854,487</td>
<td>242,014</td>
<td>1,096,501</td>
<td>1,322,200</td>
</tr>
<tr>
<td>Refugee Integration</td>
<td>532,903</td>
<td>183,372</td>
<td>716,275</td>
<td>517,486</td>
</tr>
<tr>
<td>Policy &amp; Advocacy</td>
<td>194,806</td>
<td>104,821</td>
<td>299,627</td>
<td>325,960</td>
</tr>
<tr>
<td></td>
<td><strong>1,582,196</strong></td>
<td><strong>530,207</strong></td>
<td><strong>2,112,403</strong></td>
<td><strong>2,165,666</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Refugee and Asylum Services</th>
<th>Refugee Integration</th>
<th>Policy &amp; Advocacy</th>
<th>Total 2017</th>
<th>As Restated Total 2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Staff costs</td>
<td>318,633</td>
<td>301,341</td>
<td>125,638</td>
<td>745,612</td>
</tr>
<tr>
<td>Charitable events/costs</td>
<td>451,917</td>
<td>162,165</td>
<td>10,184</td>
<td>624,266</td>
</tr>
<tr>
<td>Travelling costs</td>
<td>5,844</td>
<td>10,652</td>
<td>8,712</td>
<td>25,208</td>
</tr>
<tr>
<td>Printing &amp; stationery</td>
<td>7,073</td>
<td>7,874</td>
<td>5,267</td>
<td>20,214</td>
</tr>
<tr>
<td>Telephone &amp; ICT</td>
<td>38,508</td>
<td>20,449</td>
<td>17,058</td>
<td>76,015</td>
</tr>
<tr>
<td>General (interest charges &amp; depreciation)</td>
<td>20,350</td>
<td>19,750</td>
<td>19,750</td>
<td>59,850</td>
</tr>
<tr>
<td>Volunteering costs</td>
<td>4,732</td>
<td>3,461</td>
<td>985</td>
<td>9,178</td>
</tr>
<tr>
<td>Professional costs</td>
<td>7,430</td>
<td>7,211</td>
<td>7,212</td>
<td>21,853</td>
</tr>
<tr>
<td>Governance costs (note 11)</td>
<td>11,748</td>
<td>11,748</td>
<td>11,748</td>
<td>35,244</td>
</tr>
<tr>
<td>Support costs (note 11)</td>
<td>230,266</td>
<td>171,624</td>
<td>93,073</td>
<td>494,963</td>
</tr>
<tr>
<td></td>
<td><strong>1,096,501</strong></td>
<td><strong>716,275</strong></td>
<td><strong>299,627</strong></td>
<td><strong>2,112,403</strong></td>
</tr>
</tbody>
</table>
SCOTTISH REFUGEE COUNCIL

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2017

10. Summary analysis of expenditure and related income for charitable activities

<table>
<thead>
<tr>
<th></th>
<th>Refugee and Asylum Services £</th>
<th>Refugee Integration £</th>
<th>Policy &amp; Advocacy £</th>
<th>Total £</th>
</tr>
</thead>
<tbody>
<tr>
<td>Charitable activities</td>
<td>1,096,501</td>
<td>716,275</td>
<td>299,627</td>
<td>2,112,403</td>
</tr>
<tr>
<td>Direct grant support</td>
<td>(1,106,761)</td>
<td>(603,514)</td>
<td>(82,630)</td>
<td>(1,792,905)</td>
</tr>
<tr>
<td>Net cost funded from other income</td>
<td>(10,260)</td>
<td>112,761</td>
<td>216,997</td>
<td>319,498</td>
</tr>
</tbody>
</table>

11. Allocation of governance and support costs

The breakdown of support costs and how these were allocated between governance and other support costs is shown in the table below:

Support Costs - Breakdown by activities

<table>
<thead>
<tr>
<th></th>
<th>Total £</th>
<th>Raising funds £</th>
<th>Refugee &amp; Asylum Services £</th>
<th>Refugee Integration £</th>
<th>Policy &amp; Advocacy £</th>
<th>Governance £</th>
</tr>
</thead>
<tbody>
<tr>
<td>Salaries</td>
<td>298,457</td>
<td>14,902</td>
<td>110,133</td>
<td>104,699</td>
<td>50,690</td>
<td>18,033</td>
</tr>
<tr>
<td>Other staff costs</td>
<td>42,861</td>
<td>-</td>
<td>14,573</td>
<td>14,144</td>
<td>10,715</td>
<td>3,429</td>
</tr>
<tr>
<td>Rent &amp; rates</td>
<td>115,337</td>
<td>11,534</td>
<td>57,668</td>
<td>28,834</td>
<td>17,301</td>
<td>-</td>
</tr>
<tr>
<td>Property costs</td>
<td>95,783</td>
<td>9,578</td>
<td>47,892</td>
<td>23,946</td>
<td>14,367</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td>552,438</td>
<td>36,014</td>
<td>230,266</td>
<td>171,623</td>
<td>93,073</td>
<td>21,462</td>
</tr>
</tbody>
</table>

Salaries, other staff costs and past service defined benefit expense are apportioned on time spent and rent, rates and property costs on usage.

As Restated

<table>
<thead>
<tr>
<th></th>
<th>2017 £</th>
<th>2016 £</th>
</tr>
</thead>
<tbody>
<tr>
<td>Governance costs:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Director’s expenses</td>
<td>1,344</td>
<td>1,512</td>
</tr>
<tr>
<td>Auditor’s remuneration</td>
<td>8,822</td>
<td>8,318</td>
</tr>
<tr>
<td>Secretary fees</td>
<td>-</td>
<td>5,202</td>
</tr>
<tr>
<td>Costs of meetings</td>
<td>7,532</td>
<td>8,593</td>
</tr>
<tr>
<td>Support costs (see above)</td>
<td>21,462</td>
<td>20,680</td>
</tr>
<tr>
<td></td>
<td>39,160</td>
<td>44,305</td>
</tr>
</tbody>
</table>

Governance costs are split into activities as follows:

<table>
<thead>
<tr>
<th></th>
<th>Total £</th>
<th>Raising funds £</th>
<th>Refugee &amp; Asylum Services £</th>
<th>Refugee Integration £</th>
<th>Policy &amp; Advocacy £</th>
</tr>
</thead>
<tbody>
<tr>
<td>Governance costs</td>
<td>39,160</td>
<td>3,916</td>
<td>11,748</td>
<td>11,748</td>
<td>11,748</td>
</tr>
</tbody>
</table>
SCOTTISH REFUGEE COUNCIL

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2017

12. Analysis of staff costs and remuneration of key management personnel

<table>
<thead>
<tr>
<th></th>
<th>As</th>
<th>Restated</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2017</td>
<td>2016</td>
</tr>
<tr>
<td>Salaries and wages</td>
<td>£912,368</td>
<td>£986,598</td>
</tr>
<tr>
<td>Social security costs</td>
<td>£72,642</td>
<td>£78,603</td>
</tr>
<tr>
<td>Employer contributions to defined contribution pension schemes</td>
<td>£82,726</td>
<td>£84,631</td>
</tr>
<tr>
<td>Employer contributions to defined benefit pension schemes</td>
<td>£10,840</td>
<td>£11,381</td>
</tr>
</tbody>
</table>

**Total staff costs and employee benefits**

|                                      | 1,078,576                   | 1,161,213                  |

The charitable company paid scheme fees of £10,840 to the defined benefit pension plan, operated by The Pensions Trust (2016: £11,381). For more information about the pension contributions refer to note 22.

The number of employees whose employee benefits fell within the following bands are as follows:

<table>
<thead>
<tr>
<th></th>
<th>2017</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>£70,000 - £80,000</td>
<td>£</td>
<td>£</td>
</tr>
</tbody>
</table>

1
1

The key management personnel of the charitable company comprise of the chief executive and the senior management team. The total employee costs of the key management personnel were £262,062 (2016: £256,977).

<table>
<thead>
<tr>
<th></th>
<th>As</th>
<th>2017</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>restated</td>
<td>No.</td>
<td>No.</td>
</tr>
<tr>
<td>The average number of persons, by headcount, employed by the charity during the year was:</td>
<td>38</td>
<td>42</td>
<td></td>
</tr>
</tbody>
</table>

13. Net income for the year

This is stated after charging:

<table>
<thead>
<tr>
<th></th>
<th>2017</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Depreciation</td>
<td>£25,594</td>
<td>394</td>
</tr>
<tr>
<td>Auditor’s remuneration:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>External Audit Fees</td>
<td>£6,012</td>
<td>6,780</td>
</tr>
<tr>
<td>Under/(Over) accrual in prior year</td>
<td>£1,788</td>
<td>(1,636)</td>
</tr>
<tr>
<td>Internal Audit Fees</td>
<td>£1,022</td>
<td>3,174</td>
</tr>
<tr>
<td></td>
<td>£8,822</td>
<td>8,318</td>
</tr>
</tbody>
</table>

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SCOTTISH REFUGEE COUNCIL

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2017

14. Tangible fixed assets

<table>
<thead>
<tr>
<th></th>
<th>Tenants Improvements</th>
<th>Computer Equipment</th>
<th>Fixtures &amp; Fittings</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>£</td>
<td>£</td>
<td>£</td>
<td>£</td>
</tr>
<tr>
<td>Cost or valuation</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>At 1 April 2016</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Additions</td>
<td>132,206</td>
<td>61,436</td>
<td>7,416</td>
<td>201,058</td>
</tr>
<tr>
<td>Disposals</td>
<td>-</td>
<td>(113,858)</td>
<td>(2,521)</td>
<td>(116,379)</td>
</tr>
<tr>
<td>At 31 March 2017</td>
<td>132,206</td>
<td>108,983</td>
<td>7,416</td>
<td>248,605</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Depreciation</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>At 1 April 2016</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Charge for the year</td>
<td>13,517</td>
<td>11,218</td>
<td>859</td>
<td>25,594</td>
</tr>
<tr>
<td>Eliminated on</td>
<td>-</td>
<td>(113,858)</td>
<td>(2,521)</td>
<td>(116,379)</td>
</tr>
<tr>
<td>disposals</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>At 31 March 2017</td>
<td>13,517</td>
<td>57,373</td>
<td>859</td>
<td>71,749</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net book value</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>At 31 March 2017</td>
<td>118,689</td>
<td>51,610</td>
<td>6,557</td>
<td>176,856</td>
</tr>
<tr>
<td>At 31 March 2016</td>
<td></td>
<td>1,392</td>
<td>-</td>
<td>1,392</td>
</tr>
</tbody>
</table>

15. Debtors

<table>
<thead>
<tr>
<th></th>
<th>2017</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Trade debtors</td>
<td>104,960</td>
<td>286,352</td>
</tr>
<tr>
<td>Prepayments and accrued income</td>
<td>93,655</td>
<td>146,681</td>
</tr>
<tr>
<td></td>
<td>198,615</td>
<td>433,033</td>
</tr>
</tbody>
</table>

16. Financial assets and liabilities

<table>
<thead>
<tr>
<th></th>
<th>2017</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Financial assets at amortised cost</td>
<td>198,615</td>
<td>433,033</td>
</tr>
<tr>
<td>Financial liabilities</td>
<td>755,361</td>
<td>445,960</td>
</tr>
</tbody>
</table>

Financial assets at amortised cost comprise of trade debtors, accrued income and prepayments, all due within one year.

Financial liabilities comprise of trade and other creditors, social security costs, deferred income, defined benefit pension scheme liability and accrued expenses, all due within one year.
17. Creditors: amounts falling due within one year

<table>
<thead>
<tr>
<th></th>
<th>2017</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Trade creditors</td>
<td>130,622</td>
<td>55,473</td>
</tr>
<tr>
<td>Other creditors and accruals</td>
<td>64,395</td>
<td>28,030</td>
</tr>
<tr>
<td>Deferred income (Note 18)</td>
<td>429,995</td>
<td>225,781</td>
</tr>
<tr>
<td>Taxation and social security costs</td>
<td>32,473</td>
<td>41,651</td>
</tr>
<tr>
<td>Defined benefit pension scheme (note 22)</td>
<td>97,876</td>
<td>95,025</td>
</tr>
<tr>
<td></td>
<td>755,361</td>
<td>445,960</td>
</tr>
</tbody>
</table>

At the year end date there were pension contributions outstanding of £12,058 (2016: £8,437).

18. Deferred income

<table>
<thead>
<tr>
<th></th>
<th>£</th>
</tr>
</thead>
<tbody>
<tr>
<td>Balance as at 1 April 2016</td>
<td>225,781</td>
</tr>
<tr>
<td>Amount released to income earned from charitable activities</td>
<td>(225,781)</td>
</tr>
<tr>
<td>Amount deferred in year</td>
<td>429,995</td>
</tr>
<tr>
<td></td>
<td>429,995</td>
</tr>
</tbody>
</table>

Deferred income comprises income received before the year end, for use on charitable activities during the 2017/18 financial year end. All deferred income relates to funds received in advance of the period to which the project relates.

19. Creditors: amounts falling due after one year

<table>
<thead>
<tr>
<th></th>
<th>2017</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Defined benefit pension scheme (note 22)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Due &gt; 1 year</td>
<td>1,214,124</td>
<td>1,216,975</td>
</tr>
<tr>
<td></td>
<td>1,214,124</td>
<td>1,216,975</td>
</tr>
</tbody>
</table>

The defined benefit pension scheme liability due in less than one year is included under note 17.

20. Lease commitments

<table>
<thead>
<tr>
<th></th>
<th>Rent 2017</th>
<th>Rent 2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Commitments under lease agreements at each representative year end are as follows:</td>
<td>£</td>
<td>£</td>
</tr>
<tr>
<td>Building – 5 Cadogan Square</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1 year</td>
<td>-</td>
<td>111,071</td>
</tr>
<tr>
<td>2 – 5 years</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Building – Renfield Street</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1 year</td>
<td>27,442</td>
<td>-</td>
</tr>
<tr>
<td>2 – 5 years</td>
<td>173,802</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td>201,244</td>
<td>111,071</td>
</tr>
</tbody>
</table>
SCOTTISH REFUGEE COUNCIL

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2017

20. Lease commitments continued

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

21. Analysis of charitable funds

<table>
<thead>
<tr>
<th>Analysis of Fund movements</th>
<th>Balance 01 Apr 16 £</th>
<th>Income £</th>
<th>(Expenditure)/Gains/(Losses) £</th>
<th>Transfers £</th>
<th>Balance 31 Mar 17 £</th>
</tr>
</thead>
<tbody>
<tr>
<td>Unrestricted funds (a)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>General funds</td>
<td>862,610</td>
<td>747,055</td>
<td>(754,279)</td>
<td>(155,976)</td>
<td>699,410</td>
</tr>
<tr>
<td>Designated funds (b)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Fixed Assets</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>176,856</td>
<td>176,856</td>
</tr>
<tr>
<td>Define Benefit Pension</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Scheme</td>
<td>-</td>
<td>-</td>
<td>47,000</td>
<td>47,000</td>
<td>47,000</td>
</tr>
<tr>
<td>Development &amp; change</td>
<td>100,000</td>
<td>-</td>
<td>(41,186)</td>
<td>(4,501)</td>
<td>54,313</td>
</tr>
<tr>
<td>ICT</td>
<td>70,000</td>
<td>-</td>
<td>(21,265)</td>
<td>(3,735)</td>
<td>45,000</td>
</tr>
<tr>
<td>Property</td>
<td>100,000</td>
<td>-</td>
<td>(40,356)</td>
<td>(59,644)</td>
<td>-</td>
</tr>
<tr>
<td>Total unrestricted funds</td>
<td>270,000</td>
<td>-</td>
<td>(102,807)</td>
<td>155,976</td>
<td>323,169</td>
</tr>
<tr>
<td>Restricted fund (c)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Refugee &amp; Asylum Services</td>
<td>- 1,106,761</td>
<td>(1,033,360)</td>
<td>-</td>
<td>73,401</td>
<td></td>
</tr>
<tr>
<td>Refugee Integration</td>
<td>- 432,174</td>
<td>(403,677)</td>
<td>-</td>
<td>26,497</td>
<td></td>
</tr>
<tr>
<td>Policy &amp; Advocacy</td>
<td>- 5,000</td>
<td>(5,000)</td>
<td>-</td>
<td>-</td>
<td></td>
</tr>
<tr>
<td>Total restricted funds</td>
<td>- 1,543,935</td>
<td>(1,442,037)</td>
<td>-</td>
<td>101,898</td>
<td></td>
</tr>
<tr>
<td>TOTAL FUNDS</td>
<td>1,132,610</td>
<td>2,290,990</td>
<td>(2,299,123)</td>
<td>-</td>
<td>1,124,477</td>
</tr>
</tbody>
</table>

a) The unrestricted funds are available to be spent for any of the purposes of the charitable company.

b) The Directors have created the following designated funds:

Fixed Assets: this fund is to separate the net book value of fixed assets from general reserves as they are not readily available funds.

Defined Benefit Pension Scheme: this fund has been set aside to cover a portion of the annual liability paid towards the scheme, and to cover the potential costs of the management liability buy-out scheme the organisation is currently undertaking.

Development & change Reserve: this fund is kept aside to provide for any development or change needs, this can be to fund short term interim periods while transitioning from one project to another, or to fund redundancies, or maternity cover. It will also fund the recruitment costs of the new Chief Executive during 2017/18.
SCOTTISH REFUGEE COUNCIL

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2017

21 Analysis of charitable funds continued

ICT Reserve: this fund is kept to allow for the development and implementation of a new digital strategy during 2017/18.

Transfers represent movements on designated funds, in line with the reserves policy.

Property Reserve: The property reserve was set for use during 2016/17 to cover the move of premises. The reserve was utilised during the year with the balance left on the reserve at 31 March 2017 transferred back into general funds.

c) Restricted funds comprise:

Restricted funds are split into three charitable activities:

Refugee and Asylum Services
This relates to providing services to both refugees and asylum seekers. There are various projects within this charitable activity, which are funded by: Big Lottery (Project ID 10060489), Big Lottery (Project ID: 0010283774), The Scottish Government support the Housing and Guardianship services, The Home Office, The Oak Foundation support the Destitute Asylum Support Service (DASS), Glasgow City Council support the Family Key Work service. Where the terms of the funding have not yet been met, and income is potentially repayable to the funder, this income has been deferred.

At the year end there was a balance on the Big Lottery fund (Project ID: 0010283774) of £73,401, to be spent during 2017/18. All other funding recognised had been fully utilised by the year end.

Refugee Integration
Integration relates to the work around the Scottish Government’s New Scots national Refugee Integration Strategy, covering all arts and community work around integrating refugees. These projects are funded by Scottish Government, Heritage Lottery (Ref: OH-14-06357), Comic Relief, 3 Local Authorities, Creative Scotland, The Big Lottery Awards for All (Project ID: 0010281139) and various small trusts. We also ran a public attitudes campaign during the year funded by the Scottish Government. Where the terms of the funding have not yet been met, and income is potentially repayable to the funder, this income has been deferred.

At the year end there were balances on the following projects, Creative Scotland - Share my Table (£10,774), Children in Need (£261) and Scottish Government Peer Pilot (£17,462), totalling £28,497. All three projects span the year end and the balance of funds will be spent during 2017/18.

Policy & Advocacy
Policy work relates to working with refugees, community groups, partner organisations and others to proactively influence UK and Scottish Government legislation, policy and practice where possible. This work was funded by the Scottish Government and Glasgow University during the year. All funding had been spent at the year end. Where the terms of the funding have not yet been met, and income is potentially repayable to the funder, this income has been deferred.
SCOTTISH REFUGEE COUNCIL

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2017

22. Pensions

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. It is a “last man standing” scheme therefore the charity can be liable to the scheme for orphan liabilities in respect of formerly participating employees.

The Trustee commissions an actuarial valuation of the Scheme every three years.

It is not possible in the normal course of events to identify the share of underlying assets and liabilities belonging to individual participating employers as the scheme is a multi-employer arrangement where the assets are co-mingled for investment purposes, benefits are paid from the total scheme assets, and the contribution rate for all employers is set by reference to the overall financial position of the scheme rather than by reference to individual employer experience. Accordingly, due to the nature of the Scheme, the accounting charge for the period under FRS102 represents the employer contribution payable.

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.

The last formal valuation of the Scheme was performed as at 30 September 2014, by a professionally qualified actuary using the Projected Unit Method. The market value of the Scheme’s assets at the 30 September 2014 was £88.2 million. The valuation revealed a shortfall of assets compared with the value of liabilities of £33.9 million (equivalent to a past service funding level of 72%).

All employer’s in the scheme have entered into an agreement to make additional contributions to fund the scheme’s past service deficit. This obligation has been recognised in terms of Para 28.11A of Financial Reporting Standard 102. At the balance sheet date the present value of this obligation was £1,312,000 (2016 - £1,312,000). This was calculated by reference to the terms of the agreement and discounting the liability using the yield rate of a high quality corporate bond with a similar term. This discount rate used was 1.76% (2016: 2.55%).

The Charity made payments totalling £95,000 (2016: £85,000) to the pension deficit during the year.

The charity made regular contributions of £10,840 (2016: £11,381) to the pension scheme during the year.

Payments to the pension scheme are allocated on the same basis as other staff costs as a support cost, split between activities on the basis of time spent. These are recognised under unrestricted expenditure.
SCOTTISH REFUGEE COUNCIL

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2017

23. Reconciliation of net income to net cash flow from operating activities

<table>
<thead>
<tr>
<th></th>
<th>2017</th>
<th>As restated 2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net income for the year (as per the Statement of Financial Activities)</td>
<td>54,867</td>
<td>84,540</td>
</tr>
<tr>
<td>Adjustments for:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Depreciation charges</td>
<td>25,594</td>
<td>394</td>
</tr>
<tr>
<td>Interest</td>
<td>(15,787)</td>
<td>(24,543)</td>
</tr>
<tr>
<td>Actuarial gain/(loss) on defined benefit pension scheme</td>
<td>(63,000)</td>
<td>(228,000)</td>
</tr>
<tr>
<td>(Increase) in debtors</td>
<td>234,418</td>
<td>(78,450)</td>
</tr>
<tr>
<td>Increase/(decrease) in creditors</td>
<td>306,550</td>
<td>222,716</td>
</tr>
<tr>
<td><strong>Net cash provided by/(used in) operating activities</strong></td>
<td><strong>542,642</strong></td>
<td><strong>(23,343)</strong></td>
</tr>
</tbody>
</table>

24. Analysis of cash and cash equivalents

<table>
<thead>
<tr>
<th></th>
<th>2017</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash in hand</td>
<td>2,718,491</td>
<td>2,361,120</td>
</tr>
<tr>
<td><strong>Total cash and cash equivalents</strong></td>
<td><strong>2,718,491</strong></td>
<td><strong>2,361,120</strong></td>
</tr>
</tbody>
</table>

25. Ultimate controlling party

In the opinion of the directors there is no ultimate controlling party.

26. Prior year restatement

The deficit payments of the Scottish Voluntary Sector Pension Scheme were recognised incorrectly in the prior year. A restatement has taken place to ensure deficit payments are now recognised as reducing the past service deficit through the balance sheet, rather than recognised through the SOFA. The effect of this on the prior year expenditure and actuarial gains/losses on the pension scheme was £60,000 and the overall impact on the charity funds was nil.