



SCOTTISH REFUGEE COUNCIL
DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

Charity number: SC008639

Company number: SC145067

**SCOTTISH REFUGEE COUNCIL
REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023**

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SCOTTISH REFUGEE COUNCIL

Report of the Directors for the year ended 31 March 2023

The Directors present their annual report and financial statements of the charitable company for the year ended 31 March 2023.

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 set a strategic plan for the period 2020 to 2023. The plan was informed by refugees and other stakeholders who took part in an extensive consultation process that took place in 2019. These financial statements cover the third and final year of the current strategic plan. 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 set out the vision and five key strategic priorities the organisation wanted 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 political, legislative and economic environment. 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:

- 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

During the year under review we continued to provide services remotely, however, the opportunity for office-based and a hybrid way of working is developing. Our significant charitable activities during 2022/23 are broken down into three areas:

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

REFUGEE and ASYLUM SERVICES

With COVID, Afghan evacuation and the arrival of Displaced People from Ukraine due to the Russian war against Ukraine, we enhanced our advice services to respond to all populations arriving in Scotland through the various protection routes.

National Helpline

The Helpline is free and confidential key access point for those seeking and granted protection in Scotland to receive information, advice and one-off casework interventions to understand UK systems, access rights and be aware of their own responsibilities. It is open every weekday and staffed with OISC registered bilingual advisers with interpreters provided when needed. Helpline advisers signpost and refer callers for appropriate services whether provided by SRC's own services or other providers.

We responded to over 9,000 calls and emails during the year from; asylum seekers, refugees through the various protection routes, including more than 3,200 in relation to Ukraine, people with No Recourse to Public Funds outside protection routes, support agencies and the public. Following the announcement of the Home Office at the end of December 2022 to resume support cessations for those who were supported due to public health restrictions, our advisers worked with people to prevent homelessness and destitution.

Asylum Advice and Support

Throughout 2022-23, we worked with 352 destitute asylum seekers, 20% of whom were female, providing casework support to alleviate their destitution and prevent them becoming homeless. A total of 3,885 interactions with clients were done, including providing information on options

available, advice on accessing rights and resources, advocating on behalf of people, signposting and referring when and as required. During the year, 47 refused asylum seekers supported by our destitution team were granted status.

We continue to work in partnership with third sector refugee support agencies and the legal community in Glasgow to support destitute asylum seekers and those deemed to have No Recourse to Public Fund (NRPF). We are part of Fairway Scotland a collaboration of four organisations to provide support, advice and accommodation to NRPF population in Scotland with the aim to alleviate destitution.

Our work with asylum seeking families who have recently claimed asylum and dispersed to Glasgow continued throughout the year. Since October 2021 we started our 3 years end-to-end case management pilot, in partnership, with Just Right Scotland and Latte & Co. to support 200 families with the overall aim to improve asylum protection and welfare outcomes through early access to justice for everyone in the asylum system. During 22-23 we worked with 69 families. In its first 3 operational months the project started working with 35 families who are still waiting for their asylum claims to be determined.

Scottish Guardianship Services

We have run the Scottish Guardianship Service in partnership with Aberlour Childcare Trust since 2010. Aberlour take the lead on operational delivery whilst Scottish Refugee Council is the lead partner responsible for strategic development, policy, media and participation of young people. The service has provided 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 and trafficking determination processes. Between April 2022 and the end of March 2023, the service supported a record 384 new referrals, with a total caseload of 743 cases. The doubling of referrals (384 in 2021/22) in referrals is due to the dispersal of young people across Scotland under the UK Government's National Transfer Scheme. 158 young people have active cases referred to the National Referral Mechanism.

Our two Participation Officers work alongside guardians. One role focuses primarily on supporting young people to engage in integration activities such as employability workshops, English classes and coordinating sport and social integration activities. The other role focuses on building young people's voice and participation in consultations and engagement with public bodies. The group, the Young People's Voices, published a report into their experiences of social work services.

This marks the final year of the grant-funded Scottish Guardianship Service. In September the Scottish Government tendered for the delivery of the Independent Child Trafficking Guardians Service (a requirement under s.11 of the Human Trafficking and Exploitation Act Scotland 2015). Scottish Refugee Council and Aberlour successfully secured this contract. Whilst the service model will not change significantly, the new service, named Guardianship Scotland, requires public authorities to pay it due regard.

Refugee Integration Service

Through our European Asylum and Integration funded programme in partnership with Bridges Programmes and Workers Educational Association we worked with and supported 639 new refugees during the year, which brings the total we supported through this programme to 1,363 since its initiation in October 2020. The programme supports the co-production of holistic person-centred

integration plans with newly granted refugees and facilitates access to employability support and English language provision.

Our work supporting resettled families in Dundee continued and we worked with families from Syria, Afghanistan and those displaced from Ukraine. We also continued to support families who reached their five years leave to remain expiry date, to complete their resettlement ILR forms. Our work in partnership with Dundee City Council directly supporting resettled families has now been extended for another year up to the end of March 2024.

Afghan response

In addition to providing one to one support with Integration planning, in collaboration with COSLA and the three Scottish Local Authorities hosting the Afghan Bridging hotels, we provided group information sessions with a focus on housing rights and options to help with move to settled accommodation.

Ukraine response

In order to allow SRC to provide support to displaced people from Ukraine, we enhanced our Integration services to deliver:

- *Welcome Point at Glasgow Airport* led by volunteers to provide those arriving with the information they need to either go into a welcome accommodation or join their hosts and families. 1,242 arrivals were welcomed by our staff and volunteers through the year. Volunteers also started a weekly 'chatty café' to promote conversation, reduce isolation and focus on social connections at the Welcome Accommodation in Renfrewshire.
- *One-to-one* integration support for those who need it across Scotland. 531 people accessed this service this year.
- *Your Rights Sessions* to ensure access to accurate information on rights of people displaced from Ukraine. These explained how systems work and outlined options available. Our primary audience are people displaced from Ukraine recently arrived in Scotland. The sessions were attended by 1,027 people. They covered the following areas:
 - Legal – immigration status and documentation
 - Housing – rights and options
 - Money – how to claim benefits, how to access bank accounts
 - Health – how to access urgent care and medication, access to GP
 - Schools – how to enrol your children in schools
 - English language – how to access English classes

We also delivered sessions on MS Ambition in Glasgow and MS Victoria in Edinburgh, working with the Ukrainian community and local authorities to help people prior to the two ships dis-embarkment.

Information and Resources

Our learning team produced and shared resources for asylum seekers and refugees and practitioners on a range of issues. We produced fact sheets and information for asylum seekers, Afghans and Ukrainians and shared on our website. Resources are reviewed and updated regularly to ensure accuracy and that all information is up to date. All our resources, including factsheets are accessible on our website.

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:

- 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.

Throughout the year we worked with nine employers delivering ten information sessions and eight employability trainings attended by 55 people. During the year 22 refugees gained paid employment and another 13 into paid placements. 87 participated in our refugee awareness sessions to employers.

Training Programme

During the year we continued to provide a suite of training courses to practitioners across Scotland and beyond. In addition to our public training programme planned across the year, we delivered commissioned training to suit organisations who request it. In partnership with City of Sanctuary, we continued to offer and deliver a suite of courses for Higher Education Institutions (HEIs) who want to become a University of Sanctuary.

Our public training programme is scheduled throughout the year and advertised on our website and social media channels, while our commissioned training is tailored to specific needs of those who request it. All our training courses continued being delivered online throughout the year.

REFUGEE INTEGRATION

The Communities Team work with approximately 200 refugee-led and refugee assisting organisations across Scotland bringing groups and organisations together to learn from each other, share their expertise and access support with the goal making New Scots feel more welcome, supported and connected in Scotland. Five Regional Integration Co-coordinators act as key points of local and regional contact for new and existing organisations supporting and working with refugees. They provide information, advice and promote funding and development opportunities. Engagement is supported by the New Scots Connect digital forum.

We continue to act as focal point of advice and support for public bodies seeking to engage refugees and communities through the New Connect network.

In 2020 the Scottish Government secured funding from the European Commission's Asylum, Migration and Integration Fund (AMIF) for a large-scale two-year programme (2020-2022), the New Scots Refugee Integration Delivery Project, to expand the impact and reach of the New Scots Refugee Integration Strategy (2018-2022) and to evaluate its overall effectiveness and critique its theoretical underpinnings. Scottish Refugee Council is a partner of the programme alongside COSLA, and the UNESCO Chair for Refugee Integration through Languages and the Arts at the University of Glasgow. In August 2021, 56 projects across Scotland were awarded funding (£2.8 million) to widen existing work, or start new initiatives supporting the integration of refugees in Scotland's communities within the themes and objectives of the New Scots strategy. Regional Integration Officers are supporting projects in their respective regional areas.

As part of this programme, we held a series of learning exchanges on key integration themes: mental health in the community, ESOL and employability. These aim to create a space where organisations can come together to share good practise and an opportunity to discuss issues and approaches to

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different topics identified by organisations who are part of New Scots Connect network. These sessions have been well attended with each one having around 50-60 representatives from community groups, statutory and third sector organisations.

In 2021, we approached the National Lottery Communities Fund to seek funding for smaller refugee community organisations who were unsuccessful in applying to the New Scots Refugee Integration Delivery project fund due to the funding being oversubscribed. Positively, £1.5m was secured. From April 2022 we used a participative approach involving refugees and National Lottery staff to build capacity and mutual understanding of the funding process. The second stage, the Reaching New Scots fund disseminated over £800k of funding to 35 organisations to deliver integration projects. The funded projects will be linked into opportunities afforded by the overall NSRIDP including learning exchanges and conferences.

The Communities Team continues to deliver free skills workshops to members of refugee-led community organisations on money management, committee skills and applying for funding. A significant focus this year has been on funding opportunities and supporting groups to apply for funding through dedicated funds.

This year we launched our second New Scots leadership programme in partnership with the Social Enterprise Academy. The programme seeks to develop the strategic leadership skills of emerging leaders from refugee communities, provide them with tools to achieve social impact and offer a compassionate environment to support one another on their journey.

We have been working with the Scottish Community Development Centre to develop an assessment tool and series of capacity building training modules for refugee-led and refugee-assisting community organisations in Scotland to understand their organisational development needs.

We continue to deliver Cross Borders arts programme. This is a programme of arts and cultural projects involving events, workshops, mentoring, commissions and collaborations for, by and with artists, activists and cultural practitioners from refugee and other migrant backgrounds. The aims of the programme are to create a collective voice and platform to influence long term social change, increase professional and social connections, increase public awareness of, and counter negative narratives around refugees and migrants. 10 artists from a refugee background were mentored by Scottish-based artists this year.

In March 2022, supported by the National Lottery Community Fund, we launched the Afghan Citizens' Information Service (ACIS). This one-year project provided information to newly arrived Afghans resettled in Scotland.

We recruited six lived experience researchers to investigate extent to which we involved people with lived experience of the UK protection system in our work across the organisation. This includes the extent to which the current service user involvement policy is implemented, what improvements should be made and seeking views on the creation of a lived experience panel to inform the strategic work and direction of Scottish Refugee Council.

POLICY

Our policy team works to influence legislation, policy and practice on asylum and refugee rights. Our advocacy focuses our activity on: advocacy at a UK level to call for change to the UK's protection

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system, Scotland becoming a model for excellence in refugee protection and integration; prevention of homelessness; and rights for refugee children.

At a UK level, we have continued to work alongside colleagues at the British Refugee Council, Refugee Action, the British Red Cross and Freedom from Torture as part of the Asylum Reform Initiative. The coalition is chaired by Scottish Refugee Council's CEO. In 2021, the partner organisations founded the wider campaign coalition of Together with Refugees, with 300+ members across the UK. The campaign calls for fundamental reform to the UK protection system.

2022/23 is bookended by two significant pieces of legislation, progressively worsening refugee rights in the UK. A key focus of our work early in the year was to speak out in opposition to the Nationality & Borders Act which received Royal Assent on 28 April 2022. The latter part of the year has been dominated by mobilising opposition to the 'Illegal Migration Bill', introduced to the UK Parliament on 7 March 2023. The bill seeks to end the territorial right to asylum for those arriving in the UK irregularly. In collaboration with key partners we have led public and private awareness raising work on the grave implications of the bill for trafficking law, survivors and children's rights in Scotland. We have engaged in intensive analysis and influencing work on the Bill. This has included co-drafting a 100+ signatory joint statement; briefings to MPs and parliamentary committees; media articles; and seminars.

We have been deeply concerned by the rise in far-right activities and attacks on refugees in Home Office 'contingency' hotel accommodation. We wrote to the Permanent Secretary at the Home Office highlighting our concerns and drafted a letter to the Home Secretary raising our concerns about the far-right extremist threat to people in asylum accommodation and the need for responsible language and policy.

We developed and advocated for implementation of our five-point plan on how Scotland can mitigate and overcome some of the worst harms stemming from the Nationality and Borders Act.

We produced briefings and UK-sector-wide influencing work detailing the worsening chronic slowness in asylum decisions, inadmissibility rules, and dysfunctional distribution of public monies to private interests in asylum accommodation.

We led work in the sector exposing the Home Office practice of not serving decisions to asylum applicants in "contingency" asylum accommodation, with a constructive solution to this problematic practice.

We provide a detailed submission to the Home Office on its asylum support rates review.

We collaborated with Liberty Investigates and informed its evidence base and framing of the issues around escalating loss of life in the UK asylum accommodation system. A key output of this work was the creation of a new asylum seeker memorial project website.

We provided detailed written and oral advice to inform the independent inquiry into the treatment of asylum seekers in Glasgow during the Covid-19 period.

We collaborated with refugee groups in Scotland on the case for securing concessionary (bus) travel for all asylum seekers in Scotland, so including also those aged 22 – 59 within existing policy.

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We engaged significantly with the Scottish Parliament, including:

- provided written and oral evidence to the Social Justice and Social Security Committee, who adopted our ten-point plan for a Scottish social inclusion of refugees.
- successfully advocated for the Equalities, Human Rights and Civil Justice Committee to launch an inquiry into Asylum in Scotland. This inquiry is investigating the impact of current Home Office policy and legislation on asylum seekers in Scotland and the impact on local communities and race relations.
- Provided evidence to the Constitution, Europe and External Affairs Committee's inquiry into responses to the Ukraine conflict.

We provided expertise to the Scottish Government on its delivery of the Warm Scottish Welcome programme to displaced people from the conflict in Ukraine and were the sole NGO participating in the Scottish Government's Strategic policy review of this programme.

We submitted written evidence to a range of Scottish Government consultations, notably those on suicide prevention and mental health.

We have continued to partner with Scottish Government, COSLA and Glasgow University in the development of the New Scots Refugee Integration Delivery programme. Beyond funding 50 integration projects across Scotland, a key aim of this programme is to evaluate and academically critique the New Scots Refugee Integration Strategy to inform the development of a new refugee integration strategy for Scotland.

We organised a seminar in Brussels to present learning from this programme to an international audience of integration experts and have led on the development of a microsite presenting outputs from this programme and a database of integration projects in Scotland.

We are also lending our expertise to an independent Commission on the Integration of Refugees led by the Woolf Institute.

We advised the work of the Children's Commissioner for Children and Young People in Scotland's inquiry report into the treatment of women and children placed in inappropriate accommodation – a "Mother and baby unit" in Glasgow. The result of this inquiry and wider campaign led positively to the closure of this unit.

We collaborated with NGO partners in Scotland and the Ferret, to raise the profile of the growing use of police cells to accommodate for the Home Office, new arrivals, most of whom wish to access the asylum process and some who are also likely to be trafficked exploitation survivors.

Three quarters of survivors of trafficking in Scotland are in the asylum procedure. We submitted a detailed paper to the Council of Europe's Committee of Ministers to inform its consideration of the UK's compliance with the key ECHR decision in *VCL&AN v UK*, on better fulfilment of the anti-trafficking non-punishment principle.

We have advocated for the creation of a Scottish competent authority to make trafficking initial identification and final survivor status decision, building on existing rights for trafficking survivors in the Human Trafficking and Exploitation (Scotland) Act 2015. We have raised the profile of this call with Scottish Government civil servants, MSPs and stakeholders in Scotland.

COMMUNICATIONS

Our Communications Team continues to respond to media enquiries and proactively engage with the media as well as produce our own communications, social media events, promoting the voices of refugees and our work.

The media has an important role to play in shaping the public narrative and influencing policy around refugee rights. As such, a component of our theory of change includes maintaining a strong, clear, consistent and informed voice across media coverage in Scotland and the UK to challenge and speak in support of people seeking protection in Scotland. It is crucial at this point in time that any proposed roll-back of rights is resisted and critically dismantled within the public narrative and that a counter narrative and a vision of a fairer and more humane asylum system are given airtime.

Much of our media output has focussed on the conflict in Ukraine and the UK and Scottish Governments' response; the use of 'contingency' accommodation by the Home Office to house people seeking asylum; and, in the final quarter of the year, the new 'Illegal Migration' Bill introduced to parliament in March 2023. This has included drafting organisational statements in response to the developments; 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; communicating with supporters, volunteers, supporting internal communications.

In March, we launched a joint campaign with the JustRight Scotland opposing the 'Illegal Migration Bill'.

A second element of our theory of change includes building a movement of positive support for people seeking protection including promoting the direct voices of refugees themselves through storytelling. It is important that this is maintained and circulated in parallel with the more directly rights-related media work.

Refugee Festival Scotland is an annual celebration of the contribution refugee communities make to life in Scotland. The festival creates opportunities for people from different backgrounds to meet and get to know each other and find out what we have in common. By building bridges across communities, the festival offers a vision of hope, friendship, neighbourliness and solidarity with people seeking refugee protection in Scotland. The 2022 festival included more than 86 events featuring visual art, dance, talks, workshops, family events and more. The events were organised by 81 refugee community groups and arts organisations based across the length and breadth of the country. The festival is open to everyone with an interest in finding out about the wide range of communities who have settled in Scotland.

Refugee Festival Scotland was forced to cancel in 2020 due to Covid-19, and in June 2021 it was run in a mostly online format. We were pleased that the festival was able to put on face-to-face events and activities, including a launch event and the Refugee Festival Scotland media awards.

Refugee Festival Scotland plays an important role in nurturing more welcoming and positive attitudes towards people seeking protection in Scotland. The festival provides a platform for positive media coverage of refugee issues, including stories of welcome and integration, and contributes to a greater public understanding of refugee and protection issues.

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This year we commissioned an external evaluation of the Festival to help shape its future direction and the role that Scottish Refugee Council, funders and partners can play. Subsequent to this, we recruited a more senior role – Refugee Festival Manager – to take the strategic direction of Refugee Festival Scotland forward.

DEVELOPING AN EFFECTIVE ORGANISATION

The AGM was held on 20 October 2022 at Glasgow City Chambers, along with a public meeting, entitled 'Scotland's Role in Refugee Protection and Integration', which included Lived Experience panel members along with speakers from ECRE, UNHCR and Poverty Alliance. The focus of the public meeting was to understand and make sense of the turbulent context facing different communities in Scotland including the cost of living crisis, to hear directly from refugees in Scotland about their personal successes and challenges and to discuss and propose solutions to what can be done here in Scotland to improve the lives of refugees, including learning from beyond Scotland. The event was well attended, and feedback was very positive.

At this AGM, the retirement of Peter Lloyd and Ian Fulton from the Board, having served their full terms, was recorded and approved. It was recorded that Debbie Shields, Linda Lawton and Lainé Goodman had been co-opted to the Board in June 2022. The appointments of Aaliya Seyal replacing Peter as Chair of the Finance & Audit Committee, and Linda Lawton replacing Ian as Chair of the Staffing Sub Committee were noted, and the election of Kaz Lyon to the SRC Board was also recorded and approved. The resignations of Stella Olugbire in June, and Julia Brown and Joti Singh in May were also recorded.

The 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. At the end of March 2023, 70 volunteers contributed to our work. The impact of volunteer engagement is mostly felt in provision of direct support to refugees through the Ukraine Airport response project (33%) and Services (46%).

As at the end of March 2023, there are 152 members. 16 of the members are refugee-led organisations.

Resource Development

Scottish Refugee Council recruited for over 40 roles in this period and saw 18 staff move on in their careers. We continuously review our recruitment and retention plans to ensure we are adaptable to the internal and external environments. As such we have invested in the development and upskilling of our workforce and have invested in training to strengthen our abilities to deliver a high-quality service which include understanding the Asylum and Resettlement Schemes, NSPCC Child Protection, Understanding Unconscious Bias, Equality and Diversity and Dignity and Respect at Work.

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We are committed to supporting the health and wellbeing of our staff and volunteers and recognise the benefits this brings to individuals and the workplace. We have various wellbeing initiatives and programmes which include enhanced annual leave, fresh fruit on site, cycle to work scheme, counselling and trauma informed support, qualified Mental Health First Aiders, mental health and stress management courses, wellbeing events including social gatherings, acupressure massages, drawing and walking groups. We also introduced a Welfare Fund to support staff facing exceptional hardship.

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).
- Jim Snedden, from Scottish Fire and Rescue Service, who won the Sunday Mail Great Scot Award 2017 in the 'Unsung Hero' category for his work supporting refugees.

Monitoring Achievement

The board monitors the activities of the charitable company through a number of different approaches. The strategic plan sets out the five key strategic priorities of the organisation. The Chief Executive and senior management team develop an annual operational plan 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. The SDC meets on a quarterly basis and takes a thematic approach of a deep dive into each of the agreed strategic objectives at its quarterly meetings to assess progress on current activities and plans for the future under each of the agreed strategic objectives.

FINANCIAL REVIEW

- Income for the year was £7,571k (2022: £4,112k), an increase of 84.1%. This includes the National Lottery Communities Fund and Scottish Government Ukraine support.
- Expenditure for the year was £6,759k (2022: £3,705k) an increase of 82.4%.
- Net movement in funds for the year was an increase of £814k (2022: £647k).

Principal Funding Sources

- Scottish Refugee Council has a diverse funding base as can be seen from note 7, page 34.

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- The grants received from our charitable activities totalled £7,186k from 35 different funding sources including several small trusts (2022: £3,540k).
- Our Scottish Government Strategic Grant was £388k (2022: £534k). Other funding from the Scottish Government was £1,996k (2022: £455k).
- During 2022/23 we recognised grant of £2,292k from the EU Asylum, Migration and Integration Fund (AMIF), administered by the UK Responsible Authority (UKRA), (2022 £1,740k).
- Other sources of funding for the year include Dundee City Council, Glasgow City Council, North Lanarkshire Council, Perth and Kinross Council, Comic Relief, The Robertson Trust, BBC Children in Need, Justice Collaboration, A B Charitable Trust, Ernst Mass Educational Trust, Aberlour Childcare Trust, Celtic FC Foundation, Educational Institute of Scotland, Ptarmigan Trust, Craignish Trust, Misses Robinson Charitable Trust, Wheatley Foundation, Mr and Mrs JMB Trust, Ashfield Trust, Netherton Charitable Trust, Miss M E S Paterson's Charitable Trust, Harry Richardson Creswick Charitable Trust, Foundation Scotland, Hunter Foundation.

We thank all funding bodies, donors and supporters for enabling us to make such a big difference during these unprecedented times. We are extremely grateful to all our funders who fund our activities and have been in touch with positive and encouraging messages of support for our work. We also welcome their support towards the impact of the cost of living crisis in our work, beneficiaries and organisation.

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 March.

The eleven principal risks rated by the Board as high or medium that the charitable company faced in the year ended 31 March 2023 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
- Staffing challenges both within SMT and wider organisation resulting in poor performance, high staff turnover and low morale

SCOTTISH REFUGEE COUNCIL

Report of the Directors for the year ended 31 March 2023

These risks are managed by the risk management strategy discussed above. Given that this year was the final year of the strategic plan 2020 –2023, the Board will be conducting a review of the risks and its approach to risk management.

Going Concern

The Scottish Refugee Council maintains a very close relationship with its funders, including the Scottish Government and Local Authorities. The Funding Development team has devised plans to ensure the required resources are sourced in order to meet future requirements. The Strategy and Development Committee lead the oversight of this area to provide assurance to the Board. In addition, management prepare regular financial statements to ensure the Board are kept informed.

The Directors have looked ahead at the funding arrangements and financial commitments and planned activity and in addition, the charity 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 £3,038k.

Providing services to refugees and asylum seekers in a volatile and uncertain environment that is subject to sudden changes in legislation may lead to reductions in funding or changes in the way Scottish Refugee Council is funded. Despite the volatility of this sector, the Directors want to ensure that all available funds are used to benefit refugees and asylum seekers whether directly or indirectly.

The Directors have forecast the level of free reserves (those funds not tied up in designated and restricted funds) the charity will require to sustain its operations for a period of between three and six months. This is calculated on a total expenditure basis and would be between £1,690k and £3,379k (2022: £926k and £1,852k).

The actual free reserves at 31 March 2023 (those funds not tied up in designated and restricted funds) was £2,021k (2022: £1,650k), which is 4 months (2022: 5 months) against the target of between 3 – 6 months.

There is a need for a higher level of reserves to cope with future uncertainties. The Scottish Refugee Council faces additional financial challenges as AMIF funding ends in December 2023, having been extended by 1 year. The AMIF funds provided 30% (2022: 41%) of total income. Reserves are being maintained to sustain the charity in the coming years, when deficit results may arise. In addition to maintaining services, refugee protection legislations are facing existential threats, including the right to seek protection which may lead to additional funding challenges.

Plans for the Future

Scottish Refugee Council has continued to be there for people seeking sanctuary in Scotland despite the challenging policy context and the heightened uncertainty brought about by the cost of living crisis and global conflicts that have forced more people to flee their homes.

Underpinned by our vision of a Scotland in which all people seeking refugee protection are welcome we will continue to hold both the UK and Scottish Governments to account to ensure people seeking

protection, no matter what conflict they are fleeing or which route they have taken to safety are welcomed, treated fairly and empowered to achieve their full potential.

We anticipate that the Illegal Migration Bill currently proceeding through Parliament will significantly change the refugee protection landscape in the UK. We are at one of most critical points and a watershed moment in the history of asylum and immigration in the UK.

The work that we do is needed now more than ever before. The regressive asylum policies, the ongoing crisis in Ukraine and now Sudan; and the challenges faced by those in the UK's asylum system indicate that the next year will be a critical one for Scottish Refugee Council as we position ourselves for widening asylum dispersal across Scotland and the next phase integration needs of those that have arrived from Ukraine and Afghanistan.

We also believe that the crisis in Ukraine will have a longer-term impact on communities caught up in this war which will force more people to seek protection in the longer term. Designing services to meet the needs of refugees arriving under several schemes and not a structured resettlement programme will continue to pose challenge to planning services.

We also anticipate the cost of living crisis will have an impact on people we support as well as our resources and capacity. However, despite the challenging socio-economic context, the ever-changing asylum and refugee landscape, we are committed to work for better outcomes for refugees in Scotland.

This year we engaged with our staff team and the wider stakeholders to determine our strategy for the future.

The Board initiated a process of strategic review in August 2022, which led to the development of a five-year strategic plan for the period of 2023 to 2028. The Board agreed that alongside the strategic objective we commit to an overarching transformational objective reflecting the difference we would like to see over the next 5 years.

We have committed that by 2028, we want Scotland to be the best place for refugees to thrive, challenge injustice, achieve their ambitions and empower their communities, no matter where they have come from or how they arrived.

This is a bold ambition and for us to realise this, the Board also set out to devise a theory of change that would help measure our progress towards our ambitions.

The theory of change will sit alongside the strategic framework, Key Performance Indicators and organisational risk register and will be reviewed by the Board's Strategy and Development Subcommittee.

Our strategic priorities for the next 5 years are:

- Nothing about refugees without refugees
- Refugees receive consistent quality support
- Our expertise informs good policy, practice and advice
- Public opinion supports and welcomes refugees
- Our people are supported to do their best

In the year ahead, we will translate these strategic priorities into achievable operational actions and outcomes. We will also realign our structure so that it supports the new strategic plan. The Board has already invested in the capacity of the senior leadership team through the appointment of Chief Operating Officer, who will take the lead for driving forward key internal priorities. In addition to this we will develop an ambitious resource plan to ensure all our strategic priorities are fully resourced and supported. 2023/24 will not be without its challenges. We have major EU funded programmes coming to an end, which will mean renewing efforts in identifying new unrestricted resources to sustain our work. We have developed a lot of learning over the years in delivering the Asylum, Migration and Integration Funded programmes and it is imperative to build on that learning to sustain integration support services for refugees and the communities that welcome them.

Some of our key activities planned to achieve our strategic priorities include:

- Implementing future and smarter ways of working
- Development and delivery of operational plan for year one of the new strategy 2023-28
- Resourcing current and future strategic priorities and ensuring relevant capacity at all levels to deliver agreed objectives
- Delivering on our commitment to Scotland's response to Ukrainian refugees
- Collectively influencing the implementation of the Illegal Migration Bill
- 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

2023/24 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 Board's Strategy and Development Committee will continue to lead on monitoring, evaluation and measuring of our impact and progress towards achieving our strategic objectives. The Board will also hold its annual strategy day to review plans for year one of the strategic plan and discuss priorities for year two.

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).

The changes to Board appointments are set out in the list of Trustees on page 19.

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 2021/22, the strategy day was postponed due to Covid and the 2022/23 meeting took place in May 2022.

SCOTTISH REFUGEE COUNCIL

Report of the Directors for the year ended 31 March 2023

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 a regular basis. In the last year, the chairs met on four occasions.

Key Management Personnel Remuneration

The Trustees 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.

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 2023

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	
Peter Lloyd	Resigned, having served full term, 20 Oct 2022
Mohamed Omar	
Ian Fulton	Resigned, having served full term, 20 Oct 2022
Jayne Forbes	Resigned 1 Dec 2022
Aaliya Seyal	
Louise Hunter	
Stella Olugbire	Resigned 15 June 2022
Dominique Nduhura	
Alvina Chibhamu	
Katharine Jones	
Joti Singh	Resigned 25 May 2022
Julia Brown	Resigned 25 May 2022
Lainé Goodman	Appointed 9 June 2022
Deborah Shields	Appointed 9 June 2022
Linda Lawton	Appointed 9 June 2022
Kaz Lyon	Appointed 20 Oct 2022
Patricia Zaarour	Appointed 1 Dec 2022

KEY MANAGEMENT PERSONNEL

Sabir Zazai	Chief Executive Officer
Kirsty Nairn	Chief Operating Officer
Flutura Shala	Head of Funding Development
Gary Christie	Head of Policy, Communications and Communities
David Powrie	Head of Finance and Resources
Wafa Shaheen	Head of Asylum, Integration and Resettlement

AMBASSADORS

Amal Azzudin	Alison Phipps	Jim Snedden
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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 7 September 2023 and signed on their behalf by:



Rona Alexander
Chair of the Board



Aaliya Seyal
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 2023

Opinion

We have audited the financial statements of Scottish Refugee Council (the charitable company) for the year ended 31 March 2023 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 2023 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 2023 (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 2023 (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 2023 (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;
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations; and
- enquired of internal audit of any known or suspected fraud.

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 2023 (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: 11/9/2023

SCOTTISH REFUGEE COUNCIL
STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 MARCH 2023
(Incorporating Income and Expenditure account)

	Notes	Unrestricted Funds 2023 £	Restricted Funds 2023 £	Total Funds 2023 £	Unrestricted Funds 2022 £	Restricted Funds 2022 £	Total Funds 2022 £
Income							
Donations and legacies	5	257,340	-	257,340	455,554	32,821	488,375
Charitable activities	6	603,124	6,672,093	7,275,217	784,700	2,838,611	3,623,311
Investments		38,624	-	38,624	705	-	705
Total Income		899,088	6,672,093	7,571,181	1,240,959	2,871,432	4,112,391
Expenditure							
Raising funds							
Raising donations & legacies	8	110,404	-	110,404	114,446	-	114,446
Charitable activities	9	23,689	6,624,592	6,648,281	700,454	2,890,390	3,590,844
Total Expenditure		134,093	6,624,592	6,758,685	814,900	2,890,390	3,705,290
Net income/(expenditure)		764,995	47,501	812,496	426,059	(18,958)	407,101
Other recognised gain/(losses)							
Actuarial gain/(loss) on defined benefit pension scheme	23	1,684	-	1,684	239,674	-	239,674
Net movement in funds		766,679	47,501	814,180	665,733	(18,958)	646,775
Reconciliation of Funds							
Total funds brought forward	21	2,271,422	-	2,271,422	1,605,689	18,958	1,624,647
Total funds carried forward	21	3,038,101	47,501	3,085,602	2,271,422	-	2,271,422

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 29 to 46 form part of these financial statements.

SCOTTISH REFUGEE COUNCIL
BALANCE SHEET AS AT 31 MARCH 2023

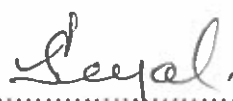
	Notes	Unrestricted Funds £	Restricted Funds £	Total Funds 2023 £	Total Funds 2022 £
Fixed assets:					
Tangible assets	14	16,022	-	16,022	41,339
Total Fixed Assets		16,022	-	16,022	41,339
Current assets:					
Debtors	15	208,497	946,306	1,154,803	551,420
Cash at bank and in hand	25	3,661,661	179,431	3,841,092	2,973,204
Total Current Assets		3,870,158	1,125,737	4,995,895	3,524,624
Liabilities:					
Creditors - amounts falling due within one year	17	(835,434)	(1,078,236)	(1,913,670)	(1,192,402)
Net Current assets		3,034,724	47,501	3,082,225	2,332,222
Creditors – amounts falling due after one year	19	(12,645)	-	(12,645)	(102,139)
Net assets		3,038,101	47,501	3,085,602	2,271,422
The funds of the charity:					
Restricted funds	21	-	47,501	47,501	-
Unrestricted funds	21	3,038,101	-	3,038,101	2,271,422
		3,038,101	47,501	3,085,602	2,271,422

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 7 September 2023 and signed on their behalf by:



Rona Alexander
Chair



Aaliya Seyal
Chair of the Finance & Audit Committee

Charity number: SC008639

Company Registration Number: SC145067

The notes on pages 29 to 46 form part of these financial statements

**SCOTTISH REFUGEE COUNCIL
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2023**

	Notes	Total Funds 2023 £	Total Funds 2022 £
<i>Cash flows from operating activities:</i>			
Net cash provided by / (used in) operating activities	24	<u>847,224</u>	<u>196,543</u>
<i>Cash flows from investing activities:</i>			
Dividends, interest and rents from investments		38,624	705
Transfer funds to Aberdeen Standard Investments		-	-
Purchase of property, plant and equipment		<u>(17,960)</u>	<u>(48,279)</u>
Net cash (used in) / provided by investing activities		<u>20,664</u>	<u>(47,574)</u>
Change in cash and cash equivalents in the year		867,888	148,969
Cash and cash equivalent at the beginning of the year		2,973,204	2,824,235
Cash and cash equivalents at the end of the year	25	<u>3,841,092</u>	<u>2,973,204</u>

The notes on pages 29 to 46 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 modest deficit budget has been approved for the year to 31 March 2024, though it is anticipated that future fundraising and income generation will secure a balanced position. 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.

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NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2023

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.

(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.

SCOTTISH REFUGEE COUNCIL
NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2023

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 TPT Retirement Solutions. 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.

Based on the actuarial valuation at 30 September 2020 and the agreed repayment plan of 3 years and 3 months, as agreed with TPT Retirement Solutions, 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.

SCOTTISH REFUGEE COUNCIL
NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2023

(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

Basis of estimation

Obligation under Scottish Voluntary Sector Pension Scheme.

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

Payment received on account for performance related grants

These are reviewed at the year end to ensure that income is recognised in accordance with FRS102 and the Charity SORP.

Deferred Income

This is recognised in line with the stipulated timescale and/or when performance conditions are met.

SCOTTISH REFUGEE COUNCIL
NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2023

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 (2022: £nil). Expenses paid to the directors in the year totalled £1,757 (2022: £nil).

During the year no director had any personal interest in any contract or transaction entered into by the charitable company (2022: none).

There were no donations during the year. (2022: 3 directors, £99).

The organisation purchased annual Trustee Indemnity Insurance within their current insurance policy. It is estimated the cost of this is £1,525 (2022: £1,481).

5. Income from donations and legacies

	2023	2022
	£	£
Donations, event fundraising & membership	257,340	488,375
	<u>257,340</u>	<u>488,375</u>

6. Income from charitable activities

	2023	2022
	£	£
Grants (note 7)	7,186,296	3,539,813
Training, events and publications	88,921	83,498
	<u>7,275,217</u>	<u>3,623,311</u>

SCOTTISH REFUGEE COUNCIL
NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2023

7.Grants, Trusts and Foundations

	2023 £	2022 £
Scottish Government – Equality Budget and Connected Communities Funding	388,000	534,000
Scottish Government – Housing Voluntary Grant Scheme	122,575	121,964
Scottish Government – Humanitarian Project	-	9,963
Scottish Government – Scottish Guardianship Service	639,410	316,885
Scottish Government – Ukraine Warm Scottish Welcome	848,133	6,103
Scottish Government – Ending Destitution	324,846	-
Scottish Government – Workplace Equality Funding (WEF)	61,436	-
EU Asylum, Migration and Integration Fund – ABM3	1,656,089	1,383,765
EU Asylum, Migration and Integration Fund – ABM4	583,863	319,662
EU Asylum, Migration and Integration Fund – ABM3: Guardianship Service	52,370	36,752
North Lanarkshire Council	4,958	5,833
Glasgow City Council	-	25,000
Dundee City Council	174,370	130,893
Perth & Kinross Council	38,263	12,334
Glasgow Communities Fund	75,056	75,053
Family Rights Service (Glasgow Health & Social Care)	62,688	105,058
The National Lottery Communities Fund	1,422,283	-
The Robertson Trust	188,333	-
Foundation Scotland	8,314	29,373
National Emergencies Trust (NET)	-	13,220
DASS (Oak Foundation)	-	86,639
Wheatley Foundation	10,000	10,000
Esmée Fairbairn Foundation	-	101,952
Comic Relief – Change Makers	107,876	35,718
TNLCF – Afghan Arrivals and Community Support	195,780	4,219
AB Charitable Trust	30,000	-
Celtic FC Foundation	15,000	4,500
Hunter Foundation	15,000	-
Starbucks & Seattle Foundation	23,891	-
The Joseph Rowntree Reform Trust	-	17,925
Justice Together Fund - Justice Collaborations	52,103	8,327
BBC Children in Need	10,500	4,992
Selkirk Charitable Trust	-	20,000
Respond and Adapt Programme (RAP)	-	35,025
Ernst Mass Educational Trust	21,930	31,434
The Paristamen CIO	-	7,000
Aberlour Child Care Trust	58	9,942
Other Small Grants	53,171	36,282
	<u>7,186,296</u>	<u>3,539,813</u>

8.Raising funds – expenditure on raising donations and legacies

	Direct Costs £	Support Costs £	Total 2023 £	Total 2022 £
Seeking donations & grants	66,430	38,853	105,283	109,880
Governance costs (note 11)	-	5,121	5,121	4,566
	<u>66,430</u>	<u>43,974</u>	<u>110,404</u>	<u>114,446</u>
Total 2022	<u>71,973</u>	<u>42,473</u>		

SCOTTISH REFUGEE COUNCIL
NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2023

9. Analysis of expenditure on charitable activities

	Direct Costs £	Support Costs £	Total 2023 £	Total 2022 £
Refugee & Asylum Services	1,445,827	265,873	1,711,700	1,069,123
Refugee Integration	4,480,137	205,379	4,685,516	2,295,732
Policy & Advocacy	125,282	125,783	251,065	225,989
	6,051,246	597,035	6,648,281	3,590,844
Total 2022	2,948,003	642,841		

	Refugee and Asylum Services £	Refugee Integration £	Policy & Advocacy £	Total 2023 £	Total 2022 £
Staff costs	751,870	1,942,490	62,904	2,757,264	1,918,947
Charitable events/costs	594,070	2,306,239	12,488	2,192,797	831,211
Property Costs	15,037	10,286	0	25,323	21,521
Travelling costs	6,390	20,781	5,765	32,936	8,506
Printing and stationery	7,249	8,360	5,940	21,549	20,413
Telephone and ICT	33,659	152,556	16,538	202,753	80,324
General expenses (interest charges and depreciation)	15,057	28,829	8,503	52,389	23,589
Volunteering costs	8,629	(2,048)	35	6,616	400
Professional costs	13,866	12,644	13,109	39,619	43,093
Governance costs (note 11)	40,964	35,843	20,482	97,289	86,754
Support costs (note 11)	224,909	169,536	105,301	499,746	556,087
	1,711,700	4,685,516	251,065	6,648,281	3,590,844
Total 2022	1,069,123	2,295,732	225,989		

SCOTTISH REFUGEE COUNCIL
NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2023

9. Analysis of expenditure on charitable activities (continued)

Grant Expenditure

Institutional Grants to	For	Activity	Total 2023 £	Total 2022 £
The Welcoming Association	New Scots	Integration	102,605	-
Bikes for Refugees	New Scots	Integration	102,273	-
Edinburgh & Lothians REC	New Scots	Integration	77,248	-
Inclusive Homework Club	New Scots	Integration	53,171	-
Sewing2gether All Nations	New Scots	Integration	49,783	-
Pachedu	New Scots	Integration	45,928	-
Bellshill & Mossend YMCA	New Scots	Integration	45,114	-
Various (£6k - £40k)	New Scots	Integration	925,163	-
Refugee Festival -various	Arts	Integration	11,332	15,924
Expenditure on Grants to Institutions			1,412,617	15,924
Individual Grants	For	Activity	Total 2023 £	Total 2022 £
Ernst Mass	Education	Refugee & Asylum Services	24,680	33,684
Comic Relief	Arts	Integration	18,200	-
Expenditure on Grants to Individuals			42,880	33,684
Total Grant Expenditure			1,455,497	49,608

The National Lottery Communities Fund provided funding to support grass roots groups and organisations that are refugee led, or provide support for people seeking safety in Scotland. Note 9 lists all grant payments in excess of £40k made to groups, full details of the organisations benefiting from these grants are included in the SRC website. Support costs are incidental to the cost of making institutional grants and so no support costs have been allocated to institutional grants in the current or prior year.

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

	Refugee and Asylum Services £	Refugee Integration £	Policy & Advocacy £	Total 2023 £	Total 2022 £
Charitable activities	1,711,700	4,685,516	251,065	6,648,281	3,590,844
Direct grant support	1,711,700	4,685,516	59,389	6,456,605	2,958,225
Net cost funded from other income /reserves	-	-	191,676	191,676	632,619
Total 2022	343,342	124,155	165,122		

SCOTTISH REFUGEE COUNCIL
NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2023

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
	£	£	£	£	£	2023 £	2022 £
Salaries & other staff costs	18,404	122,665	118,414	74,627	70,335	404,445	451,421
Rent & rates	6,870	34,349	17,174	10,305	-	68,698	63,963
Property costs	13,579	67,895	33,948	20,369	-	135,791	147,196
	<u>38,853</u>	<u>224,909</u>	<u>169,536</u>	<u>105,301</u>	<u>70,335</u>	<u>608,934</u>	<u>662,580</u>
Total 2022	<u>37,906</u>	<u>245,849</u>	<u>188,477</u>	<u>121,761</u>	<u>68,587</u>		

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

	2023 £	2022 £
Governance costs:		
Directors' expenses	7,795	5,031
Auditor's remuneration	12,313	11,953
Company Secretary Fees	794	5,293
Consultancy fees	6,643	-
Costs of meetings	4,530	455
Support costs (see above)	<u>70,335</u>	<u>68,587</u>
	<u>102,410</u>	<u>91,320</u>

Governance costs are split into activities as follows:

	Total £	Raising funds £	Refugee & Asylum Services £	Refugee Integration £	Policy & Advocacy £
Governance costs	<u>102,410</u>	<u>5,121</u>	<u>40,964</u>	<u>35,843</u>	<u>20,482</u>

SCOTTISH REFUGEE COUNCIL
NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2023

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

	2023 £	2022 £
Salaries and wages	2,683,540	2,046,929
Social security costs	253,502	170,699
Employer contributions to defined contribution pension schemes	184,319	151,351
Defined benefit pension scheme – scheme fees	15,396	13,201
Total staff costs and employee benefits	3,136,757	2,382,180

The charitable company paid scheme fees of £15,396 to the defined benefit pension plan, operated by TPT Retirement Solutions (2022: £13,201). For more information about the pension contributions refer to note 23.

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

One employee received remuneration, excluding employer pension contributions, of more than £60,000 (2022: one). Pension payments in respect of this employee amounted to £6,217 (2022: £5,771).

The emoluments (excluding pension contributions) of the highest paid employee was in the following ranges:

	2023 No. of Employees	2022 No. of Employees
£60,000 - £70,000	1	1

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 £329,010 (2022: £308,775).

	2023 No.	2022 No.
The average number of persons, by headcount, employed by the charity during the year was:	93	76

13. Net income for the year

This is stated after charging:	2023 £	2022 £
Depreciation	43,277	15,415
Auditor's remuneration:		
External Audit Fees	8,748	8,911
Internal Audit Fees	3,565	3,042
	12,313	11,953
On operating lease rentals	89,605	80,706

SCOTTISH REFUGEE COUNCIL
NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2023

14. Tangible fixed assets

	Tenant's Improvements £	Computer Equipment £	Furniture & Equipment £	Total £
Cost or valuation				
At 1 April 2022	132,206	124,014	10,450	266,670
Additions	-	17,960	-	17,960
Disposals	(8,180)	(51,245)	-	(59,425)
At 31 March 2023	<u>124,026</u>	<u>90,729</u>	<u>10,450</u>	<u>225,205</u>
Depreciation				
At 1 April 2022	132,206	83,083	10,042	225,331
Charge for the year	-	42,869	408	43,277
Eliminated on disposal	(8,180)	(51,245)	-	(59,425)
At 31 March 2023	<u>124,026</u>	<u>74,707</u>	<u>10,450</u>	<u>209,183</u>
Net book value				
At 31 March 2023	<u>-</u>	<u>16,022</u>	<u>-</u>	<u>16,022</u>
At 31 March 2022	<u>-</u>	<u>40,931</u>	<u>408</u>	<u>41,339</u>

15. Debtors

	2023 £	2022 £
Trade debtors	83,464	121,811
Prepayments and accrued income	<u>1,071,339</u>	<u>429,609</u>
	<u>1,154,803</u>	<u>551,420</u>

16. Financial assets and liabilities

	2023 £	2022 £
Financial assets at amortised cost	<u>1,154,803</u>	<u>551,420</u>
Financial liabilities	<u>1,913,670</u>	<u>1,192,402</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 2023

17. Creditors: amounts falling due within one year

	2023	2022
	£	£
Trade creditors	281,232	132,887
Other creditors and accruals	207,872	228,945
Deferred income (Note 18)	495,541	510,169
Grants payable (Note 9)	770,196	-
Taxation and social security costs	67,734	48,765
Defined benefit pension scheme (note 22)	91,095	88,442
AMIF Pre-financing	-	183,194
	<u>1,913,670</u>	<u>1,192,402</u>

At the year-end date there were pension contributions outstanding of £27,721 (2022: £20,728).

18. Deferred income

	£
Balance as at 1 April 2022	510,169
Amount released to income earned from charitable activities	(510,169)
Amount deferred in year	495,541
Balance as at 31 March 2023	<u>495,541</u>

Deferred income comprises income received before the year end for use on charitable activities during the 2023/24 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

	2023	2022
	£	£
Defined benefit pension scheme (note 23)		
Due > 1year	12,645	102,139
	<u>12,645</u>	<u>102,139</u>

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

20. Lease commitments

	Rent	Rent
	2023	2022
	£	£
Commitments under lease agreements at each representative year end are as follows:		
Building – Renfield Street		
1 year	89,713	95,587
2 – 5 years	235,496	340,695
	<u>325,209</u>	<u>436,282</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 2023

21. Analysis of charitable funds

Analysis of Fund movements	Balance 1 Apr 22 £	Income £	(Expenditure)/ Gains/(Losses) £	Transfers £	Balance 31 Mar 23 £
Unrestricted funds (a)					
General funds	1,649,850	899,088	(100,761)	(427,171)	2,021,006
Designated funds (b)					
Development & change	330,712	-	(15,462)	275,845	591,095
ICT	90,860	-	(16,186)	96,326	171,000
Future Ways of Working	200,000	-	-	55,000	255,000
	621,572	-	(31,648)	427,171	1,017,095
Total unrestricted funds	2,271,422	899,088	(132,409)	-	3,038,101
Restricted fund (c)					
Refugee & Asylum Services	-	1,803,979	(1,779,516)	-	24,463
Refugee Integration	-	4,862,592	(4,839,554)	-	23,038
Policy & Advocacy	-	5,522	(5,522)	-	-
Total restricted funds	-	6,672,093	(6,624,592)	-	47,501
TOTAL FUNDS	2,271,422	7,571,181	(6,757,001)	-	3,085,602

Analysis of Fund movements	Balance 1 Apr 21 £	Income £	(Expenditure)/ Gains/(Losses) £	Transfers £	Balance 31 Mar 22 £
Unrestricted funds (a)					
General funds	1,198,492	1,240,959	(445,351)	(344,250)	1,649,850
Designated funds (b)					
Development & change	305,127	-	(115,575)	141,160	330,712
ICT	102,070	-	(14,300)	3,090	90,860
Future Ways of Working	-	-	-	200,000	200,000
	407,197	-	(575,226)	344,250	621,572
Total unrestricted funds	1,605,689	1,240,959	(575,226)	-	2,271,422
Restricted fund (c)					
Refugee & Asylum Services	-	914,124	(914,124)	-	-
Refugee Integration	18,958	1,950,308	(1,969,266)	-	-
Policy & Advocacy	-	7,000	(7,000)	-	-
Total restricted funds	18,958	2,871,432	(2,890,390)	-	-
TOTAL FUNDS	1,624,647	4,112,391	(3,465,616)	-	2,271,422

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, and to fund redundancies where projects funding ends. There are costs in here for salaries of additional staffing capacity agreed by the Board and maternity cover. This fund has been augmented to support the wider dispersal regime throughout Scotland and ensure provision around the strategic aims of Lived Experience.

ICT Reserve

This fund has been retained to cover the ongoing cost of digital investment to support hybrid working and future ICT asset replacement and business development and updating the website.

Future Ways of Working

This fund has been established to address the challenges facing the organisation including capacity building in supporting managers' progression; further investment in learning, monitoring and evaluation and to support the development of a People Strategy.

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

c) Restricted funds comprise:

Restricted funds are split into three charitable activities:

Refugees 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 several funders including: The Scottish Government supports our services to newly arrived people from Ukraine; the Housing and Humanitarian response; Employability and Guardianship services. The EU Asylum, Migration and Integration Fund (AMIF) – managed by the UK responsible Authority (UKRA), funds our direct advice and support to newly granted refugees. Local Authorities (Dundee City Council, Glasgow City Council, North Lanarkshire and Perth & Kinross) support our work with refugees in their regions. Main sources of funding to support our work with families and children include grants from The Robertson Trust, Justice Collaborations, BBC Children in Need, Celtic FC Foundation and our very generous supporters and donors.

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, EU Migration and Integration Fund (AMIF – ABM3 and ABM4), Local Authorities, Comic Relief, National Lottery Community Fund, Foundation Scotland, The Starbucks Foundation, Ernst Maas Educational Trust and various other small trusts.

Where the terms of the funding have not yet been met and income is potentially repayable to the funder, projects that span more than one financial year, this income has been deferred.

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NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2023

Policy and Advocacy

This 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 is funded by several funders, including Justice Collaboration and our many generous donors.

22. Analysis of Net Assets

	Restricted Funds £	Designated Funds £	General Reserve £	Total 2023 £
Tangible Assets	-		16,022	16,022
Debtors	946,306	-	208,497	1,154,803
Cash at bank	179,431	1,017,095	2,644,566	3,841,092
Creditors due within 1 year	(1,078,236)	-	(835,434)	(1,913,670)
Creditors due in more than 1 year	-	-	(12,645)	(12,645)
	<u>47,501</u>	<u>1,017,095</u>	<u>2,021,006</u>	<u>3,085,602</u>

	Restricted Funds £	Designated Funds £	General Reserve £	Total 2022 £
Tangible Assets	-		41,339	41,339
Debtors	336,540	-	214,880	551,420
Cash at bank	319,172	621,572	2,032,460	2,973,204
Creditors due within 1 year	(655,712)	-	(536,690)	(1,192,402)
Creditors due in more than 1 year	-	-	(102,139)	(102,139)
	<u>-</u>	<u>621,572</u>	<u>1,649,850</u>	<u>2,271,422</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.

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 2020. This actuarial valuation was certified on 21 December 2021 and showed assets of £153.3m, liabilities of £160.0m and a deficit of £6.7m.

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 2020 a revised deficit contributions schedule was agreed. Within this, the annual contributions continue to 31 May 2024.

At the balance sheet date, the net present value of this obligation was £103,740 (2022 - £190,581). 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 5.4% (2022: 2.3%).

The Charity made payments totalling £88,442 (2022: £89,715) to the pension deficit during the year.

The charity paid scheme fees of £15,396 (2022: £13,201) during the year.

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

Present Values of Provision

	31 March 2023	31 March 2022	31 March 2021
	£	£	£
Present value of Provision	103,740	190,581	515,918

SCOTTISH REFUGEE COUNCIL
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Reconciliation of Opening and Closing Provisions

	Year Ending 31 March 2023 £	Year Ending 31 March 2022 £
Provision at start of period	190,581	515,918
Unwinding of the discount factor (interest expense)	3,285	4,052
Deficit contribution paid	(88,442)	(89,715)
Re-measurements - impact of any change in assumptions	(1,684)	(2,847)
Re-measurements - amendments to the contribution schedule	-	(236,827)
Provision at end of period	103,740	190,581

Income and Expenditure Impact

	Year Ending 31 March 2023 £	Year Ending 31 March 2022 £
Interest expense	3,285	4,052
Remeasurements – impact of any change in assumptions	(1,684)	(2,847)
Remeasurements – amendments to the contributions schedule	-	(236,827)

Assumptions

	31 March 2023 % per annum	31 March 2022 % per annum	31 March 2021 % per annum
Rate of discount	5.40	2.30	0.86

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.

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

	2023 £	2022 £
Net income for the year (as per the Statement of Financial Activities)	812,496	407,101
Adjustments for:		
Depreciation charges	43,277	15,415
Interest	(38,624)	(705)
Actuarial gain/(loss) on defined benefit pension scheme	1,684	239,674
Actuarial movement on contribution schedule	-	-
Decrease/(Increase) in debtors	(603,383)	(30,279)
(Decrease)/Increase in creditors	631,774	(434,663)
Net cash provided by/(used in) operating activities	847,224	196,543

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25. Analysis of investment, cash and cash equivalents

	2023 £	2022 £
Investments – Fixed term cash deposits	-	-
Cash at bank and in hand	3,841,092	2,973,204
Total cash and cash equivalents	<u>3,841,092</u>	<u>2,973,204</u>

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. SVSPS Contingent Liability

The Pension Trust has completed a review of the changes made to the benefit structures of the Defined Benefit Schemes within the Trust. The result of this review is that, in some cases, it is unclear whether changes were made to scheme benefits in accordance with the Trust's governing documentation.

The Trustee has been advised to seek direction from the Court on the effect of these changes. This process is ongoing and is unlikely to be resolved until late 2024 at the earliest. However, one potential outcome is that scheme members, of which the Scottish Refugee Council is one, may see their share of scheme liabilities increase.

The Pension Trust have not made their legal advice available and the likelihood of success is currently unknown. For multi-employer schemes, the Trustee is unable to provide the estimated potential additional liability at an individual employer level as this is as yet unknown. Furthermore, due to the complexities in relation to back payments, transfers, deaths and orphan liabilities, etc., it may not be possible to ascertain an accurate split by individual employers until after the court ruling, when the scope of any rectification work, should this be required, becomes known. As a result, no provision has therefore been included in the financial statements.