

RECONNECT

(company limited by guarantee)

**Report and Financial Statements
for
the year ended 31 December 2017**

Charity no. 1105016

Company no. 4978651

Legal and administrative information

Constitution

Reconnect is a company limited by guarantee incorporated on 27th November 2003 (company no. 4978651) and a registered charity (charity no. 1105016) governed by its Memorandum and Articles of Association.

Directors and Trustees

The directors of the charitable company ("the Charity") are its trustees for the purpose of charity law and throughout this report are collectively referred to as the trustees.

As set out in the Articles of Association, the number of trustees shall never be less than three and the maximum number shall be determined by a General Meeting. The trustees may at any time co-opt any person (who need not be a member of the Charity) as a trustee, either to fill a casual vacancy or by way of addition to their number.

At each Annual General Meeting one-third of the trustees for the time being (or if their number is not a multiple of three then the number nearest to one-third) shall retire from office. A retiring trustee shall be eligible for re-election.

The trustees serving during the period and since the period are as follows:

Directors and Trustees

Sarah Buxton (appointed 26 July 2017) Chair from 1 December 2017

Caroline Demian (retired 15 June 2017)

Stephen Desmond

Belay Gessesse

Olivia O'Malley (appointed 15 June 2017)

Faye Ruck-Nightingale (retired 15 June 2017)

Keith Sonnet (appointed 28 June 2017)

Michael Stewart Chair to 1 December 2017

Director of the Charity and Chief Executive

Theodros Abraham

Company Secretary

Michael Stewart

Registered and Administrative Office

Resource for London
356 Holloway Road
London
N7 6PA

Bankers

HSBC
31 Holborn Circus
London
EC1 2NR

Solicitors

Camerons Solicitors LLP
70 Wimpole Street
London
W1G 8AX

Trustees annual report for the year ended 31 December 2017

The trustees are pleased to present their report together with the financial statements of the Charity for the year to 31 December 2017.

The legal and administrative information set out above forms part of this report.

Objects of the Charity

The objects for which the Charity is formed are:

- to relieve need, hardship and distress in developing countries principally but not exclusively by facilitating the employment in such countries of persons living as refugees or displaced persons in developed countries who have skills useful to improving conditions in developing countries
- to advance education and relieve unemployment among refugees and displaced persons:
 - a. by providing and fostering the provision of appropriate training so that such persons may participate in employment opportunities principally but not exclusively in developing countries
 - b. by identifying and fostering such employment opportunities and assisting such persons to participate in them.

Organisation

The Charity is governed by a board of elected trustees which delegates the day to day running of the Charity to the Executive Committee comprising two of the trustees and the Director of the Charity, Theodros Abraham, who is a paid full time member of staff and is assisted by a number of part time volunteers. The board of trustees meets for regular and extraordinary meetings. Minutes of Executive Committee meetings are sent to all the trustees, together with information relating to significant project developments and funding.

Related Parties

The Charity has no related parties.

Public Benefit

The trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Charity's aims and objectives and in planning its future activities. In particular, the trustees consider how planned activities will contribute to the aims and objectives set.

Financial Review

Total income for the year was £63,255, primarily from donations and grants and £30,996 was spent on charitable activities. The Charity held unrestricted reserve of £33,463 and restricted reserves of £4,704 at the year end, 31 December 2017.

Reserves Policy

The trustees have adopted a policy of aiming for the Charity to have unrestricted reserves equal to three to six months' core expenditure, as circumstances allow. As at 31 December 2017 these were £33,463.

Risks

The trustees regularly review the risks to which the Charity is exposed and are satisfied that the systems in place to minimise those risks are satisfactory.

Investment Policy

Money not immediately required for the objectives of Reconnect is held in a deposit account, in line with the investment policy. The Charity does not have any other investments.

Directors and trustees

All directors of the company are also trustees of the Charity and there are no other trustees.

Volunteers

The Charity implements an office-based volunteer programme, to assist the Charity with its work and to provide an opportunity for a small number of committed people to gain work experience at an outward looking charity.

The trustees are grateful to all those who have volunteered to work with the Charity and promote the Charity's goals throughout the year.

Review of activities

The trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Charity's aims and objectives and in planning future strategy. In particular the trustees have considered how planned activities will contribute to the aims and objectives they have set.

- The Charity has continued to provide one-to-one guidance, signposting and support to individual refugees on higher education, including teaching. The Charity is most grateful to the grant from a trust which has enabled it to sustain this aspect of the work of the Charity.

The Director of the Charity has 32 years higher education teaching experience and 25 years advising students with refugee background in higher and further education.

- Following the completion and launch of a feasibility study in 2014, the Charity has consulted widely and developed a viable project proposal for the implementation of a pilot project to support higher education institutions in South Sudan and Ethiopia by the transfer of the skills of UK based refugee teachers. The pilot project has received a very favourable reception from the governments of South Sudan and Ethiopia as well as from international organisations, including the UNHCR. The pilot project however could not, in the event, be implemented as planned due to the adverse political and security situation in South Sudan. Hence, the Charity's subsequent wide consultations on the implementation of the pilot project. This included a well received Workshop organised by the Charity as part of the commemoration of World Refugee Week. Key contributors included: Myles Wickstead, CBE, formerly HM Ambassador to Ethiopia, Djibouti & the African Union, Mr. Gonzalo Vargas Llosa, UNHCR Representative in the UK, Mr. Robin Shawyer, Director of Windle Federation/Windle Trust International and Ms. Rosemary Togwe, a teacher with refugee background and a prospective participant in the programme.

The Charity has been working to maintain the momentum of the pilot project by working closely with Samara University, in the North East of Ethiopia, with a view to supporting the capacity of the university by the transfer of the skills of two teachers with a refugee background. The Charity has succeeded in securing part of the funds required for the project through the Big Give Christmas Challenge Fund 2017. The Charity is seeking further funds for the project from DFID and other sources.

As part of the pilot project the Charity delivered 15 boxes of text books to Samara University in August 2017, kindly donated to the Charity by Queen Mary University of London. A previous batch of text books from Queen Mary University of London was delivered to Juba University, South Sudan, in 2016.

- In line with the Charity's commitment to working through shared ideas, resources and experience with networks of communities, organisations and individuals, the Director and Trustees of the Charity continued to participate in a number of events and meetings. This included a major conference held at Cologne, Germany, in September 2017, attended, at the invitation of Cologne University, by the Director of the Charity along with a senior academic staff member of UCL Institute of Education. UCL Institute of Education and Reconnect collaborated in training refugee teachers in 2009-2011. The theme of the conference was "Supporting University Community Pathways for Refugee Migrants". It brought together delegates from many European universities and voluntary organisations to discuss, learn and explore ways for collaboration. A joint presentation was made by the Charity and UCL Institute of Education to share their experience of the successful *Pathways to Teaching for Refugees* programme.
- The Charity carried out a major review of policies and strategic plans during the year with a view to strengthening the Charity's capacity to sustain its objectives and activities in the fields of governance, volunteering, fundraising and website and social media development. In implementation of aspects of this review, the Charity has
 - set up an advisory group to include individuals with proven commitment and expertise relevant to the work of the Charity;
 - successfully worked with a commercial organisation (Salesforce) which supports its staff to use their skills and time to assist charitable organisations, to build a new website and strengthen social media and fundraising capacity;
 - recruited three new trustees to complement the existing expertise on the Charity's Board;
 - strengthened the capacity of the Charity's current volunteers through work training on various aspects of the work of the trust, with a view to recruiting additional volunteers.
- The Charity has continued in membership of three umbrella organisations, the Refugee Council, Think Global (formerly known as the Development Education Association) and Bond. Additionally, the Charity is now in membership of the National Council for Voluntary Organisations (NCVO).

Current activities

- Providing one-to-one assessment, guidance, referrals and support to individual refugees seeking advice on higher education and career progression.
- Working with UCL Institute of Education to establish the *Pathways into Teaching for Refugees* project, commencing in September 2019, to provide an opportunity for refugees who want to teach in the Further Education sector to undertake a PGCE in post-compulsory education.

The Charity is grateful for the donation from the Network for Social Change Charitable Trust to help facilitate the resumption of the Pathways into Teaching Programme at UCL Institute of Education, for people with a refugee background.

- Facilitating the implementation of the Charity's *Reconnect to Education: Preparation for Higher Education* programme, in partnership with Computer Aid International, working with UCL Institute of Education to provide a unique opportunity for 60 refugees and asylum seekers, in the 2018/19 academic year, to benefit from an integrated assessment, guidance, support and induction service, together with English language, study and ICT skills and an introduction to the UK education system. The programme will cover fees and travel and make a contribution towards learning materials.
- Building the Charity's partnership with Samara University in North East Ethiopia, a relatively new university, to support the capacity of the university especially by the transfer of the skills of UK based teachers with a refugee background.
- Building and upgrading the capacity of the Charity in fundraising, website and social media and to make it more widely known

Future developments

- Working in partnership with the Centre for Conflict Resolution and a UK university to provide opportunities for a group of unemployed or underemployed refugee journalists to gain a Postgraduate Certificate in Film making and Video Journalism and work placements in the media sector.
- Exploring the possibility of providing in-service support for teachers in refugee camps as part of the proposed UNHCR Education Unit linkage initiative alongside the Charity's pilot project in South Sudan and Ethiopia.
- Continuing to work on the development of a number of potential projects with suitable partners and making approaches to suitable funders.

Approved by the Board of Trustees on 5th June 2018
and signed on their behalf by:

.....
Sarah Buxton (Chair)

STATEMENT OF FINANCIAL ACTIVITIES
(including Income and Expenditure Account)
for the year ended 31 December 2017

	Notes	Funds		TOTAL	TOTAL
		Restricted	Unrestricted	2017	2016
INCOME RESOURCES:					
Donations and Grants	3	12,124	51,125	63,249	26,000
Investments	4		6	6	6
TOTAL		12,124	51,131	63,255	26,006
RESOURCES EXPENDED:					
Raising funds	5,6		6,080	6,080	5,439
Charitable Activities	5,7	7,420	23,576	30,996	32,557
TOTAL		7,420	29,656	37,076	37,996
Net income/(expenditure)		4,704	21,475	26,179	-11,990
Balances brought forward 01 Jan		-	11,988	11,988	23,978
Balances Carried forward 31 Dec		4,704	33,463	38,167	11,988

The statement of Financial Activities includes gains and losses recognised in the year. All incoming resources and resources expended derive from continuing activities.

The Statement of Financial Activities also complies with the requirement for an income and expenditure account under the Companies Act 2006

The notes on pages 10 to 13 form part of these accounts

BALANCE SHEET AS AT 31 DECEMBER 2017

	Notes	2017 £	2016 £
FIXED ASSETS			
Tangible fixed assets		-	-
CURRENT ASSETS			
Deferred income & prepayments	10	2,969	44
Cash in hand and at banks		<u>35,715</u>	<u>13,603</u>
		38,684	13,647
LIABILITIES: Amounts falling due within one year	11	<u>517</u>	<u>1,659</u>
NET CURRENT ASSETS		<u>38,167</u>	<u>11,988</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>38,167</u>	<u>11,988</u>
NET ASSETS		<u>38,167</u>	<u>11,988</u>
FUNDS	12		
General unrestricted		33,463	11,988
Restricted		<u>4,704</u>	<u>11,988</u>
TOTAL FUNDS		<u>38,167</u>	<u>11,988</u>

The trustees (who are also the director of the company for the purpose of company law) confirm that for the year ended 31 December 2017:-

- the company was entitled to exemption from audit under section 477 of the Companies Act 2006 ("the Act") relating to small companies, and
- members have not required the company to obtain an audit of its accounts for the period in question in accordance with section 476 of the Act. However, in accordance with section 145 of the Charities Act 2011 and section 44 of the Charities and Trustee Investment (Scotland) Act 2005, the accounts have been examined by an independent examiner whose report appears on page 14.

The trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

The notes on pages 10-13 for an integral part of these accounts.

These accounts, which have been prepared in accordance with the provisions applicable to small companies subject to the small companies regime and in accordance with FRS102 SORP, were approved by the Board of Trustees on 5th June 2018 and signed on their behalf by:

.....
Sarah Buxton (Chair)

**NOTES TO THE FINANCIAL STATEMENTS
for the year period ended 31 December 2017**

ACCOUNTING POLICIES

1. Basis of preparation of accounts

- 1.1 The financial statements have been prepared under the historical cost convention in accordance with:
- The Charities Act 2011
 - The Charities and Trustee Investment (Scotland) Act 2005
 - The Charities Accounts (Scotland) regulations 2006 (as amended)
 - The Companies Act 2006
 - The Financial Reporting Standard applicable in the UK and the Republic of Ireland: FRS102
 - Accounting & reporting by Charities: Statement of Recommended Practice (Charities SORP FRS 102) (effective January 2015)

The Charity meets the definition of a public benefit entity as defined by FRS 102

The trustees consider that there are no material uncertainties about the Charity's ability to continue as a going concern.

1.2 Incoming resources

1.2.1 Donations and grants

Income is recognised and included in the Statement of Financial Activities (SoFA) when the Charity becomes entitled to the income.

Donations and grants were received during the year by the Charity from a number of bodies and individuals for the purpose of relieving hardship and distress of people living as refugees and providing training for such persons in any country including the United Kingdom.

1.2.2 Interest receivable

Interest is included when receivable by the Charity.

1.3 Resources expended

Resources expended are included in the Statement of Financial Activities on an accrual basis. The Charity is not registered for VAT and, therefore, VAT forms part of the costs.

Certain expenditure is directly attributable to specific activities and has been included in those cost categories. Support costs, which are attributable to more than one activity, have been apportioned on the basis of the proportion of time spent by staff on those activities.

1.4 Fund Accounting

Unrestricted general fund is used in accordance with the charitable objects at the discretion of the trustees and for designated projects.

Restricted Funds

- Pathways into Teaching for people with a refugee background
- Skills Transfer to Ethiopia

1.5 Tangible Fixed assets

Any assets included at cost less depreciation but as at 31 December 2017 the charity did not have any capitalised tangible fixed assets.

1.6 Depreciation

Tangible fixed assets are stated at cost and are depreciated by annual instalments as follows:
Office computers and equipment – over 3 years.

2. Legal Status of the Charity

The charity 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.

3. Donations and grants

	Restricted	Unrestricted	Total 2017	2016
	£	£	£	£
Donations	4,704	51,125	55,829	26,000
Grants	7,420	-	7,420	-
TOTAL	12,124	51,125	63,249	26,000

4. Investment Income

	2017	2016
	£	£
Bank interest	6	6

5. Support Costs

Support costs have been allocated on the basis of staff time.

Support cost	Raising funds costs £	Charitable Activities costs £	Governance Costs £	Total Costs 2017 £
Rent and rates	1,121	2,913	448	4,482
Staff costs	1,068	2,778	427	4,273
Employer pension contributions	45	118	18	181
Office costs	280	727	112	1,119
TOTAL	2,514	6,536	1,005	10,055

6. Expenditure on Raising Funds

	2017	2016
	£	£
Salaries – direct cost of generating voluntary income	2,849	2,906
Fundraising costs	717	
Support costs (Note 5)	2,514	2,533
TOTAL	6,080	5,439

7. Expenditure on Charitable Activities

	Restricted	Unrestricted	2017	2016
			TOTAL	TOTAL
	£	£	£	£
Direct Costs:				
Staff Costs (Note 8)	6,530	14,838	21,368	21,797
Volunteer expenses		181	181	151
Consultancy fees		1,040	1,040	2,253
Transport costs of books to Ethiopia		752	752	-
Other		114	114	758
Indirect Costs:				
Support costs (Note 5)	890	5,646	6,536	6,585
Governance costs (Note 5)		1,005	1,005	1,013
TOTAL	7,420	23,576	30,996	32,557

8. Staff Costs

	2017	2016
	£	£
Salaries	28,491	28,360
Social Security costs	-	703
Employer pension contributions	181	-
TOTAL STAFF COSTS	28,672	29,063

No employee received remuneration amounting to more than £60,000 in either year.
The average monthly number of employees during the year was as follow:

	2017	2016
	1	1

9. Taxation

The company has been constituted as charity number 1105016 and so is not liable to income tax or capital gains tax on its charitable activities.

10. Deferred Income and prepayments

	2017	2016
	£	£
Prepayments	-	44
Big Give deferred income	2,969	
TOTAL	2,969	44

11. **Liabilities Falling Due Within One Year**

	2017	2016
	£	£
PAYE liabilities	-	619
Consultancy fee	-	1,040
Office overheads	155	
Pension contributions	362	
TOTAL	517	1,659

12. **Movement in Funds**

	As at 01 Jan 2017	Incoming Recourses	Outgoing resources	As at 31 Dec 2017
Unrestricted Funds				
General Fund	11,988	51,131	29,656	33,463
Restricted Funds				
Pathways into Teaching	-	7,420	7,420	-
Skills transfer to Ethiopia	-	4,704	-	4,704
TOTAL FUNDS	11,988	63,255	37,076	38,167

13. **Related Party Transactions**

No trustee or related parties received fees or other emoluments.

14. **Members' Guarantee**

The Charity is limited to the guarantee of £1 per member.

15. **Trustees' Statement**

The trustees confirm that they received no remuneration or reimbursement of expenses, there was no indemnity purchased, and that there were no transactions which would need to be disclosed.

INDEPENDENT EXAMINER'S REPORT FOR THE YEAR ENDED 31 DECEMBER 2017

Independent Examiner's Report to the Trustees of Reconnect

I report on the financial statements of the charity for the year ended 31 December 2017, which are set out on pages 8 -13.

Respective responsibilities of trustees and examiner

The charity's trustees (who are also the directors of the company for the purposes of company law) are responsible for the preparation of the accounts. The trustees consider that an audit is not required for this year under section 144 of the Charities Act 2011 (the Charities Act) and that an independent examination is needed.

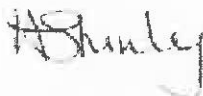
Basis of independent examiner's statement.

My examination was carried out in accordance with general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from the trustees concerning any such matter. The procedure does not provide all the evidence that would be required in an audit, and consequently no opinion is given as to whether the accounts present a 'true and fair' view. The report is limited to those matters set out in the statement below.

Independent Examiner's Statement

In connection with my examination, no matter has come to my attention to indicate that:

- Accounting records have not been kept in accordance with section 386 of the Companies Act 2006;
- The accounts do not accord with such records;
- Where accounts are prepared on an accrual basis, whether they fail to comply with relevant accounting requirements under section 396 of the Companies Act 2006, or are not consistent with the Charities SORP (FRS102)
- Any matter which the examiner believes should be drawn to the attention of the reader to gain proper understanding of the accounts.



Signed

11th September 2017

Helen Surdy FMAAT, MCIB, DChA

12 Lansdown Wood Close
London SE27 0BY