



SCOTTISH REFUGEE COUNCIL
DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

Charity number: SC008639

Company number: SC145067

**SCOTTISH REFUGEE COUNCIL
REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021**

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Report of the Directors for the year ended 31 March 2021

The Directors present their annual report and financial statements of the charitable company for the year ended 31 March 2021.

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 beginning on or after 1 January 2019.

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 2020 to 2023. The plan is informed by refugees and other stakeholders who took part in an extensive consultation process that took place in 2019. Despite delays and challenges posed by the pandemic, the plan was launched at the Annual General Meeting in October last year. Through the process of the strategic review, the board set out to develop a monitoring and evaluation framework to better resource and measure progress towards strategic objectives. 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. We work to help create a Scotland where people of all ages 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. Provide services which empower people to further their rights and to achieve their ambitions;
2. Champion the rights of refugees and advocate for fair and just policies and practice, making sure those seeking protection have a platform and are heard;
3. Nurture relationships with public, private and community organisations for the greater benefit of the people we serve;
4. Engage with the Scottish public to grow understanding, promote positive attitudes and build a welcoming environment for refugees in Scotland;
5. Strengthen our culture to value our staff, volunteers and refugees and increase our impact.

Activities

Strategy for achieving stated objectives

The board understands that we operate in a rapidly changing environment, which has been further exacerbated by Covid19. In acknowledging this, the board adopted a new approach to defining strategic objectives. The board decided to make specific commitments each year and review the annually agreed commitments and priorities year by year to make sure we are responding well to the changing context. We have adopted the following strategic priorities to seek to achieve our stated objectives:

Strategic Priority 1: Upholding Rights

We will provide services which empower people to further their rights and to achieve their ambitions. We will:

- Help all refugees access their rights;
- Make sure separated unaccompanied children and young people are able to access their rights;
- Help destitute asylum seekers get back onto the asylum support system;
- Challenge any gaps in current support or service delivery for people seeking protection.

Strategic Priority 2: Influencing Policy

We will champion the rights of refugees and advocate for fair and just policies and practice, making sure those seeking protection have a platform and are heard. We will:

- Improve the protection, welfare and integration of people seeking asylum;
- Ensure refugee rights are not diminished;
- Influence policymakers in Scotland and the UK to achieve positive change;
- Improve the protection, welfare and integration of all refugees in Scotland.

Strategic Priority 3: Collaboration

We will nurture relationships with public, private and community organisations for the greater benefit of the people we serve. We will:

- Support refugees to enter successful and meaningful employment and to realise their entrepreneurial talents;
- Ensure refugees are welcomed and supported by knowledgeable and skilled communities;
- Make sure communities are skilled and equipped to support refugees' welfare and integration;
- Help refugee artists to express and share their skills and their work;
- Empower people with lived experience to have a voice and play a more active role in local decision making;
- Ensure refugees are involved in all our work at all levels;
- Share experiences and good practice and learn from others to continue to improve our work.

Strategic Priority 4: Engaging Society

We will engage with the Scottish public to grow understanding, promote positive attitudes and build a welcoming environment for refugees in Scotland. We will:

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- Support accurate reporting of refugee issues and normalising of refugee experiences in the media;
- Grow understanding, promote positive attitudes and build a welcoming environment for refugees in Scotland;
- Provide opportunities for supporters to take part in our work.

Strategic Priority 5: Robust and Healthy Organisation

We will strengthen our culture to value our staff, volunteers and refugees and increase our impact.

We will:

- Support and develop staff, promote the well-being and dignity of our people and seek relevant organisational accreditation;
- Make better use of new technology and continue to identify new ways of working;
- Develop a culture of learning and evidence across the organisation;
- Ensure governance, quality and compliance are robust;
- Stabilise and diversify our income.

ACHIEVEMENTS AND PERFORMANCE

Like other charities in the sector, our operations and service delivery were significantly affected by Covid19. In March 2020, we moved all our operations to remote working. Our significant charitable activities during 2020/2021 are broken down into three areas:

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

REFUGEE and ASYLUM SERVICES

We worked with and directly supported over 1,000 people, providing one to one advice and advocacy for people seeking protection throughout the year.

Asylum Advice and Support

We continued to support those refused asylum and are deemed Appeal Right Exhausted to explore their options and access the support they are entitled to. During 2020/21, we worked with 199 destitute asylum seekers with the majority supported to access Home Office support or social work support. Due to lockdown restrictions and pausing evictions and support cessation, our team supported destitute asylum seekers to access support on Public Health grounds.

We worked in partnership with third sector refugee support agencies and the legal community in Glasgow to support destitute asylum seekers. This was through the Scottish Government funded Humanitarian Project, but also through our existing OAK Foundation funded partnership led by Refugee Survival Trust and partnership with Glasgow Night Shelter funded by Scottish Government and National Lottery Community Fund.

Scottish Refugee Council and all partners' services have been delivered over the phone and digital platforms as we all moved to full home working since March 2020. We had to adapt our service provision and find alternative ways of reaching out to people and provide the support required including alternative methods to pay destitution grants, through electronic supermarket vouchers, bank transfer and cheques.

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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 worked with 154 asylum seeking families providing one to one support, but also provided online group sessions delivering various activities for children and parents. This has been really appreciated by parents during the year of restrictions, home schooling and isolation.

Our helpline continued operating throughout the year as part of our Asylum, Migration and Integration funded programme. We increased capacity by allocating four experienced advisers to ensure we can respond to needs whilst working remotely. From October 2020, we introduced a Free Telephone number for refugees to contact us, thanks to funding we received from National Emergency Trust in partnership with British Refugee Council, Welsh Refugee Council and Bryson Group North Ireland.

Calls to the Helpline increased from an average of 300 per quarter (3 months) to an average of 1,200 each quarter, an increase of 300%. This is partly due to the stop of all face-to-face interactions.

Park Inn Hotel crisis response

Following the incident at the Park Inn in June 2020, Scottish Refugee Council in collaboration with Glasgow Health and Social Care Partnership (HSCP), worked for 5.5 days to carry out in-depth assessments of needs of individuals affected together with MEARS welfare team. A total of 87 people were assessed. Through this joint assessment we identified the support all of the affected people relocated to Hallmark Hotel from the Park Inn required and MEARS drafted up support plans following our recommendations.

The most common needs identified were:

- Mental health
- Isolation
- Digital poverty including phone and data top up
- Loneliness and deep feelings of uncertainty
- Lack of understanding of legal system

Throughout this incident we have also engaged with refugee led community organisations. We facilitated a number of meetings between the police and community representatives. We also facilitated visits to other hotels with members of refugee led organisations. This work has led to Glasgow Health and Social Care Partnership initiating a short life working group to identify areas of improvement in relation to Mental Health support to asylum seekers. The HSCP presented their report which we contributed to at Glasgow Regional Migration Board chaired by Glasgow City Council and attended by Home Office, COSLA, Migrant Help, MEARS and Scottish Government. The aim is to seek investment from the Home Office to address issues caused by dispersal policy.

Digital inclusion

Digital poverty and the lack of devices for clients has continued to be a major concern and, with educational institutions running their programmes online, we have been able to support our beneficiaries to access these devices so they were able to access this service. In addition to some donated devices, Scottish Refugee Council secured funding from Scottish Government Wellbeing Fund and successfully supported 217 households with laptops, tablets, wi-fi boxes and smartphones.

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New asylum claimants in Scotland:

Due to lockdown and travel restrictions, it was made possible for new asylum claims to be registered in Scotland. The practice pre-COVID was for people to travel to Croydon to register their asylum claim. During this year we supported 18 households requiring assistance to access the asylum procedure and referred to relevant agencies such as Migrant Help, Social Work, TARA and Immigration Lawyers. However, we understand from meetings with various stakeholders including Police, MEARS and COSLA that the number of new asylum claimants in Scotland has actually risen. People approached police who referred them directly to Home Office and were accommodated by MEARS, mainly in hotels.

Scottish Guardianship Services

We have run the Scottish Guardianship Service in partnership with Aberlour Childcare Trust since 2010. In September 2020, we celebrated the 10-year anniversary of this service with a range of activities, including production of a short animation film and series of case studies of young people who have benefited from the service. 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 94 new referrals between the beginning of April 2020 and the end of March 2021, contributing to a current caseload of 385 cases. This includes an increasing number of young people arriving through the UK Government's National Transfer Scheme.

Refugee Integration service

We successfully worked with and supported 1,190 new refugees through our integration service provision co-producing holistic person-centred integration plans.

We continued supporting resettled refugees in Dundee, Perth & Kinross. During the year we worked with 184 adults from 49 families in Dundee, including 6 families that arrived during the year. Arrivals under resettlement paused due to lockdown travel restrictions, which was only resumed in 2021 and one family who was scheduled to arrive in March 2020, actually arrived almost a year later in Dundee in February 2021.

We continued our work with Dundee City Council on supporting 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.

The activities completed through the year are:

Design and development of learning materials embedded in the council's e-learning system to be accessed by their workforce.

This is a learning model that covers:

- asylum and refugee protection eLearning resources, supporting refugee family integration practice eLearning and Human Trafficking guidance eLearning module. All the courses are

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accompanied by factsheets including factsheets on Indefinite Leave to Remain (ILR) and citizenship in both English and Arabic. Dundee Council is planning to launch the eLearning project locally during Refugee Festival Scotland 2021.

As resettled families started approaching their five years leave to remain expiry date, we held information sessions for the families in Dundee preparing them and clarifying the processes. We also offered direct support to assist completing ILR forms.

Our work with Dundee City Council directly supporting resettled families has now been extended for another year up to the end of March 2022. Perth and Kinross Council are not settling new refugees in their areas and families resettled there have all reached their five years leave to remain, so direct integration support ceased in September 2020.

Refugee Housing Practice Influence

We continued supporting the development of the Homelessness Strategic Implementation plan for Glasgow. We achieved this through our active participation in Glasgow Homelessness Strategic Planning Group (HSPG). We have worked closely with the HSPG at the outset of Covid-19, ensuring homelessness for asylum seekers and refugees were a priority in their planned responses.

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

- Homeless prevention of newly granted refugees. We have worked closely with the Homelessness services to ensure that newly granted refugees understood their rights and entitlements during the period and the role of GCC in supporting newly granted refugees facing homelessness;
- Regular engagement with Glasgow City Council Asylum and Refugee team to ensure responses to the pandemic were appropriate and meet the needs of refugees, planning and information sharing;
- Dissemination and development of online materials making newly granted refugees aware of their rights and entitlements.

We delivered several awareness raising sessions to various sectors on refugee rights. Our priority during the lockdown has been to work with Glasgow City Council, COSLA, Asylum accommodation providers and other partners to ensure homelessness can be prevented when the Home Office restarts terminating asylum support and also to work with Registered Social Landlords, RSLs, to explore housing options.

Our services contributed to a research Scottish Refugee Council led on to evidence the impact of Covid on refugees. Our team of advisers promoted the survey to our clients and a team of our volunteers conducted welfare checks with a specific focus on understanding how our clients managed the different restrictions and their impact on their wider well-being and integration. A full report and summary of findings can be found here <https://www.scottishrefugeecouncil.org.uk/covid-19-research-finds-loneliness-a-key-concern-for-refugees-in-scotland/>

Employment support for refugees

We continued our engagement with employers offering the following package to inform and influence their recruitment practices in order to make them more accessible to refugees:

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- Awareness raising through training employers' workforce on refugee issues;
- Joint short training courses for refugees to increase understanding of employers' requirements and familiarise refugees with specific employer working environment. This is followed by mock interviews for refugee candidates;
- Employers offer job or work placements opportunities.

We worked with Glasgow Caledonian University on the prior learning and skills recognition project funded by Scottish Government to test the new skills recognition model developed by partners.

This work continues to inform the work of the New Scots Employment and Welfare Group, which we co-chair. 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".

Training Programme

We generated just over £30K gross income during the financial year 2020/21. In this unusual year, while we were changing our mode of delivery due to the impact of the pandemic, uncertainty of the market for training function and learning about various digital solutions and platforms, this is a real success and provided us with opportunities to expand our reach geographically.

Our training programmes are:

- Public training scheduled throughout the year and advertised on our website and social media channels;
- Commissioned training tailored to specific needs of those who request it.

We anticipate all our training courses to continue being delivered online for the foreseeable future.

147 individual participants have been trained in 2020/21 and 34 families have received the ILR/citizenship sessions.

REFUGEE INTEGRATION

Our Community Development team works with refugee and receiving communities to deliver our strategy, *Sanctuary and Solidarity 2018-2021*. Our vision in this strategy for communities, both refugee communities and receiving communities, is that they feel safe and 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.

New Scots Rights & Communities

Funding under the Asylum, Migration and Integration Fund New Scots: Rights & Communities has provided the resources to deliver this strategy. This project concluded on 30 September 2020 and

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the final outputs of the project were published in January 2021. This is one of the most ambitious projects undertaken by Scottish Refugee Council and our partners the Bridges Programmes, Workers' Educational Association and Church of Scotland. Over the span of the project, we directly supported 1,190 New Scots through our Refugee Integration Service to achieve their ambitions for work, education and community life; and 189 organisations across Scotland to build their capacity to welcome and support the integration of New Scots. The project included the creation and implementation of a digital Scotland-wide network and 5 physical regional Scottish networks of refugee-supporting organisations; capacity building tools; and national, regional gatherings to improve refugee and community involvement in Scotland's New Scots strategy.

The outputs are a series of three toolkits, published on our website, and presented as tools that could be adopted by different actors supporting refugee integration in Scotland, the UK and beyond. Alongside the toolkits, we also published: an evaluation of the overall New Scots Integration: Rights & Communities; polling of Scottish public attitudes to refugee integration over the last two years; research into mapping community welcome for refugees in Scotland; three individual reports from the regional gatherings we ran with refugees, local authorities and community groups in North East, South East, and South West Scotland; four reports setting out the views of refugees with different equality characteristics on housing, health, education and employment; and a handbook for setting up and running holiday hosting programme.

COVID and communities

During the Covid-19 pandemic, our existing relationships with refugee-led and refugee-assisting groups and experience of small grant making were fundamental to Scottish Refugee Council establishing an ongoing project through 2020/21 to secure and disburse monies from funders to grassroots organisations to support them to meet the needs of individuals in their communities impacted by Covid-19. Through three different funding streams 116 community groups received funding to deliver lifeline support to communities including food distribution, digital connectivity and activities to reduce social isolation. Some of these funds supported people seeking asylum living in hotels in Glasgow during lockdown. 41.4% (48) of these groups were refugee-led with 58.6% (68) being refugee-assisting groups. In total, £396k was disbursed with 45% (£178k) to refugee-led groups and 55% (£218k) to refugee-assisting groups.

These funding schemes were informed directly from the needs of individuals and communities, including through survey research that we published in September 2020.

We worked closely with Public Health Scotland to produce information and videos to promote the uptake of the Covid-19 vaccination programmes.

New Scots: Refugee Integration Strategy and new AMIF funding

We continue to play our role as one of the three partners leading on the implementation of the New Scots Refugee Integration Strategy.

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

We played an active role in supporting the Scottish Government in partnership with COSLA to secure £4.5 million European Funding administered by UK Responsible Authority in the last round of Asylum, Migration and integration Funding.

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As part of this programme which began in October 2020, up to £2.8 million will fund new projects to spread documented good practices and to support innovation in Scotland under the outcomes, objectives and beneficiaries of the New Scots Refugee Integration Strategy. The programme will also evaluate the overall impact and effectiveness of the New Scots Refugee Integration strategy as well as supporting the continuation of the New Scots Connect digital and physical network of Refugee Integration Co-coordinators.

In 2020 we secured funding for a 3-year project to build the capacity of refugee-led and refugee-supporting community organisations in Glasgow. This funding will allow us to achieve key goals in our strategic plan: building on and expanding our skills training offer to community groups, including on identified needs such as committee skills, applying for funding, managing money, project management, evaluating success and the Community Empowerment Act; establish a lived experience leadership programme and pilot the development of a network of refugee artists.

POLICY and COMMUNICATIONS

Our policy team works hard to influence legislation, policy and practice around asylum and refugee issues. We developed an advocacy plan to focus our activity towards four areas: protection of refugees during Covid-19, advocacy at a UK level to push for improvements to the UK asylum system, Scotland becoming a model for excellence in refugee integration, prevention of migrant homelessness and human rights for refugee children.

To work towards a more effective and human rights-fulfilling model for refugee protection at a UK level, we have worked this year alongside our colleagues at Refugee Action, Asylum Matters, the British Red Cross and Freedom from Torture, under the banner of the Asylum Reform Initiative to co-ordinate our advocacy activity and to develop a long-term campaign to be launched in Spring 2021. In March 2021 the UK Government announced reforms to the asylum system and we have mobilised opposition to these reforms with partners in Scotland as well as responding to the official consultation.

We have worked closely with colleagues across the UK refugee sector to maintain as many of the progressive changes instituted by the Home Office in Spring 2020, to mitigate the spread of Covid-19. This has included working with policy-makers, support to legal challenges, and parliamentary, public and media interventions to ensure that the Home Office takes a public health approach towards refugee support cessations and evictions and, ideally, a continuation of the no-evictions pause until there is a vaccine and/or there is genuinely no practical obstacle to return. This has included initiating and advising on engagement in partnership with Public Health Directors across the 15 largest asylum dispersal areas, as well the Migration Health lead at Public Health England.

In addition to our work on the New Scots Refugee Integration Strategy, we have led on a number of strands of work to improve Scotland's role in refugee protection, welfare and integration.

Under our Joseph Rowntree Charitable Trust Project, Refugees Ending Destitution in Scotland, we worked with our partner, the Govan Community Project, to support a group of people with lived experience of destitution in the UK asylum system to inform the development of and co-produce the Scottish Government's and COSLA's anti-destitution strategy: *Ending Destitution Together*. This strategy was published in March 2021 and its recommendations are essential to a fully inclusive and safe recovery from Covid-19 that brings all communities in Scotland with them and leaves no one behind.

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We also contributed to the work and final report of the Social Renewal Advisory Board. This board was set up to consider change in Scotland post pandemic. The recommendations of the board make clear that refugees and people seeking asylum should be included within Scotland's recovery.

We received funding from the UK Democracy Fund at Joseph Rowntree Reform Trust (JRRT) to deliver a campaign of political education and voter registration for refugees living in Scotland newly enfranchised by the Scottish Elections (Franchise and Representation) Act 2020, ahead of the Scottish Parliament election in May 2021. This project entitled: *Empowering Scotland's Newly Enfranchised Refugee Communities* started in October 2020 and runs until the end of June 2021.

We increased our capacity to focus on issues facing separated children by employing a full-time Children's Policy officer. Work has included ensuring separated children have been considered in the development of the incorporation of the UN Convention on the Rights of Children (UNCRC); focus on improving the asylum and trafficking systems to be more child friendly; revising the Scottish Guardianship Service practice framework and developing a research project to evaluate the impact of guardians on asylum and trafficking decision-making.

We continued our engagement with 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 as well as produce our own communications and social media.

A significant aspect of the media and communications team's work through our own comms channels and the media over the year has been in response to the Covid-19 pandemic. This has included: case studies of refugee key workers; profiles of community groups' Covid-19 response work; concerns about the impact of Covid-19 on refugee and asylum community, in particular with regards to living in poverty, digital exclusion and social isolation; supporting our fundraising initiatives and policy campaigns/asks.

Much of our media output in the summer focused on crisis communications in relation to the Park Inn tragedy and to the violent targeting of asylum seekers at a demonstration in George Square. This included drafting organisational statements in response to the incidents; drafting comments; drafting press editorial pieces; liaising intensely with journalists covering the story; working to influence and shape this coverage where possible; crisis management of social media response; drafting campaigning communications and media work on asylum accommodation and the use of hotels; communicating with supporters, volunteers, supporting internal communications.

We also invested time in promoting the 1-year anniversary of the Scottish Guardianship Service and stories of young people. This secured 13 hits across print and online publications.

As part of our New Scots: Rights & Communities project, we commissioned the market research company Survation to conduct focus groups to explore public attitudes in Scotland towards refugees and specifically provide analysis around current framing and campaigning in the media and how the public respond to this. We also commissioned a second round of Scotland-wide polling which was conducted and published in June. This found that a higher proportion of Scottish people empathise with refugees than in the previous survey, with 4 in 5 claiming that they have at least some understanding of the issues that affect refugees in Scotland. On the topic of welcoming refugees in Scotland there is polarisation, with one in five participants mentioning that Scotland should welcome more refugees while a similar proportion feel that Scotland should welcome less refugees. About

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45% said that Scotland should welcome the same number of refugees as it does now. These attitudes have largely maintained since 2019.

In September we redefined and increased roles within the team to allow us to deliver the multiple functions required of the team. This includes a new project testing a news desk approach with a dedicated Media Officer, supported by The Paristamen CIO. This improves our capacity to speak up for refugee rights, engage and rapidly respond to complex and shifting policy positions in the media support as well as corporate communication functions and storytelling of work in communities across Scotland.

DEVELOPING AN EFFECTIVE ORGANISATION

The Scottish Refugee Council AGM was held on 22 October 2020 via Zoom conferencing, due to Covid-19 restrictions. The event allowed for an opportunity to report on the organisation's financial and operational performance during 2019 – 2020 as well as highlighting our key achievements and challenges faced in safeguarding refugee rights in a time of increased uncertainty. The Annual Impact Report for 2019/20 was launched at this event.

At this AGM, it was recorded that Janine Hunt had resigned from the Board of Directors and Stella Olugbire had been co-opted onto the Board of Directors as a Board member with lived refugee experience. It was resolved that Louise Hunter, Aaliya Seyal and Jayne Forbes be re-elected to the Board of Directors for a three-year period.

AGM resolved to authorise the directors to appoint Alexander Sloan as auditors to hold office until conclusion of the next Annual General Meeting and to authorise the directors to fix their remuneration.

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.

We continued to be active in engaging volunteers in our work during Covid-19 restrictions. 34 of our volunteers supported our services, providing emergency support during this period. We were also able to develop and carry out online Volunteering Information Sessions, with an average 10 organisations and 20 refugees attending each monthly session.

We continued to grow our membership and supporter base. As of end of March 2021, there are 155 members. 16 of the members are refugee-led organisations.

Ambassador Programme

Scottish Refugee Council's influential ambassadors continued to offer their expertise, support and networks to support all areas of our work. Our current ambassadors are:

- 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.
- Professor 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).

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- 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.
- 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. Ayman is our Arts & Culture Ambassador, supporting several of our online events this year.

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 and risk register, detailing main activities and targets for each financial year as well as highlighting risks and actions put in place to mitigate these risks. 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 February 2021, the Board set up the Strategy and Development Committee (SDC) to provide ongoing oversight of progress towards achieving the outcomes set out in the Strategic Framework 2020-2023, advise SMT and better inform Board discussions.

FINANCIAL REVIEW

- Income for the year was £4,539k (2020: £3,073k), an increase of 47.7%.
- Expenditure for the year was £4,135k (2020: £3,243k) an increase of 27.5%.
- Net movement for the year was a surplus of £381k (2020: deficit of £149k).

Principal Funding Sources

- Scottish Refugee Council has a diverse funding base as can be seen from note 7, page 33.
- The grants received from our charitable activities totalled £4,139k from 36 different funding streams including several small trusts (2020: £2,787k).
- Our Scottish Government Strategic Grant was £534k (2020: £534k). Other funding from the Scottish Government was £760k (2020: £498k).
- During 2020/21 we secured another significant grant of £3,222k from the EU Asylum, Migration and Integration Fund (AMIF), administered by the UK Responsible Authority (UKRA). This grant will resource our Refugee Integration Services for the period from 1 October 2020 to 31 December 2022.
- Other sources of funding for the year were Dundee City Council £174k; Perth and Kinross Council £19k (2020: £39k); Oak Foundation for the DASS Project £50k (2020: £76k).
- To provide emergency support to refugees and communities affected by Covid-19 Pandemic, Scottish Refugee Council raised significant funds during 2020/21. These include: Foundation Scotland Community Response, Recovery and Resilience Fund (£433k); Scottish Government Covid-19 Wellbeing Fund (£97k); Scottish Government Covid-19 Supporting Communities Fund (£140k); Esme Fairburn Foundation Covid-19 Emergency Fund (£32k); Migration Exchange Respond and Adapt (£10k); National Emergency Trust (£224k); Corra Foundation Covid-19 Emergency Fund (£150k); Joseph Rowntree Charitable Trust (£38k).

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We are extremely grateful to all our funders who have been in touch with positive and encouraging messages of support for our work through this crisis. We thank all funding bodies, donors and supporters for enabling us to make such a big difference during these unprecedented times.

RISK MANAGEMENT

The Board reviews the major risks the charitable company faces and has 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 usual risk management process in place is for the Board to review and set organisational risks each year at its board meeting in February. Due to the extraordinary nature of the Covid-19 global pandemic, the Senior Management Team agreed it was necessary to review these newly-set risks, and met on 26 May 2020 to review and propose changes to the current risk register in light of risks posed by Covid-19.

The ten principal risks rated by the Board as high or medium that the charitable company faced in the year ended 31 March 2021 were identified as:

- Sources of funding become constrained due to the changes in the political and economic environment
- Public attitudes towards refugees and asylum seekers deteriorates
- Changes in governments' policy results in loss of business (Scotland, Glasgow, UK and Europe)
- 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 fails to respond to constant change within a challenging environment
- Governance fails in managing financial controls, regulation compliance or proactive malicious behaviour.
- Employment practice is not followed, staff and volunteers are not developed and valued
- The Board and SMT fails to respond to economic, political or constitutional change
- Major disaster affecting immediate and longer-term ability to continue in business

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

Going Concern

A surplus budget has been approved for the year to 31 March 2022. 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 £1,625k, split as £19k restricted funds and £1,606k 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

SCOTTISH REFUGEE COUNCIL

Report of the Directors for the year ended 31 March 2021

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 designated and restricted funds) the charity will require to sustain its operations for a period of between three and six months, would be between £1,033k and £2,067k (2020: £811k - £1,622).

The actual free reserves at 31 March 2021 (those funds not tied up in designated and restricted funds) was £1,190k (2020: £1,023k), which is 3.45 months (2020: 3.79 months) against the target of between 3 – 6 months.

There is a need for a higher level of reserves to cope with the uncertainties presented by the pandemic. The Scottish Refugee Council faces additional uncertainties as AMIF funding ends in December 2022, amounting to 30.5% of total income for 2020/21. Reserves are being built up to sustain the charity in the following years, when deficit results may arise in order to maintain the present levels of service to clients.

Plans for the Future

The next year will be a critical one for Scottish Refugee Council. We anticipate the crisis will continue to have an impact on people we support as well as our resources and capacity to respond. However, despite the prolonged nature of Covid-19 pandemic, we are committed to work for better outcomes for refugees in Scotland. The global pandemic will continue to pose challenges to the way we work, but there is a lot to learn from our experiences of working remotely over the last financial year. In 2022/23 we will engage with our staff team and other stakeholders to determine our mode of delivery for the future. 2022/23 will not be without its challenges but learning from experiences during Covid and reflections on the first year of our strategic plan will put us in a good stead for the year ahead. The year will also see us through the development and implementation of major EU funded programmes. Some of our key activities planned to achieve our strategic priorities include:

- Consultation on future mode of delivery and the implementation of new ways of working
- Resourcing the strategic priorities and ensuring relevant capacity at all levels to deliver agreed objectives
- Collectively influencing new immigration and asylum plans
- Continue to support and develop our staff and seek organisational accreditation;
- Ensure our governance is strong, relevant and includes refugee voices
- 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
- Work to ensure that 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 including meaningful employment
- Refugee families arriving through resettlement are welcomed, enabled to exercise their rights and progress towards their integration goals
- Implement Asylum Migration and Integration funded programmes and support refugee-led organisations and communities across Scotland
- Safeguard and seek to progress refugees' rights in light of constitutional change.

SCOTTISH REFUGEE COUNCIL

Report of the Directors for the year ended 31 March 2021

2022/23 will see us through some major changes proposed to the asylum system. We will continue to work with others across the UK to influence and ask for a fairer and more humane asylum system. We will engage with our partners through the Asylum Reform Initiative and continue to empower refugees to add their voices in shaping the future of asylum in the UK. The newly established Board's Strategy and Development Committee will take the lead on monitoring, evaluation and measuring our impact and progress towards achieving our strategic objectives. The committee will also set the agenda for the Board Strategy Day in November which will focus on year in review of the current strategic plan and life beyond Covid.

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.

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 one resignation in the period 2020/21. Three trustees were up for re-election and were re-elected at the AGM on 22 October 2020.

SCOTTISH REFUGEE COUNCIL

Report of the Directors for the year ended 31 March 2021

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.

The board usually holds its annual strategy day during November. In 2020/21, the strategy day was postponed due to Covid but several special board meetings were held remotely to discuss emerging issues. The board also held special meetings to develop an action plan in response to Black Lives Matter and to receive the internal review into Scottish Refugee Council's crisis response.

In addition to the cycle of the board meetings for the year, as good practice, the chairs of the various committees of the board also meet on regular basis. In the last year, the chairs met on four occasions.

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 2020/21 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 2021

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

Rona Alexander	Appointed as Chair 17 June 2021
Peter Lloyd	Resigned as Chair 17 June 2021
Mohamed Omar	Appointed Vice-Chair 17 June 2021
Janine Hunt	(Resigned 22 October 2020)
Monish Bhatia	
Ian Fulton	
Jayne Forbes	
Aaliya Seyal	
Louise Hunter	
Joti Singh	
Julia Brown	
Stella Olugbire	
Alvina Chibhamu	(Appointed 25 February 2021)
Dominique Nduhura	(Appointed 25 February 2021)

KEY MANAGEMENT PERSONNEL

Sabir Zazai		Chief Executive Officer
Flutura Shala		Head of Funding Development
Gary Christie		Head of Policy, Communications and Communities
Sheila Traynor	(to 12 March 2021)	Head of Finance and Corporate Services
Linda Russell	(24 February - 30 June 2021)	Interim Head of Finance
David Powrie	(from 14 June 2021)	Head of Finance and Resources
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

COMPANY SECRETARY

Davidson Chalmers Stewart
(Secretarial Services) Ltd
12 - 16 Hope Street
Edinburgh EH2 4DB

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 FRS 102 issued in October 2019
- 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
- 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 19 August 2021 and signed on their behalf by:



.....
Rona Alexander
Chair of the Board

.....
Peter Lloyd
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 2021

Opinion

We have audited the financial statements of Scottish Refugee Council (the charitable company) for the year ended 31 March 2021 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 2021 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 charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Directors with respect to going concern are described in the relevant sections of this report.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS AND DIRECTORS OF SCOTTISH REFUGEE COUNCIL FOR THE YEAR ENDED 31 MARCH 2021 (CONTINUED)

Other information

The other information comprises the information included in the annual report other than the financial statements and our Auditor's report thereon. The Directors are responsible for the other information contained within the annual report. 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. 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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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' Report, which includes the Directors' Report prepared for the purposes of company law, for the financial year for which the financial statements are prepared, is consistent with the financial statements; and
- the Directors' Report included within the Directors' Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

We have nothing to report in respect of the following matters in relation to which 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' Report and from the requirement to prepare a strategic report.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS AND DIRECTORS OF SCOTTISH REFUGEE COUNCIL FOR THE YEAR ENDED 31 MARCH 2021 (CONTINUED)

Responsibilities of Directors

As explained more fully in the statement of Directors' Responsibilities, the Directors 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 (who are also the Trustees of the charitable company for the purposes of charity law) are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the 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 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 the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Extent to which the audit was considered capable of detecting irregularities, including fraud

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the charitable company through discussions with Directors and other management, and from our wider knowledge and experience of the charity sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the charitable company, including the Companies Act 2006, Charities SORP (FRS 102), the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended).
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS AND DIRECTORS OF SCOTTISH REFUGEE COUNCIL FOR THE YEAR ENDED 31 MARCH 2021 (CONTINUED)

We assessed the susceptibility of the charitable company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

Audit response to risks identified

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates set out in Note 2 were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with HMRC and OSCR.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the Directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our Auditor's report.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS AND DIRECTORS OF SCOTTISH REFUGEE COUNCIL FOR THE YEAR ENDED 31 MARCH 2021 (CONTINUED)

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.

Allison Devine

Allison Devine C.A., (Senior Statutory Auditor)

for and on behalf of

Alexander Sloan

Accountants and Business Advisers

Statutory Auditor

180 St Vincent Street

Glasgow

G2 5SG

Date: 19 August 2021

SCOTTISH REFUGEE COUNCIL
STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 MARCH 2021
(Incorporating Income and Expenditure account)

	Notes	Unrestricted Funds 2021 £	Restricted Funds 2021 £	Total Funds 2021 £	Unrestricted Funds 2020 £	Restricted Funds 2020 £	Total Funds 2020 £
Income							
Donations and legacies	5	313,932	20,939	334,871	144,859	52,500	197,359
Charitable activities	6	737,722	3,458,282	4,196,004	728,874	2,138,708	2,867,582
Investments		7,803	-	7,803	8,414	-	8,414
Total Income		1,059,457	3,479,221	4,538,678	882,147	2,191,208	3,073,355
Expenditure							
Raising funds							
Raising donations & legacies	8	79,926	-	79,926	97,023	-	97,023
Charitable activities	9	527,434	3,527,249	4,054,683	891,391	2,254,591	3,145,982
Total Expenditure		607,360	3,527,249	4,134,609	988,414	2,254,591	3,243,005
Net income/(expenditure)		452,097	(48,028)	404,069	(106,267)	(63,383)	(169,650)
Other recognised gain/(losses)							
Actuarial gain/(loss) on defined benefit pension scheme	23	(23,223)	-	(23,223)	20,336	-	20,336
Net movement in funds		428,874	(48,028)	380,846	(85,931)	(63,383)	(149,314)
Reconciliation of Funds							
Total funds brought forward	21	1,176,815	66,986	1,243,801	1,262,746	130,369	1,393,115
Total funds carried forward	21	1,605,689	18,958	1,624,647	1,176,815	66,986	1,243,801

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 27 to 43 form part of these financial statements.

**SCOTTISH REFUGEE COUNCIL
BALANCE SHEET AS AT 31 MARCH 2021**

	Notes	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £	Total Funds 2020 £
Fixed assets:					
Tangible assets	15	8,475	-	8,475	11,155
Total Fixed Assets		8,475	-	8,475	11,155
Current assets:					
Debtors	15	33,158	487,983	521,141	229,130
Investments	25	-	-	-	1,300,000
Cash at bank and in hand	25	2,458,809	365,426	2,824,235	904,995
Total Current Assets		2,491,967	853,409	3,345,376	2,434,125
Liabilities:					
Creditors - amounts falling due within one year	17	(468,550)	(834,451)	(1,303,001)	(722,134)
Net Current assets		2,023,417	18,958	2,042,375	1,711,991
Creditors – amounts falling due after one year	19	(426,203)	-	(426,203)	(479,345)
Net assets		1,605,689	18,958	1,624,647	1,243,801
The funds of the charity:					
Restricted funds	21	-	18,958	18,958	66,986
Unrestricted funds	21	1,605,689	-	1,605,689	1,176,815
		1,605,689	18,958	1,624,647	1,243,801

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 19 August 2021 and signed on their behalf by:





.....
Rona Alexander
Chair

.....
Peter Lloyd
Chair of the Finance & Audit Committee

Charity number: SC008639

Company Registration Number: SC145067

The notes on pages 27 to 43 form part of these financial statements

**SCOTTISH REFUGEE COUNCIL
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2021**

	Notes	Total Funds 2021 £	Total Funds 2020 £
<i>Cash flows from operating activities:</i>			
Net cash provided by / (used in) operating activities	24	625,586	(376,629)
<i>Cash flows from investing activities:</i>			
Dividends, interest and rents from investments		7,803	8,414
Transfer funds to Aberdeen Standard Investments		1,300,000	-
Changes on fixed term deposits with banks		-	(1,300,000)
Purchase of property, plant and equipment		(14,149)	(12,971)
Net cash provided by investing activities		1,293,654	(1,304,557)
Change in cash and cash equivalents in the year		1,919,240	(1,681,186)
Cash and cash equivalent at the beginning of the year		904,995	2,586,181
Cash and cash equivalents at the end of the year	25	2,824,235	904,995

The notes on pages 27 to 43 form part of these financial statements

1. Accounting Policies

(a) Basis of preparation and assessment of going concern

The financial statements have been prepared in accordance with the charity's 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 (FRS 102)" (as amended for accounting periods commencing from 1 January 2019).

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 2022 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 2021**

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 Charity is not registered for VAT and so all costs are reported inclusive of VAT.

(d) Donated services, facilities and equipment

Donated professional services, facilities and equipment 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 2021**

(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:

Tenant's 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

separately from those of the charitable company. As detailed in note 23, 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.

**SCOTTISH REFUGEE COUNCIL
NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2021**

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).

2. Critical judgements and 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:

Estimate

Obligation under Scottish Voluntary Sector Pension Scheme.

Basis of estimation

This has relied on the actuarial assumptions of a qualified actuary which have been reviewed and are considered reasonable and appropriate.

**SCOTTISH REFUGEE COUNCIL
NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2021**

3. Legal status

Scottish Refugee Council is a charitable company limited by guarantee incorporated in Scotland. The registered office is 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 (2020: £nil). Expenses paid to the directors in the year totalled £211 (2020: £449). These expenses were made up of 5 directors (2020: 6 directors).

During the year no director had any personal interest in any contract or transaction entered into by the charitable company (2020: none).

Six directors donated £1,346 during the year. (2020: 5 directors, £3,059).

The organisation purchased annual Trustee Indemnity Insurance within their current insurance policy. It is estimated the cost of this is £1,481 (2020: £1,480).

5. Income from donations and legacies

	2021	2020
	£	£
Donations, event fundraising & membership	334,871	197,359
	<u>334,871</u>	<u>197,359</u>

6. Income from charitable activities

	2021	2020
	£	£
Grants (note 7)	3,961,348	2,786,671
Trusts and Foundations (note 7)	177,533	-
Training, events and publications	57,123	80,911
	<u>4,196,004</u>	<u>2,867,582</u>

**SCOTTISH REFUGEE COUNCIL
NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2021**

7.Grants, Trusts and Foundations

	2021	2020
	£	£
Scottish Government – Equality Budget Funding	534,000	534,000
Scottish Government – Housing Voluntary Grant	132,000	132,000
Scottish Government – Humanitarian Project	104,632	65,878
Scottish Government – Scottish Guardianship Service	286,747	300,000
Scottish Government – Covid19 Supporting Communities Fund	140,000	-
Scottish Government – Covid19 Wellbeing Fund	96,822	-
EU Asylum, Migration and Integration Fund – ABM1	668,415	1,025,616
EU Asylum, Migration and Integration Fund – ABM3	597,000	-
EU Asylum, Migration and Integration Fund – ABM4	88,344	-
National Emergencies Trust (NET)	224,354	-
Foundation Scotland	432,906	-
Corra Foundation	150,000	-
Local Authorities	285,730	325,564
DASS (Oak Foundation and Scottish Government)	50,171	76,476
Legal Education Foundation	-	12,083
Creative Scotland	-	35,868
Wheatley Foundation	10,000	14,000
Seattle Foundation and Starbucks	-	24,594
Glasgow Clyde College Foundation and Paul Hamlyn	-	32,201
Esmee Fairbairn Foundation	63,453	62,813
Esmee Fairbairn Foundation – Covid-19 Fast Response Grant	31,646	-
The Joseph Rowntree Charitable Trust	38,005	21,266
The Joseph Rowntree Reform Trust	20,959	-
AB Charitable Trust	-	20,000
Glasgow Night Shelter for Destitute Asylum Seekers	49,980	12,574
Steel Charitable Trust	25,000	-
Big Lottery – Awards for All	-	10,000
Gillespie McAndrew	-	10,000
The Network for Social Change	13,000	8,180
Respond and Adapt Programme (RAP)	9,975	-
The Paristamen CIO	7,000	-
Aberlour Child Care Trust	32,272	7,980
Aberlour – Covid	15,000	-
Small Grants (< £10,000)	31,470	55,578
	<u>4,138,881</u>	<u>2,786,671</u>

8.Raising funds – expenditure on raising donations and legacies

	Direct Costs	Support Costs	Total 2021	Total 2020
	£	£	£	£
Seeking donations & grants	42,390	33,915	76,305	91,568
Governance costs (note 11)	-	3,621	3,621	5,455
	<u>42,390</u>	<u>37,536</u>	<u>79,926</u>	<u>97,023</u>
Total 2020	<u>52,761</u>	<u>44,262</u>		

SCOTTISH REFUGEE COUNCIL
NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2021

9. Analysis of expenditure on charitable activities

	Direct Costs £	Support Costs £	Total 2021 £	Total 2020 £
Refugee & Asylum Services	1,010,238	234,933	1,245,171	1,507,323
Refugee Integration	2,121,118	181,986	2,303,104	1,291,417
Policy & Advocacy	391,038	115,370	506,408	347,242
	<u>3,522,394</u>	<u>532,289</u>	<u>4,054,683</u>	<u>3,145,982</u>
Total 2020	<u>2,416,755</u>	<u>729,227</u>		

	Refugee and Asylum Services £	Refugee Integration £	Policy & Advocacy £	Total 2021 £	Total 2020 £
Staff costs	494,429	1,034,289	110,365	1,639,083	1,271,402
Charitable events/costs	419,703	977,318	235,986	1,633,007	854,032
Property Costs	9,261	9,334	1,500	20,095	9,003
Travelling costs	649	613	337	1,599	32,709
Printing and stationery	11,213	27,991	4,844	44,048	20,033
Telephone and ICT	42,549	45,374	15,959	103,882	96,572
General expenses (interest charges and depreciation)	17,759	12,255	3,843	33,857	64,850
Volunteering costs	310	0	0	310	17,642
Professional costs	14,366	13,944	18,204	46,514	50,512
Governance costs (note 11)	28,963	25,343	14,482	68,788	103,639
Support costs (note 11)	205,969	156,643	100,888	463,500	625,588
	<u>1,245,171</u>	<u>2,303,104</u>	<u>506,408</u>	<u>4,054,683</u>	<u>3,145,982</u>
Total 2020	<u>1,507,323</u>	<u>1,291,417</u>	<u>347,242</u>		

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

	Refugee and Asylum Services £	Refugee Integration £	Policy & Advocacy £	Total £
Charitable activities	1,245,171	2,303,104	506,408	4,054,683
Direct grant support	1,318,830	2,256,059	166,468	3,741,357
Net cost funded from other income /reserves	<u>(73,659)</u>	<u>47,045</u>	<u>339,940</u>	<u>313,326</u>

**SCOTTISH REFUGEE COUNCIL
NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2021**

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:

	Raising funds	Refugee & Asylum Services	Refugee Integration	Policy & Advocacy	Governance	Total	Total
	£	£	£	£	£	2021	2020
						£	£
Salaries & other staff costs	15,775	115,268	111,293	73,678	59,209	375,223	560,714
Rent & rates	7,045	35,227	17,614	10,568	-	70,454	73,809
Property costs	11,095	55,474	27,736	16,642	-	110,947	114,230
	<u>33,915</u>	<u>205,969</u>	<u>156,643</u>	<u>100,888</u>	<u>59,209</u>	<u>556,624</u>	<u>748,753</u>
2020	<u>38,807</u>	<u>267,976</u>	<u>215,299</u>	<u>142,313</u>	<u>84,359</u>		

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

	2021	2020
	£	£
Governance costs:		
Directors' expenses	211	449
Auditor's remuneration	9,940	9,513
Consultancy fees	2,767	7,186
Costs of meetings	282	7,587
Support costs (see above)	59,209	84,359
	<u>72,409</u>	<u>109,094</u>

Governance costs are split into activities as follows:

	Total	Raising funds	Refugee & Asylum Services	Refugee Integration	Policy & Advocacy
	£	£	£	£	£
Governance costs	<u>72,409</u>	<u>3,621</u>	<u>28,963</u>	<u>25,343</u>	<u>14,482</u>

**SCOTTISH REFUGEE COUNCIL
NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2021**

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

	2021	2020
	£	£
Salaries and wages	1,724,458	1,572,781
Social security costs	142,539	132,383
Employer contributions to defined contribution pension schemes	128,875	120,997
Defined benefit pension scheme – scheme fees	12,816	12,444
Total staff costs and employee benefits	<u>2,008,688</u>	<u>1,838,605</u>

The charitable company paid scheme fees of £12,816 to the defined benefit pension plan, operated by The Pensions Trust (2020: £12,444). 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 (2020: Nil). The key management personnel of the charitable company comprise the chief executive and the senior management team. The total employee costs of the key management personnel were £301,820 (2020: £284,127).

	2021	2020
	No.	No.
The average number of persons, by headcount, employed by the charity during the year was:	<u>68</u>	<u>64</u>

13. Net income for the year

This is stated after charging:	2021	2020
	£	£
Depreciation	<u>16,829</u>	<u>50,986</u>
Auditor's remuneration:		
External Audit Fees	6,977	6,588
Internal Audit Fees	<u>2,963</u>	<u>2,925</u>
	<u>9,940</u>	<u>9,513</u>
On operating lease rentals	<u>81,317</u>	<u>78,694</u>

SCOTTISH REFUGEE COUNCIL
NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2021

14. Tangible fixed assets

	Tenant's Improvements	Computer Equipment	Furniture & Equipment	Total
	£	£	£	£
Cost or valuation				
At 1 April 2020	132,206	145,406	10,450	288,062
Additions	-	14,149	-	14,149
Disposals	-	(83,820)	-	(83,820)
At 31 March 2021	<u>132,206</u>	<u>75,735</u>	<u>10,450</u>	<u>218,391</u>
Depreciation				
At 1 April 2020	132,206	136,621	8,080	276,907
Charge for the year	-	15,818	1,011	16,829
Eliminated on disposal	-	(83,820)	-	(83,820)
At 31 March 2021	<u>132,206</u>	<u>68,619</u>	<u>9,091</u>	<u>209,916</u>
Net book value				
At 31 March 2021	<u>-</u>	<u>7,116</u>	<u>1,359</u>	<u>8,475</u>
At 31 March 2020	<u>-</u>	<u>8,785</u>	<u>2,370</u>	<u>11,155</u>

15. Debtors

	2021	2020
	£	£
Trade debtors	4,819	20,497
Prepayments and accrued income	516,322	208,633
	<u>521,141</u>	<u>229,130</u>

16. Financial assets and liabilities

	2021	2020
	£	£
Financial assets at amortised cost	<u>521,141</u>	<u>229,130</u>
Financial liabilities	<u>1,303,001</u>	<u>722,134</u>

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

Financial liabilities comprise trade and other creditors, social security costs, deferred income, defined benefit pension scheme (recovery plan) liability and accrued expenses, all due within one year.

SCOTTISH REFUGEE COUNCIL
NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2021

17. Creditors: amounts falling due within one year

	2021	2020
	£	£
Trade creditors	153,456	73,466
Other creditors and accruals	121,211	182,605
Deferred income (Note 18)	342,822	257,521
Taxation and social security costs	46,216	36,599
Defined benefit pension scheme (note 22)	89,715	87,102
AMIF Pre-financing	549,581	84,841
	<u>1,303,001</u>	<u>722,134</u>

At the year-end date there were pension contributions outstanding of £19,705 (2020: £2,216).

18. Deferred income

	£
Balance as at 1 April 2020	257,521
Amount released to income earned from charitable activities	(257,521)
Amount deferred in year	342,822
Balance as at 31 March 2021	<u>342,822</u>

Deferred income comprises income received before the year end for use on charitable activities during the 2021/22 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.

19. Creditors: amounts falling due after one year

	2021	2020
	£	£
Defined benefit pension scheme (note 22)		
Due > 1year	426,203	479,345
	<u>426,203</u>	<u>479,345</u>

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

20. Lease commitments

	Rent	Rent
	2021	2020
	£	£
Commitments under lease agreements at each representative year end are as follows:		
Building – Renfield Street		
1 year	79,380	73,180
2 – 5 years	358,851	45,737
	<u>438,231</u>	<u>118,917</u>

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

SCOTTISH REFUGEE COUNCIL
NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2021

21. Analysis of charitable funds

Analysis of Fund movements	Balance 1 Apr 20 £	Income £	(Expenditure)/ Gains/(Losses) £	Transfers £	Balance 31 Mar 21 £
Unrestricted funds (a)					
General funds	1,034,594	1,059,457	(581,260)	(314,299)	1,198,492
Designated funds (b)					
Development & change	86,954	-	(26,101)	244,274	305,127
ICT	55,267	-	(23,222)	70,025	102,070
	142,221	-	(49,323)	314,299	407,197
Total unrestricted funds	1,176,815	1,059,457	(630,583)	-	1,605,689
Restricted fund (c)					
Refugee & Asylum Services	35,088	1,045,907	(1,080,995)	-	-
Refugee Integration	31,898	2,357,375	(2,370,315)	-	18,958
Policy & Advocacy	-	75,939	(75,939)	-	-
Total restricted funds	66,986	3,479,221	(3,527,249)	-	18,958
TOTAL FUNDS	1,243,801	4,538,678	(4,157,832)	-	1,624,647

Analysis of Fund movements	Balance 1 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
	282,584	-	(176,475)	36,112	142,221
Total unrestricted funds	1,262,746	882,147	(968,078)	-	1,176,815
Restricted fund (c)					
Refugee & Asylum Services	88,037	983,177	(1,036,126)	-	35,088
Refugee Integration	42,332	1,174,682	(1,185,116)	-	31,898
Policy & Advocacy	-	33,349	(33,349)	-	-
Total restricted funds	130,369	2,191,208	(2,254,591)	-	66,986
TOTAL FUNDS	1,393,115	3,073,355	(3,222,669)	-	1,243,801

**SCOTTISH REFUGEE COUNCIL
NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2021**

- 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:

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 purposes. Firstly, for salaries of additional staffing capacity agreed by the Board. 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 2021/22. These are the organisational website and a customer relationship management (CRM) database.

In addition, funds have been put aside for future ICT asset replacement and business development. Further funds have been retained for a future server, as recommended by an internal audit.

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: The Scottish Government support the Housing, Humanitarian and Guardianship services, The UK Responsible Authority Asylum, Migration and Integration Fund (AMIF) fund our direct advice and support to newly granted refugees, Corra Foundation, Network for Social Change, The Scottish Government and Oak Foundation support the Destitute Asylum Support Service (DASS), Local Authorities.

Where the terms of the funding have not yet been met and income is potentially repayable to the funder, this income has been deferred.

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 work around integrating refugees. These projects are funded by Scottish Government, The UK Responsible Authority Asylum (UKRA), Migration and Integration Fund (AMIF – ABM3 and ABM4), NET Grant Funding, Local Authorities, Wellbeing Funds, Foundation Scotland, Children in Need, Reset Grant (Community Sponsorship), Starbucks, BG (Private Funder) 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.

**SCOTTISH REFUGEE COUNCIL
NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2021**

At the year end, there were balances on the following projects:

1. BG (Private Funder) and Children in Need funded project Happy Steps £5,122.
2. BG (Private Funder) Family Practitioner £13,836.

All projects span the year end and the balance of funds will be spent during 2021/22.

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 Joseph Rowntree Charitable Trust, The Joseph Rowntree Reform Trust, Respond and Adapt Programme and The Paristamen (CIO) during the year.

22. Analysis of Net Assets

	Restricted Funds £	Designated Funds £	General Reserve £	Total 2021 £
Tangible Assets	-		8,475	8,475
Debtors	487,983	-	33,158	521,141
Cash at bank	365,426	408,558	2,050,251	2,824,235
Creditors due within 1 year	(834,451)	(1,361)	(467,189)	(1,303,001)
Creditors due in more than 1 year	-	-	(426,203)	(426,203)
	<u>18,958</u>	<u>407,197</u>	<u>1,198,492</u>	<u>1,624,647</u>

	Restricted Funds £	Designated Funds £	General Reserve £	Total 2020 £
Tangible Assets	-		11,155	11,155
Debtors	169,481	-	59,649	229,130
Investments	-	-	1,300,000	1,300,000
Cash at bank	193,398	142,221	569,376	2,824,235
Creditors due within 1 year	(834,451)	-	(426,241)	(722,134)
Creditors due in more than 1 year	-		(479,345)	(479,345)
	<u>66,986</u>	<u>142,221</u>	<u>1,034,594</u>	<u>1,243,801</u>

23. 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. A further full actuarial valuation was carried out in 2020 and the results are due to be reported in late 2021.

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 2019 to 30 September 2026.

At the balance sheet date, the net present value of this obligation was £515,918 (2020 - £566,447). This was calculated by reference to the terms of the agreement and discounting the liability using the yield rate of a corporate bond with a similar term. This discount rate used was 0.86% (2020: 2.57%).

The Charity made payments totalling £87,102 (2020: £84,565) to the pension deficit during the year.

The charity paid scheme fees of £12,816 (2020: £12,444) 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 2021**

Present Values of Provision

	31 March 2021 £000's	31 March 2020 £000's	31 March 2019 £000's
Present value of Provision	516	566	662

Reconciliation of Opening and Closing Provisions

	Year Ending 31 March 2021 £000's	Year Ending 31 March 2020 £000's
Provision at start of period	566	662
Unwinding of the discount factor (interest expense)	14	9
Deficit contribution paid	(87)	(85)
Re-measurements - impact of any change in assumptions	23	(20)
Re-measurements - amendments to the contribution schedule	-	-
Provision at end of period	516	566

Income and Expenditure Impact

	Year Ending 31 March 2021 £000's	Year Ending 31 March 2020 £000's
Interest expense	14	9
Re-measurements – impact of any change in assumptions	23	(20)

Assumptions

	31 March 2021 % per annum	31 March 2020 % per annum	31 March 2019 % per annum
Rate of discount	0.86	2.57	1.46

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.

**SCOTTISH REFUGEE COUNCIL
NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2021**

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

	2021	2020
	£	£
Net income for the year (as per the Statement of Financial Activities)	404,069	(169,650)
Adjustments for:		
Depreciation charges	16,829	50,986
Interest	(7,803)	(8,414)
Actuarial gain/(loss) on defined benefit pension scheme	(23,223)	20,336
Actuarial movement on contribution schedule	-	-
Decrease/(Increase) in debtors	(292,011)	39,951
(Decrease)/Increase in creditors	527,725	(309,838)
Net cash provided by/(used in) operating activities	625,586	(376,629)

25. Analysis of investment, cash and cash equivalents

	2021	2020
	£	£
Investments – Fixed term cash deposits	-	1,300,000
Cash at bank and in hand	2,824,235	904,995
Total cash and cash equivalents	2,824,235	2,204,995

25a. Analysis of changes in net funds

The charitable company had no debt during the year.

26. Ultimate controlling party

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

27. 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.