



**SCOTTISH REFUGEE COUNCIL
DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020**

Charity number: SC008639

Company number: SC145067

**SCOTTISH REFUGEE COUNCIL
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Report of the Directors for the year ended 31 March 2020

The Directors present their annual report and financial statements of the charitable company for the year ended 31 March 2020.

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 in October 2019 and is effective for accounting periods ending on or after 1 January.

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.

To successfully deliver the objectives, the board of trustees are working under the current strategic plan for the period 2017 to 2020. The plan is informed by refugees and other stakeholders who took part in our consultation process. This year is the final year of our three-year strategic plan. The plan sets out the vision and five key strategic priorities 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** aim to:

1. Challenge and improve public attitudes towards refugees;
2. Share our expertise with other agencies working for refugees and with refugee led organisations in Scotland;
3. Help refugees with the support they need to access their rights;
4. Campaign and advocate for the rights of refugees and for fair and just legislation and policies;
5. Continue to improve our effectiveness, efficiency 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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Strategic Priority 1: Improve public attitudes

- We will continue our work with the media as the lead commentator on refugee issues in Scotland.
- We will create opportunities for refugees to speak for themselves wherever possible and support other voices to speak in support of refugees.
- We will work with partners in the UK to ensure messages from Scotland are part of UK media coverage.
- We will continue to improve our social media messaging.
- We will develop campaigns such as the 'Cup of Tea with a Refugee' campaign which aim to engage refugees and host communities in learning about each other.
- We will continue to coordinate and further develop the annual Refugee Festival Scotland, which provides opportunities to learn about refugees through arts, cultural and community events.
- We will seek new opportunities to use arts, culture, heritage and sport as ways of improving public attitudes.

Strategic Priority 2: Share our expertise

- We will build and develop our training and consultancy programme across Scotland.
- We will develop advice and support services to statutory, voluntary and community organisations in Scotland working with refugees.
- We will implement the Community Development Strategy that we launched in 2016 that provides framework for how we will support and increase the capacity of refugee-led and receiving communities across Scotland.

Strategic Priority 3: Help refugees with the support they need

- We will deliver our Scottish Refugee Integration Service and aim to secure statutory funding when current funding ends in 2019.
- We will deliver, develop and secure ongoing resources for our existing services for people in the asylum process – Family Key Work Service, Destitute Asylum Seeker Service and seek resources for new complementary services.
- We will deliver the Scottish Guardianship Service with our partner, Aberlour Childcare Trust, and secure the ongoing services when the Scottish Government tenders this services to refugee and trafficked children and young people.
- We will develop partnerships and bid for other service opportunities and contracts in Scotland that meet our vision and objectives, in order to best support refugees.

Strategic Priority 4: Rights of refugees

- We will safeguard and seek to progress refugees' rights in light of constitutional change.
- We will work with others across the UK, providing a strong voice from Scotland, to influence UK Government policies and Westminster legislation and scrutiny.
- We will work to secure a Refugee Integration (Scotland) Bill to enshrine the rights of refugees and responsibilities of public authorities into Scottish law and influence the focus, content and implementation of New Scots, Scotland's second national refugee integration strategy.

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- We will advocate for the rights and best interests of refugee children arriving in Scotland through the development of a national framework.

Strategic Priority 5: Effectiveness, efficiency and value for money

- We will maximise the impact and savings from our new central Glasgow office base.
- We will implement our digital strategy to improve engagement with our different stakeholders and to maximise the impact of our staff and volunteers.
- We will diversify our income and grow our supporter and unrestricted income so that we can offer the best support to refugees in Scotland.
- We will continue to support and develop our staff and seek relevant organisation accreditation.
- We will ensure our governance is strong, relevant and includes refugee voices.
- We will support and develop our volunteers and maintain our Investing in Volunteers accreditation.

ACHIEVEMENTS AND PERFORMANCE

Our significant charitable activities during 2019/2020 are broken down into three areas:

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

REFUGEE and ASYLUM SERVICES

Asylum Advice and Support

During this this year, we continued to provide pre asylum support to access asylum procedure. We supported 69 households 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. This is a 20% decrease compared to the previous year.

Destitution for those refused asylum has been a major area of focus in light of SERCO policies to push on evictions. During 19/20, we worked with 483 destitute asylum seekers supporting them with advice, advocacy and support to explore their options. We continued to work in partnership with legal firms facilitating and coordinating access to both Housing and Immigration Advice.

This led to secure 6 months of Scottish Government funding at the end of 2019, starting in January 2020, to deliver Humanitarian Partnership project to focus on those still deemed “over-stayers” in SERCO accommodation. The partnership included three elements:

- Case management support and advocacy delivered by SRC, BRC and Govan Community project managed by SRC
- Community outreach support delivered by Community InfoSource
- Legal representation and support provided by five Legal firms (Fraser Latta, Govan Law Centre, JustRight, Legal Service Agency and Shelter)

SRC and all partners services has been delivered on the phone since we all moved to full home working when lockdown following the Government advice since mid-March 2020. We had to adapt our service provision and find alternative ways of reaching out to people and provide the support

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required including alternative methods to pay destitution grants, through electronic supermarkets vouchers, bank transfer and cheques

The table below shows the positive impact of both increased internal resources and the collaboration work we led with the legal and third sector on the outcomes of support applications for those supported.

	Total number of people dealt with	Number of Section 4 applications completed	Section 4 success rate
April – Jun 19	64	18	50%
July - Sep 19	120	20	56%
Oct- Dec 19	109	38	58%
Jan - Mar 20	190	59	70%

Our Family Key Work Service works with families who have recently claimed asylum and dispersed to Glasgow. We provide advice on preparing for Home Office interviews, asylum support and accommodation issues. During the year, we supported 105 newly dispersed families and 216 children. In addition to advice services, we have been engaging with children through organising activities in partnership with various organisations. When COVID-19 started we had to shift our approach to focus on welfare checks on families. We did this by phoning families to inquire about their welfare as well as providing both emotional and practical assistance. Main issues identified were digital poverty and lack of food. Little understanding of the asylum process and current health pandemic also caused a lot of concern to families.

Our helpline continued operating throughout the year as part of our AMIF work. Intelligence and data gathered from the Helpline is informing the knowledge base part of the Artificial Intelligence of our LiveChat. Since 13th March when we started moving to full Home working, the Helpline capacity increased by allocating four experienced advisers to ensure we can respond to needs. The average number of calls received each day is now 20. While most calls before COVID-19 were around benefits and housing issues for refugees as well as ongoing asylum support issues, new needs have emerged because of the crisis. These are namely digital poverty, lack of food, lack of understanding of the pandemic, difficulties accessing food banks and additional food vouchers offered by the council to school going children.

We have run the Scottish Guardianship Service in partnership with Aberlour Childcare Trust since 2010. Aberlour 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 and trafficked children and young people to be by their side and on their side during and throughout the asylum process. There were 166 new referrals between beginning of April 2019 and the end of March 2020 with a current caseload of 349 cases.

Refugee Integration Service

During the year, we supported 666 newly granted household refugees by providing initial assessments, help with claiming benefit entitlements and access to housing options as well as developing Person-centred Integration Plans.

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Our partners: Workers Educational Association WEA provides ESOL assessments survival English learning and link refugees to college English language provision, while Bridges Programmes support those who are job ready with employability Life Skills courses, NARIC support, and work placements.

Through SRC employment work we collaborated with five employers: Greggs, Starbucks, Glasgow Life, Social Bite, and Glasgow Night Shelter

Resettlement

We continued supporting resettled refugees in Dundee, Perth & Kinross and Angus. During the year we worked with 184 adults from 49 families in Dundee, including 6 families arrived during the year.

A further two families were scheduled to arrive in March, but this has now been postponed due to the pandemic and travel restrictions. There were 78 adults from 23 families in Perth and Arbroath supported through direct service delivery. In Dundee we delivered Peer support programmes by recruiting and training volunteers from resettled refugee families with the aim to 1) Improve Social Connections and Relations, 2) Improve Health and Wellbeing outcomes and 3) Support individuals on a one to one basis.

The third element of the project in Dundee is Learning and development with the aim to:

- Develop and implement a workforce development strategy, which builds the confidence and skills of our workforce in supporting refugees
- Develop and implement a learning and development plan, linked to the workforce development strategy, which enables our multi agency and multi-disciplinary workforce to identify and support refugees and to understand the differing immigration status people may have.

We started delivering on this learning programme by making a learning needs assessment, producing a learning strategy and delivering some sessions with Dundee City Council staff and third sector partners. For the sustainability of this programme, we have started developing e-learning tools and material.

Dundee Health and Social Care partnership decided to extend our contract for a further year until March 2021, while Perth & Kinross Council decided to extend our service in Perth for 6 months until September 2020.

Family Integration Practice

We finalised and launched our Family Integration Development project, a capacity building initiative that aims to share and promote effective models of practice amongst practitioners/caseworkers/support assistants directly supporting the integration of refugees and their dependents in Scotland.

The project delivered in collaboration with a number of Scottish Local Authorities involved in the government resettlement scheme (including Glasgow, Edinburgh, North Lanarkshire, Perth and Kinross, Highland, and the Western Isles). It included:

- The production and launched of a Family Integration Practice Guide and Factsheets on rights and entitlements

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- Delivery of Family Integration Training to practitioners across Scotland

Refugee Housing Practice Influence

Our housing development work has been focussed around the following three areas:

- Homeless prevention of newly granted refugees by influencing Glasgow City Council in including refugees in its Rapid Rehousing Plan (focus of the intervention during the move-on period)
- Increasing housing options by developing more partnership with RSLs in and out with Glasgow so refugees have more options and opportunities to re-house quickly after being granted status – e.g. Inverclyde with River Clyde Homes
- Promotion of good practice by the ongoing promotion of the Housing Practitioner's Guide to Integrating Refugees through our networks and the delivery of further training courses around the issue of housing rights of refugees.

We continued to work with Glasgow City Council on operational and strategic matters. These matters have been highlighted within the New Scots strategy as important to the development of approaches to accommodating Scotland's refugees. In particular, our efforts to obtain early offers of settled accommodation for refugees, within the development of rapid rehousing across Scotland as a means to tackle homelessness.

Through our participation in Glasgow Homelessness Strategic Group we played an active role in reviewing the city's homelessness prevention plan. We are the named lead in the plan on the prevention of destitution.

We worked with Scottish Government Social Security Directorate to make sure the development and delivery of social security includes and meets the needs of refugees. We did this through direct engagement but also through contribution to events around the Social Security Charters measurement framework and provided advice and information on issues like residency that effect refugees accessing the newly devolved social security powers

Employment

We continued to work with employers to increase:

- Influence their recruitment practice in order make them more accessible to refugees, and
- To engage them in our training programme to improve refugees' employability skills and their opportunity to find employment.

Employers who worked with us have:

- Removed online application as the first step of the recruitment process
- Adapted interview questions (e.g. made it plain English)
- Ran information session on site for refugees to explain recruitment processes and roles

This work has informed the work of the New Scots Employment and Welfare Group, which we co-chair and we co-led the New Scots Employers consultation to assess employers' skills and workforce needs and how refugees can meet them. Employers are keen to support refugees in becoming part of their workforce as it makes "business sense".

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We worked with 12 employers covering a wide range of sectors such as banking, customer service, hospitality and tourism, engineering, transport, early years practice and third sector. We work with SMEs as well as international companies such as First Bus and Starbucks.

29% of our clients attending our employers focus training reach a positive destination i.e. either work or studies.

Training Programme

Our Training Officer worked with other colleagues to develop new training courses, e.g. Family Integration Training and new sessions on applying for Indefinite Leave to Remain. The latter is mostly targeted at resettled families across Scotland and commissioned by Local Authorities. Children First renewed its commissioning of our course on Understanding Refugees to Safeguarding officers across Scotland. This year we reached more than 600 participants across Scotland.

We have also been working with Universities to develop training for Universities, this will be delivered next year. Our Training Officer started exploring online training and these developments are now prioritised due to COVID to ensure sustainability and continued income generation.

Refugee Integration

This year our staff team worked in partnership with the Scottish Government, COSLA Strategic Migration Partnership and wide range of public, voluntary and community organisations to deliver Scotland's New Scots national refugee integration strategy. The New Scots' vision is for a welcoming Scotland where refugees and asylum seekers are able to rebuild their lives from the day they arrive. The New Scots Refugee Integration Strategy 2018 – 2022 sets out a vision, principles and actions for how Scotland can best support people seeking refugee protection to build meaningful and sustainable lives here.

We lead on thematic groups focusing on actions related to Health, Employment and Welfare, the Needs of Dispersed Asylum Seekers and Communities, Culture & Social Connections. We also participate in the Housing, Education and Evidence thematic groups.

Our Community Development team works with refugee and receiving communities to help them organise and work together to improve the quality of community life. In December we published our new strategy, *Sanctuary and Solidarity 2018-2021*. Our vision in this strategy for communities, both refugee communities and receiving communities, is that they feel safe strong, are sustainable and creative and, by being involved and influential, make a contribution to society. To realise this vision, we are working with communities towards four outcomes:

- Refugee communities are strong, influential and have a voice, and are supported to develop social connections
- Receiving communities are welcoming and informed and refugees are welcomed into their new communities
- Community practitioners have increased knowledge and understanding of working with refugee and receiving communities
- Refugee communities influence the priorities of Scottish Refugee Council.

Funding under the Asylum, Migration and Integration Fund boosted our ability to deliver our strategy. A major element of the New Scots: Rights and Communities programme is to help create a welcoming environment for refugees in Scotland. We work with 180 community groups to help them welcome New Scots and integrate them into community life. The project includes a digital Scotland-

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wide network and 5 physical regional Scottish networks of refugee-supporting organisations; capacity building tools; and national, regional and equality group gatherings to improve refugee and community involvement in New Scots.

Key activities:

- **43** groups were funded through our Small Grants Scheme to host an event around Refugee Festival Scotland in 2019
- Over **3239** people attended events supported by the Small Grants Scheme during Refugee Festival Scotland
- **8** groups are delivering Sharing Lives Sharing Languages community-based language learning projects across Scotland
- **13** training sessions were delivered by our Regional Integration Co-ordinators to over 150 people
- **17** talks were delivered to a range of faith groups, engaging with 530 people
- **2** Regional Gatherings in the South East and South West of Scotland welcoming over **230** people, bringing together community groups and refugees to learn more about New Scots and services available to people in these regions
- **3** Equalities Gatherings covering the themes of Housing, Health and Wellbeing, and Education enabled refugees to provide input into the New Scots Strategy
- Over **100** people attended the National Gathering in Glasgow organised by the Scotland Welcomes Refugees Coalition.

We have continued to deliver capacity building training sessions to refugee-led community groups and have continued to support the development of Community Sponsorship in Scotland through our partnership with the UK charity, RESET.

POLICY and COMMUNICATIONS

Our policy team works hard to influence decision making around asylum and refugee issues. We believe the UK's asylum system needs reform to make it more fair, efficient and humane.

We continued to lead and coordinate advocacy and influencing in Scotland and across the UK around asylum accommodation. A safe home is a human right and essential for people who have been displaced from their home countries and are seeking refugee protection here. We have worked in partnership with a range of legal and third sector organisations through the Stop Lock Change Evictions coalition, employing a range of campaign methods, to challenge the policy and process of evicting asylum seekers in Glasgow whose claim has been refused. By December this included securing 159 interim interdicts against the outgoing Home Office accommodation provider, Serco, evicting people into homelessness by way of changing their locks.

We have engaged and support a group of refugees to engage with the Scottish Government in the development of a Scottish anti-destitution strategy for vulnerable migrants. This is due to be published in summer 2020.

On the 20 February 2020, the Scottish Parliament passed the Scottish Elections (Franchise & Representation) Act. This legislation extends the right to vote in Scottish Parliamentary and local government elections to include everyone with leave to remain in Scotland, including people with refugee status. This historic change was passed by more than a two thirds majority of MSPs in the Scottish parliament.

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Scottish Refugee Council worked in collaboration with a number of organisations and campaign groups to secure support of this Bill. We are delighted to see the legislation pass and for thousands of refugees who have made Scotland their home finally to be granted the right to vote in Scottish Elections.

From 23 to 26 September, we organised series of activities to spotlight and promote our work with separated children. This included hosting a visit by Scotland's First Minister to meet some separated children as part of her commitment to listen to the voices of 1,000 care experienced young people; hosting 40 members the European Guardianship Network in Glasgow; organising a public event on the situation of separated children in Europe; and a conference on education and separated children where we published research into the educational needs of separated children and resource guide for educators.

We published a manifesto, based on our key principles of protection, in response to the announcement of a General Election on 12 December.

We continued our engagement our European networks: The European Council on Refugees and Exiles, the European Network on Statelessness and the European Guardianship Network.

Our Communications Team continues to respond to media enquiries and proactively engage with the media. This year we developed and launched a new website to support our engagement with a range of stakeholders. In June 2019, alongside the National Union of Journalists and the British Red Cross, we organised the Refugee Festival Scotland media Awards to celebrate and promote excellence in media reporting on refugees and asylum seekers in Scotland.

We also continue to use the arts as a platform to promote integration as well as different narratives about refugees. This year's Refugee Festival Scotland produced 120 events across 19 locations. Participation increased two-fold from the previous year's festival, with events attracting more than 21,000 attendees.

This year's festival theme – *Making Art, Making Home* - gave us a new way to speak publicly about issues around belonging and home. This complimented our campaigning and policy work around accommodation and asylum support by giving people new and different ways to engage with the issues, helping us achieve our strategic aim to improve public attitudes towards people seeking protection. Over 40 items of mainstream media were generated.

In April we conducted public polling on social attitudes towards refugees. This showed an increase in positive attitudes towards people seeking refugee protection in Scotland.

DEVELOPING AN EFFECTIVE ORGANISATION

The AGM was held on 24 October 2019 at the Glasgow City Chambers. The AGM this year was themed around 'Refugee Rights in the Context of Constitutional Change'. The event allowed for an opportunity to highlight Scotland's positive response to refugees and to reflect on how this may look like in light of potential constitutional changes. We used the AGM as a platform to celebrate our achievements and further mobilise support across Scotland to safeguard refugee rights and protection in a time of increased uncertainty. During the AGM, one Board member - Mr Ian Fulton - was re-elected for a further 3 years. Ms Julia Brown was co-opted for a further year and it was noted that Dr Katharine Jones, Mr James Jopling and Ali Mudassir had resigned from the Board.

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The organisation continues to commit to a digital transformation strategy with the goals of: exploring expectations of our service users, staff and volunteers in a digital world and consider new ways others are solving long-standing problems; embedding digital access across all areas of Scottish Refugee Council's new strategic plan; and creating a culture that maximises digital opportunities across the staff team. This work has been enhanced with new funding from the Asylum, Migration and Integration Fund.

The organisation continued to commit to one full internal audit per annum, plus a follow up report to re-audit previous recommendations. This ensures any recommendations we receive are embedded into the organisation in good time.

Scottish Refugee Council developed a new client database during 2019/20 which will continue to be implemented during 2020/21.

We continued to be active in ensuring volunteering opportunities for refugee and asylum seekers and recruited over 43 refugee volunteers in different roles during the year. Total number of volunteers supporting our work for 19-20 was 123.

We continued to grow our membership and supporter base. As of end of March 2020, there are 153 members. 17 of the members are refugee-led organisations.

Ambassador Programme

Scottish Refugee Council has currently engaged four influential ambassadors, who offer their expertise, support and networks to support all areas of our work. This year we were joined by a new Arts & Culture Ambassador, Ayman Jarjour, a classical guitarist from Syria, now living in Perth. He holds a Master of Music degree from the Juilliard School in New York and a Bachelor's degree from the Royal Conservatory of Music in Madrid. This January Ayman Jarjour, supported refugees through a concert as part of Celtic Connections Festival.

Other ambassadors include:

- Amal Azzudin, a passionate human rights campaigner, well known as one of the Glasgow Girls, a group of seven school girls from Drumchapel High School who campaigned to stand up against dawn raids, detention and deportation of asylum seekers in Glasgow.
- Alison Phipps, OBE, holding the UNESCO Chair in Refugee Integration through Languages and the Arts at the University of Glasgow where she is also Professor of Languages and Intercultural Studies, and Co-Convener of Glasgow Refugee, Asylum and Migration Network (GRAMNET).
- Jim Snedden, from Scottish Fire and Rescue Service, who won the Sunday Mail Great Scot Award 2017 in the 'Unsung Hero' category for his work supporting refugees.

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 monitor 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.

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FINANCIAL REVIEW

- Income for the year was £3,073k (2019: £2,503k), an increase of 23%.
- Expenditure for the year was £3,243k (2019: £2,130k) an increase of 52%.
- Net movement for the year was a deficit of £149k (2019: surplus of £387k).

Principal Funding Sources

- Scottish Refugee Council has a diverse funding base as can be seen from note 7, page 28.
- The grants received from our charitable activities totalled £2,787k from 25 different funding streams including several small trusts (2019: £2,203k).
- Our Scottish Government Strategic Grant was £534k (2019: £534k). Other funding from the Scottish Government was £498k (2019: £495k). 2019/20 was the second year of a European Funded project under the Asylum, Migration and Integration Fund (AMIF) administered by the UK Responsible Authority (UKRA) starting in October 2018, £1,026k.(2019:£384k)
- Other significant sources of funding for the year were Dundee City Council £213k (2019:£97k), Angus, Perth and Kinross Council £39k (2019:£42k), Baillie Gifford £52.5k (2019: £56k), Starbucks and Seattle Foundation £25k (2019: £63k) and Oak Foundation for the DASS Project £76k (2019: £63k).

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 eight principal risks rated by the Board as high or medium that the charitable company faced in the year ended 31 March 2020 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 deteriorates
- Changes in governments' policy results in loss of business (Scotland, Glasgow, UK and Europe)
- Unable to meet pension liability
- Loss of reputation, and our role as Scotland's leading refugee agency due to not maintaining strategic relationships
- Loss of reputation, business and our role as Scotland's leading refugee agency due to competition
- Organisation resists change (staff resist change)
- Governance fails in managing financial controls, regulation compliance or proactive malicious behaviour.

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

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Going Concern

A surplus budget has been approved for the year to 31 March 2021. 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, through prudent management, built up reserves totalling £1,244k, split as £67k restricted funds and £1,177k unrestricted funds.

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, would be between £811k and £1,622k (2019: £649k - £1,298k).

The actual free reserves at 31 March 2020 (those funds not tied up in fixed assets and designated and restricted funds) was £1,023k (2018/19: £980k), which is 3.8 months (2018/19: 4.5 months) against the target of between 3 – 6 months.

Plans for the Future

Towards the end of this financial year, we hit the global pandemic. The Covid-19 public health emergency is unprecedented and it will have a transformative impact not only on our work but it will affect the wider third sector and society at large.

Nonetheless, this crisis has challenged our resilience as an organisation, which has equally helped us reflect on our crisis adaptation and response to similar major events in the future.

On 11 March 2020, we enacted our business continuity plan (BCP). A crisis management committee was set up to lead on the implementation of the BCP. A crisis operational plan was drawn to help us steer the organisation and allow the team to have a clear direction amidst this crisis. This is all working well and we have plans in place for a possible return to working from our offices should the government guidance change.

Whilst it is hard to predict the future against the backdrop of this crisis, we do anticipate the crisis will inevitably have an impact on our resources and capacity in the longer term. The senior management will keep an eye on this through our resources strategy but in the coming months we predict a possible loss of income from voluntary giving and community fundraising. However, we are extremely grateful to all our funders who have been in touch with positive and encouraging messages of support through this crisis.

Despite the global pandemic 2020/21 will also see us enter the first year of our strategic plan for 2020-2023. Some of our key activities planned to achieve our strategic priorities includes:

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- Continue to support and develop our staff and seek organisation accreditation;
- Ensure our governance is strong, relevant and includes refugee voices
- Implement our digital strategy to improve engagement with our different stakeholders and to maximise the impact of our staff and volunteers
- Support and develop our volunteers and maintain Investing in Volunteers accreditation
- Asylum seekers are able to access asylum process and support and avoid destitution
- Newly granted refugees are able to access and exercise their rights and progress towards their integration goals
- Refugee families arriving through resettlement are welcomed, enabled to exercise their rights and progress towards their integration goals
- Implement Asylum Migration and Integration funded programme and our community development strategy to support refugee-led organisations and communities across Scotland
- Safeguard and seek to progress refugees' rights in light of constitutional change.

2020/21 will also see us initiate the process of conducting review of the previous strategic plan 2017-2020, reflect on our journey to date; and the development of a detailed operational plan for the first year of the new strategic plan and a broader plan for the overall implementation of the new strategy. The Board Strategy Day will therefore focus on these activities and the development of a set of key performance indicators for the strategic planning cycle of 2020-2023.

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 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
- 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.

SCOTTISH REFUGEE COUNCIL

Report of the Directors for the year ended 31 March 2020

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 were two appointments and four resignations in the period 2019/20. One trustees was up for re-election and was re-elected at the AGM on 24 October 2019.

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
- 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 2019/20, in addition to the normal board meeting cycle, a Board Strategic Review Day was held in November 2019.

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 financial statements.

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 as a reference guide. Taking into account funding conditions and movements within the voluntary sector, the Board approved the pay award for 2019/20 based on the median pay rise used for other charities in the sector.

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

SCOTTISH REFUGEE COUNCIL

Report of the Directors for the year ended 31 March 2020

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

Peter Lloyd	Chair
Rona Alexander	Vice –Chair appointment 1 January 2020
Liz Leonard	Resigned 31 December 2019
Katherine Jones	Resigned 24 October 2019
James Jopling	Resigned 24 October 2019
Janine Hunt	
Mohamed Omar	
Monish Bhatia	
Ian Fulton	Re-elected 24 October 2019
Ali Mudassir	Resigned 7 June 2019
Jayne Forbes	
Aaliya Seyal	
Louise Hunter	
Joti Singh	
Julia Brown	Appointed 27 June 2019
Stella Olugbire	Appointed 14 November 2019

KEY MANAGEMENT PERSONNEL

Sabir Zazai	Chief Executive Officer
Flutura Shala	Head of Funding Development
Gary Christie	Head of Policy, Communications and Communities
Sheila Traynor	Head of Finance and Corporate Services
Wafa Shaheen	Head of Asylum, Integration and Resettlement

AMBASSADORS

Amal Azzudin
Alison Phipps
Jim Snedden
Ayman Jarjour

OPERATIONAL OFFICE AND REGISTERED ADDRESS

6th Floor
Portland House
13-17 Renfield Street
GLASGOW
G2 5AH

CHARITY NUMBER: SC008639
COMPANY NUMBER: SC145067

AUDITORS

Alexander Sloan
180 St Vincent Street
Glasgow
G2 5SG

BANKERS

Bank of Scotland
32a Chambers Street
Edinburgh
EH1 1JB

SCOTTISH REFUGEE COUNCIL

Report of the Directors for the year ended 31 March 2020

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).

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.

A resolution proposing that Alexander Sloan, Accountants and Business Advisers, be appointed as auditors of the charitable company will be put to the Annual General Meeting.

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
- 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 27 August 2020 and signed on their behalf by:



Peter Lloyd
Chair of the Board



Louise Hunter
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 2020

Opinion

We have audited the financial statements of Scottish Refugee Council for the year ended 31 March 2020 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2020 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and Regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

Basis for opinion

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

Conclusions relating to going concern

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

- the Directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

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

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS AND DIRECTORS OF SCOTTISH REFUGEE COUNCIL FOR THE YEAR ENDED 31 MARCH 2020

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

We have nothing to report in this regard.

Opinion on other matter prescribed by the Companies Act 2006

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

- the information given in the Directors' Annual Report, for the financial year for which the financial statements are prepared, is consistent with the financial statements, and
- the Report of the Directors has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

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:

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

Responsibilities of Directors

As explained more fully in the Directors' Responsibilities Statement (set out in the Report of the Directors), the Directors (who are also the Trustees of the charity for the purposes of charity law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Directors are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS AND DIRECTORS OF SCOTTISH REFUGEE COUNCIL FOR THE YEAR ENDED 31 MARCH 2020

concern and using the going concern basis of accounting unless the Directors either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as Auditor under Chapter 3 of Part 16 of the Companies Act 2006 and Section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and report in accordance with regulations made with the Acts and relevant regulations made or having effect thereunder.

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

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

Use of our report

This report is made solely to the charitable company's Members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and to the charity's Trustees, 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. Our audit work has been undertaken so that we might state to the Members and Trustees those matters we are required to state to them in an Auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company, its Members as a body and its Trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Alexander Sloan

**Allison Devine C.A., (Senior Statutory Auditor)
for and on behalf of
Alexander Sloan, Accountants and Business Advisers
180 St Vincent Street
GLASGOW
G2 5SG**

Date: 27 August 2020

Alexander Sloan is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under Section 1212 of the Companies Act 2006.

SCOTTISH REFUGEE COUNCIL
STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 MARCH 2020
(Iincorporating Income and Expenditure account)

	Notes	Unrestricted Funds 2020 £	Restricted Funds 2020 £	Total Funds 2020 £	Unrestricted Funds 2019 £	Restricted Funds 2019 £	Total Funds 2019 £
Income							
Donations and legacies	5	144,859	52,500	197,359	151,794	56,500	208,294
Charitable activities	6	728,874	2,138,708	2,867,582	636,720	1,648,844	2,285,564
Investments		8,414	-	8,414	9,486	-	9,486
Total Income		882,147	2,191,208	3,073,355	798,000	1,705,344	2,503,344
Expenditure							
Raising funds							
Raising donations & legacies	8	97,023	-	97,023	86,374	-	86,374
Charitable activities	9	891,391	2,254,591	3,145,982	789,551	1,719,220	2,508,771
Charitable activities – exceptional credit in respect of pension costs	22	-	-	-	(492,000)	-	(492,000)
Total Expenditure		988,414	2,254,591	3,243,005	383,925	1,719,220	2,103,145
Net income/(expenditure)		(106,267)	(63,383)	(169,650)	414,075	(13,876)	400,199
Transfers between funds	21	-	-	-	(2,224)	2,224	-
Other recognised gain/(losses)							
Actuarial gain/(loss) on defined benefit pension scheme	22	20,336	-	20,336	(13,000)	-	(13,000)
Net movement in funds		(85,931)	(63,383)	(149,314)	398,851	(11,652)	387,199
Reconciliation of Funds							
Total funds brought forward	21	1,262,746	130,369	1,393,115	863,895	142,021	1,005,916
Total funds carried forward	21	1,176,815	66,986	1,243,801	1,262,746	130,369	1,393,115

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 23 to 37 form part of these financial statements.

SCOTTISH REFUGEE COUNCIL
BALANCE SHEET AS AT 31 MARCH 2020

	Notes	Unrestricted Funds £	Restricted Funds £	Total Funds 2020 £	Total Funds 2019 £
Fixed assets:					
Tangible assets	14	11,155	0	11,155	49,170
Total Fixed Assets		11,155	0	11,155	49,170
Current assets:					
Debtors	15	59,649	169,481	229,130	269,081
Investments	24	1,300,000	0	1,300,000	0
Cash at bank and in hand	24	711,597	193,398	904,995	2,589,181
Total Current Assets		2,071,246	362,879	2,434,125	2,855,262
Liabilities:					
Creditors - amounts falling due within one year	17	(426,241)	(295,893)	(722,134)	(933,694)
Net Current assets		1,645,005	66,986	1,711,991	1,921,568
Creditors – amounts falling due after one year	19	(479,345)	-	(479,345)	(577,623)
Net assets		1,176,815	66,986	1,243,801	1,393,115
The funds of the charity:					
Restricted funds	21	-	66,986	66,986	130,369
Unrestricted funds	21	1,176,815	-	1,176,815	1,262,746
		1,176,815	66,986	1,243,801	1,393,115

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 27 August 2020 and signed on their behalf by:

Peter Lloyd

.....
Peter Lloyd
Chair

Louise Hunter

.....
Louise Hunter
Chair of the Finance & Audit Committee

Charity number: SC008639
Company Registration Number: SC145067
The notes on pages 23 to 37 form part of these financial statements

**SCOTTISH REFUGEE COUNCIL
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2020**

	Notes	Total Funds 2020 £	Total Funds 2019 £
Cash flows from operating activities:			
Net cash (used in) operating activities	23	(376,629)	(106,242)
Cash flows from investing activities:			
Dividends, interest and rents from investments		8,414	9,486
Changes on fixed term deposits with banks		(1,300,000)	0
Purchase of property, plant and equipment		(12,971)	(24,844)
Net cash provided by investing activities		(1,304,557)	(15,358)
Change in cash and cash equivalents in the year		(1,681,186)	(121,600)
Cash and cash equivalent at the beginning of the year		2,586,181	2,707,781
Cash and cash equivalents at the end of the year	24	904,995	2,586,181

The notes on pages 23 to 37 form part of these financial statements

**SCOTTISH REFUGEE COUNCIL
NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2020**

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 surplus budget has been approved for the year to 31 March 2021 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.

**SCOTTISH REFUGEE COUNCIL
NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2020**

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.

(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 financial year 2016/17. 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.

**SCOTTISH REFUGEE COUNCIL
NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2020**

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.

(f) Tangible fixed assets and depreciation

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

Assets purchased using restricted funds are depreciated over the life of the grant award.

Depreciation is calculated on a straight line basis as follows:

Tenants Improvements	3 years	33.3%
Computer Equipment	2 years	50%
Fixtures & Fittings	3 years	33.3%

(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

**SCOTTISH REFUGEE COUNCIL
NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2020**

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.

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

Based on the actuarial valuation at 30 September 2017 and the agreed repayment plan of 7 years and 6 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. 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 corporate yield 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 2020

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:

<u>Estimate</u>	<u>Basis of estimation</u>
Obligation under Scottish Voluntary Sector Pension Scheme.	This has relied on the actuarial assumptions of a qualified actuary which have been reviewed and are considered reasonable and appropriate.

3. Legal status

Scottish Refugee Council is a charitable company limited by guarantee incorporated in Scotland. The registered office Portland House, 17 Renfield Street, Glasgow, G2 5AH.

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 (2019: £nil). Expenses paid to the directors in the year totalled £449 (2019: £527). These expenses were made up of 6 directors (2019: 4 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 (2019: none).

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

Five directors donated £3,059 during the year. (2019: 4 directors, £3,093).

The organisation purchased annual Trustee Indemnity Insurance within their current insurance policy. It is estimated the cost of this is £1,480 (2019: £1,325).

5. Income from donations and legacies

	2020 £	2019 £
Donations, event fundraising & membership	197,359	208,294

SCOTTISH REFUGEE COUNCIL
NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2020

197,359	208,294
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6. Income from charitable activities

	2020 £	2019 £
Grants (note 7)	2,786,671	2,202,507
Training, events and publications	80,911	83,057
	2,867,582	2,285,564

7. Grants

	2020 £	2019 £
Scottish Government – Strategic	534,000	534,000
Scottish Government – Housing	132,000	132,000
Scottish Government – Humanitarian Project	65,878	-
Scottish Government - Guardianship	300,000	300,000
Scottish Government – Peer Pilot	-	3,031
UKRA – Asylum, Migration and Integration Fund (AMIF)	1,025,616	384,009
Big Lottery – Improving Lives of Refugees	-	332,443
Local Authorities	325,564	205,447
DASS (Oak Foundation and Scottish Government)	76,476	123,229
Legal Education Foundation	12,083	4,895
Creative Scotland	35,868	-
Wheatley Group	14,000	-
Seattle Foundation and Starbucks	24,594	63,375
Glasgow Clyde College Foundation and Paul Hamlyn	32,201	41,363
Creative Scotland	-	-
Esmee Fairbairn	62,813	15,663
Joseph Rowntree Trust	21,266	-
AB Charitable Trust	20,000	-
Glasgow Night Shelter for Destitute Asylum Seekers	12,574	-
Big Lottery-Awards for All	10,000	-
Gillespie McAndrew	10,000	-
Network for Social Change	8,180	-
Aberlour Child Care Trust	7,980	-
Small Grants (< £10,000)	55,578	63,052
	2,786,671	2,202,507

8. Raising funds – expenditure on raising donations and legacies

	Direct Costs £	Support Costs £	Total 2020 £	Total 2019 £
Seeking donations & grants	52,761	38,807	91,568	82,365
Governance costs (note 11)	-	5,455	5,455	4,009
	52,761	44,262	97,023	86,374

SCOTTISH REFUGEE COUNCIL
NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2020

9 .Analysis of expenditure on charitable activities

	Direct Costs £	Support Costs £	Total 2020 £	Total 2019 £
Refugee & Asylum Services	1,195,710	311,613	1,507,323	1,362,413
Refugee Integration	1,037,935	253,482	1,291,417	830,669
Policy & Advocacy	183,110	164,132	347,242	315,669
	2,416,755	729,227	3,145,982	2,508,771

	Refugee and Asylum Services £	Refugee Integration £	Policy & Advocacy £	Total 2020 £	Total 2019 £
Staff costs	699,948	491,880	79,574	1,271,402	971,828
Charitable events/costs	364,137	456,406	33,489	854,032	673,657
Property Costs	9,003	-	-	9,003	6,637
Travelling costs	9,668	14,769	8,272	32,709	27,637
Printing & stationery	8,350	6,332	5,351	20,033	20,338
Telephone & ICT	46,044	29,688	20,840	96,572	71,756
General (interest charges & depreciation)	25,744	20,106	19,000	64,850	114,598
Volunteering costs	14,898	2,457	287	17,642	12,373
Professional costs	17,918	16,297	16,297	50,512	30,902
Governance costs (note 11)	43,637	38,183	21,819	103,639	76,163
Support costs (note 11)	267,976	215,299	142,313	625,588	502,882
	1,507,323	1,291,417	347,242	3,145,982	2,508,771

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

	Refugee and Asylum Services £	Refugee Integration £	Policy & Advocacy £	Total £
Charitable activities	1,507,323	1,291,417	347,242	3,145,982
Direct grant support	1,218,721	1,193,147	123,879	2,535,747
Net cost funded from other income /reserves	288,602	98,270	223,363	610,235

SCOTTISH REFUGEE COUNCIL
NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2020

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

	Total £	Raising funds £	Refugee & Asylum Services £	Refugee Integration £	Policy & Advocacy £	Governance £
Salaries	536,273	20,003	165,647	160,223	107,997	82,403
Other staff costs	24,441	-	8,310	8,066	6,110	1,955
Rent & rates	73,809	7,381	36,904	18,452	11,071	-
Property costs	114,230	11,423	57,115	28,558	17,135	-
	748,753	38,807	267,976	215,299	142,313	84,359

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

	2020 £	2019 £
Governance costs:		
Director's expenses	449	527
Auditor's remuneration	9,513	9,270
Consultancy fees	7,186	-
Costs of meetings	7,587	5,433
Support costs (see above)	84,359	64,942
	109,094	80,172

Governance costs are split into activities as follows:

	Total £	Raising funds £	Refugee & Asylum Services £	Refugee Integration £	Policy & Advocacy £
Governance costs	109,094	5,455	43,637	38,183	21,819

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

	2020 £	2019 £
Salaries and wages	1,572,781	1,180,474
Social security costs	132,383	103,861
Employer contributions to defined contribution pension schemes	120,997	89,312
Defined benefit pension scheme – scheme fees	12,444	11,474
Total staff costs and employee benefits	1,838,605	1,385,121

SCOTTISH REFUGEE COUNCIL
NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2020

The charitable company paid scheme fees of £12,444 to the defined benefit pension plan, operated by The Pensions Trust (2019: £11,474). 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:

No employee received remuneration, excluding employer pension contributions, of more than £60,000 (2019: 0). 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 £257,730 (2019: £241,761).

	2020 No.	2019 No.
The average number of persons, by headcount, employed by the charity during the year was:	64	49

13. Net income for the year

This is stated after charging:	2020 £	2019 £
Depreciation	50,986	75,668
Auditor's remuneration:		
External Audit Fees	6,588	6,120
Internal Audit Fees	2,925	3,150
	9,513	9,270
On operating lease rentals	78,694	73,702

14. Tangible fixed assets

	Tenants Improvements £	Computer Equipment £	Fixtures & Fittings £	Total £
Cost or valuation				
At 1 April 2019	132,206	134,068	8,817	275,091
Additions	-	11,338	1,633	12,971
Disposals	-	-	-	-
At 31 March 2020	<u>132,206</u>	<u>145,406</u>	<u>10,450</u>	<u>288,062</u>
Depreciation				
At 1 April 2019	101,655	118,402	5,864	225,921
Charge for the year	30,551	18,219	2,216	50,986
Eliminated on disposals	-	-	-	-
At 31 March 2019	<u>132,206</u>	<u>136,621</u>	<u>8,080</u>	<u>276,907</u>
Net book value				
At 31 March 2020	<u>0</u>	<u>8,785</u>	<u>2,370</u>	<u>11,155</u>
At 31 March 2019	<u>30,551</u>	<u>15,666</u>	<u>2,953</u>	<u>49,170</u>

SCOTTISH REFUGEE COUNCIL**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2020****15. Debtors**

	2020 £	2019 £
Trade debtors	20,497	34,000
Prepayments and accrued income	208,633	235,081
	229,130	269,081

16. Financial assets and liabilities

	2020 £	2019 £
Financial assets at amortised cost	229,130	269,081
Financial liabilities	722,134	933,694

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 (recovery plan) liability and accrued expenses, all due within one year.

17. Creditors: amounts falling due within one year

	2020 £	2019 £
Trade creditors	73,466	32,930
Other creditors and accruals	267,446	580,700
Deferred income (Note 18)	257,521	190,930
Taxation and social security costs	36,599	44,569
Defined benefit pension scheme (note 22)	87,102	84,565
	722,134	933,694

At the year-end date there were pension contributions outstanding of £2,216 (2019: £13,376).

18. Deferred income

	£
Balance as at 1 April 2019	190,930
Amount released to income earned from charitable activities	(190,930)
Amount deferred in year	257,521
Balance as at 31 March 2020	257,521

Deferred income comprises income received before the year end, for use on charitable activities during the 2020/21 financial year end. All deferred income relates to funds received in advance of the period to which the project relates or where performance conditions have not been met.

SCOTTISH REFUGEE COUNCIL
NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2020

19. Creditors: amounts falling due after one year

	2020 £	2019 £
Defined benefit pension scheme (note 22)		
Due > 1year	479,345	577,623
	<hr/> <hr/> 479,345	<hr/> <hr/> 577,623

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

20. Lease commitments

	Rent 2020 £	Rent 2019 £
Commitments under lease agreements at each representative year end are as follows:		
Building – Renfield Street		
1 year	73,180	75,975
2 – 5 years	45,737	118,917
	<hr/> <hr/> 118,917	<hr/> <hr/> 194,892

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

Analysis of Fund movements	Balance 01 Apr 19 £	Income £	(Expenditure)/ Gains/(Losses) £	Transfers £	Balance 31 Mar 20 £
Unrestricted funds (a)					
General funds	980,162	882,147	(791,603)	(36,112)	1,034,594
Designated funds (b)					
Fixed Assets	49,170	-	(50,986)	1,816	-
Development & change	118,414	-	(65,756)	34,296	86,954
ICT	115,000	-	(59,733)		55,267
	<hr/> <hr/> 282,584	<hr/> <hr/> -	<hr/> <hr/> (176,475)	<hr/> <hr/> 36,112	<hr/> <hr/> 142,221
Total unrestricted funds	<hr/> <hr/> 1,262,746	<hr/> <hr/> 882,147	<hr/> <hr/> (968,078)	<hr/> <hr/> -	<hr/> <hr/> 1,176,815
Restricted fund (c)					
Refugee & Asylum Services	88,037	983,177	(1,036,126)	-	35,088
Refugee Integration Policy & Advocacy	42,332	1,174,682	(1,185,116)	-	31,898
-	33,349	(33,349)		-	-
Total restricted funds	<hr/> <hr/> 130,369	<hr/> <hr/> 2,191,208	<hr/> <hr/> (2,254,591)	<hr/> <hr/> -	<hr/> <hr/> 66,986
TOTAL FUNDS	<hr/> <hr/> 1,393,115	<hr/> <hr/> 3,073,355	<hr/> <hr/> (3,222,669)	<hr/> <hr/> -	<hr/> <hr/> 1,243,801

**SCOTTISH REFUGEE COUNCIL
NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2020**

- 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 was to separate the net book value of fixed assets from general reserves as they are not readily available funds. The Directors have decided that due to the immaterial value of the net book value, there is no need for a separate designated fund and so this fund has been wound up and transferred to general funds at 31 March 2020.

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. There are costs in here for two purpose. Firstly for salaries of additional staffing capacity agreed by the board during the year 2018/19. These will be funded under reserves until September 2020. Secondly, this fund has been increased for potential future restructuring required if certain current funding streams end without replacement funding being available.

ICT Reserve

This fund has been retained to cover the ongoing cost of two large digital projects which commenced during 2019/20 and are due to be completed in 2020/21. There are the organisational website and a customer relationship management (CRM) database. In addition funds have been aside for future ICT asset replacement.

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

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: 0010283774), The Scottish Government support the Housing and Guardianship services, The UK Responsible Authority Asylum, Migration and Integration Fund (AMIF) fund our direct advice and support to newly granted refugees, The Scottish Government and Oak Foundation support the Destitute Asylum Support Service (DASS), Glasgow City Council support the Family Key Work service and. 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) for continuation of services during 2020/21: The Big Lottery fund (Project ID: 0010283774) has a balance of £35,088. This project spans the year end and the balance of funds will be spent during 2020/21

Refugee Integration

Integration relates to the work around the Scottish Government's New Scots national Refugee Integration Strategy, covering all arts, community, empowerment, employment and resettlement

**SCOTTISH REFUGEE COUNCIL
NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2020**

work around integrating refugees. These projects are funded by Scottish Government, Baillie Gifford, Local Authorities, Starbucks, Seattle Foundation, Paul Hamlyn, Glasgow Clyde College Foundation, Children in Need, and various small trusts. 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; Baillie Gifford and Children in Need funded project Happy Steps £5,122. Baillie Gifford Family Practitioner £13,836, and Dundee City Council £12,940. All projects span the year end and the balance of funds will be spent during 2020/21

Policy and 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 Legal Education Foundation during the year. Where the terms of the funding have not yet been met, and income is potentially repayable to the funder, this income has been deferred.

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. As the scheme is closed to future accruals the payments made in the year represent scheme fees only rather than employer pension contributions.

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.

A full actuarial valuation for the scheme was carried out with an effective date of 30 September 2017. This actuarial valuation was certified on 19 December 2018 and showed assets of £120.0m, liabilities of £145.9m and a deficit of £25.9m.

All employers in the scheme have entered into an agreement to make additional contributions to fund the scheme's past service deficit. Following certification of the full valuation of 30 September 2017 a revised deficit contributions schedule was agreed. Within this the annual contributions reduced from 31 October 2029 to 30 September 2026.

At the balance sheet date the net present value of this obligation was £566,447 (2019 - £662,000). This was calculated by reference to the terms of the agreement and discounting the liability using

SCOTTISH REFUGEE COUNCIL
NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2020

the yield rate of a corporate bond with a similar term. This discount rate used was 2.57% (2019: 1.46%).

The Charity made payments totalling £84,565 (2019: £100,812) to the pension deficit during the year.

The charity paid scheme fees of £12,444 (2019: £11,474) 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.

Present Values of Provision

	31 March 2020 £000's	31 March 2019 £000's	31 March 2018 £000's
Present value of Provision	566	662	1,219

Reconciliation of Opening and Closing Provisions

	Year Ending 31 March 2020 £000's	Year Ending 31 March 2019 £000's
Provision at start of period	662	1,219
Unwinding of the discount factor (interest expense)	9	23
Deficit contribution paid	(85)	(101)
Re-measurements - impact of any change in assumptions	(20)	13
Re-measurements - amendments to the contribution schedule	-	(492)
Provision at end of period	566	662

Income and Expenditure Impact

	Year Ending 31 March 2020 £000's	Year Ending 31 March 2019 £000's
Interest expense	9	23
Re-measurements – impact of any change in assumptions	(20)	13
Re-measurements – amendments to the contribution schedule	-	(492)

SCOTTISH REFUGEE COUNCIL
NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2020

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Assumptions

	31 March 2020 % per annum	31 March 2019 % per annum	31 March 2018 % per annum
Rate of discount	2.57	1.46	2.01

The discount rates shown above are the equivalent single discount rates which, when used to discount the future recovery plan contributions due, would give the same results as using a full AA corporate bond yield curve to discount the same recovery plan contributions.

23. Reconciliation of net income/(expenditure) to net cash flow from operating activities

	2020 £	2019 £
Net income for the year (as per the Statement of Financial Activities)	(169,650)	(91,801)
Adjustments for:		
Depreciation charges	50,986	75,686
Interest	(8,414)	(9,486)
Actuarial gain/(loss) on defined benefit pension scheme	20,336	(13,000)
Actuarial movement on contribution schedule	-	492,000
Decrease/(Increase) in debtors	39,951	(44,733)
(Decrease)/Increase in creditors	(309,838)	(514,890)
Net cash provided by/(used in) operating activities	(376,629)	(106,242)

24. Analysis of investment, cash and cash equivalents

	2020 £	2019 £
Investments – Fixed term cash deposits	1,300,000	0
Cash in hand	904,995	2,586,181
Total cash and cash equivalents	2,204,995	2,586,181

25. Ultimate controlling party

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

26. Events after the reporting date

At the time of approving the Financial Statements the United Kingdom is impacted by the Coronavirus pandemic. While the Charity's strong financial position means that it is well placed to manage the impact on operations, it continues to monitor the position and update its plans accordingly. Like most businesses, however, the virus is likely to have some impact in the forthcoming year.