



Annual Report and Financial Statements

2019/20

COMPANY NUMBER: 929653

CHARITY NUMBER 1079752



Annual Report and Financial Statements 2019/20

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We give people the skills to be ready for and respond to disasters worldwide. With 40 years of experience, we build the capacity of humanitarian workers and affected communities to respond to crises such as cyclones, conflict and earthquakes.

What Makes RedR Different?

Our partners We have amazing private sector patrons and partners, primarily from the engineering and international development sectors. We work closely with them to channel their skills and capacity within humanitarian, development and peacebuilding contexts.

Sustainability Capacity development is sustainable. Everything we do builds the capacity of others. Our work does not usurp capacity already in place but develops it for better results.

Our people Our people include our President, HRH The Princess Royal; members; staff; Trustees; volunteers; Vice-Presidents and Associates. They are dedicated to RedR's values, vision and mission, passionate about what they do, and give their all for clients, trainees, affected communities and each other. The voice of everybody at RedR is respected. This translates into an extraordinarily high satisfaction rate with our work, from both individuals and organisations.

High standards We are HPass certified in Quality Standards for Humanitarian Learning. We offer learning opportunities accredited by the Continuing Professional Development (CPD) Certification Service and Oxford Brookes University and develop standards for use across the aid sector, such as the Urban Competency Framework and the Global Nutrition Cluster's competency framework.

Agility and flexibility We are used to adapting quickly and seamlessly: from providing face-to-face training to delivering our first COVID-19 remote courses within 14 days of receiving WhitbyBird Foundation funding.

Honest brokers We are facilitators. Our work brings people together to work towards common and better outcomes within the humanitarian, development and peacebuilding environments. Read more about our ground-breaking work in the Bridging the Gap project on page 14.

Highlights at a glance 2019/20

We trained **3,061 people** in a range of humanitarian-related courses – of whom 46% were women or non-binary.

We held courses in **23 countries** at a total of **191** learning events.

93% of participants rated their training good to excellent and confirmed it had increased their skills and knowledge.

We invest in people and organisations so that responses can be as local as possible and as international as necessary. **95%** of trainees in Sudan were Sudanese local staff and **31%** worked for national organisations. **77%** of trainees in Middle East and North Africa were national staff.

We are increasingly adopting online training methods. **40%** of our grant-funded programmes included online learning.

Overview from the Chair and CEO

In our 40th year, we are very pleased to present RedR's Annual Report for 2019/20 and we thank the RedR team for their extraordinary work and dedication throughout the year.

The scale and number of both rapid-onset and protracted crises around the world are increasing, exacerbated by climate change and accelerated urbanisation. With this in mind, at the start of 2019 we prepared a new strategy for 2020 – 2025.

To respond effectively to today's crises requires technical skills not traditionally found in the humanitarian sector and calls for cooperation between the humanitarian, development and peacebuilding nexus. This is part of a [new way of working \(NWoW\)](#) to reduce need, risk and vulnerability and to improve collective outcomes for the targets set by the [Sustainable Development Goals](#) (SDGs). To grow humanitarian skills, capacity, and therefore resilience in those places most vulnerable to humanitarian crises, we must increase our efforts to shift resources, power and decision making to national and local actors.

In early 2020, the effects of COVID-19 fast-forwarded such a change. International employees were repatriated, and local actors took on a greater role in responding to emergencies and development. With this change comes greater and urgent need for capacity development, and RedR is very well placed to deliver this for the aid community.

Alongside the new strategy, we also developed a revised business model, undertook a restructure and appointed a new CEO to lead and take forward the new strategy. We welcome Jo de Serrano OBE DUniv to the post and say thank you to Martin McCann after 12 years of service to RedR.

We had much to celebrate in 2019/20:

- We trained 3,061 people in courses that included Management and Leadership, Humanitarian Principles and Practice, Safety and Security, Preparedness and Disaster Risk Reduction, Water Sanitation and Hygiene (WASH), Urban Response and Climate Change Adaptation.
- We deployed a Humanitarian Adviser and an Organisational Development Adviser to Mozambique, in response to Cyclone Idai.
- We developed the capacity of the Federation of African Engineering Organisations (FAEO) and delivered training to engineers of the Nigerian Society of Engineers.
- We implemented flagship projects such as Bridging the Gap, working with Christian and Muslim faith groups in South Sudan.
- We supported Clusters (groups of humanitarian organisations for each of the main sectors of humanitarian action) to develop competency frameworks, including [The Global Nutrition Cluster](#), led by [UNICEF](#).

We are confident that our work has a lasting impact, not only for the aid workers and organisations with whom we work, but also for affected communities. We pride ourselves on working to the highest standards. We became HPass certified for Quality Standards for Humanitarian Learning and now support other organisations, such as [Violet](#), an NGO responding inside Syria, to meet these standards. We continue to train on the [Core Humanitarian Standard](#) and the [Core Humanitarian Competency Framework](#).

RedR takes a multifaceted approach, making us flexible and agile. In early 2020, we were preparing for the changes that Brexit would bring, but that was soon dwarfed by the COVID-19 pandemic. RedR responded swiftly and effectively. We secured funding this year for a large international humanitarian response through the [H2H Network](#) and the [Clothworkers' Foundation](#). Coronavirus also prompted us to mount our first ever UK response, funded by the WhitbyBird Foundation. The dissolution of DFID and creation of the FCDO and its impact on [UK Aid](#) is being carefully monitored by the team.

Against this backdrop, we will continue to review our strategy to ensure our services are relevant and useful to the aid sector, providing services to prevent, prepare for and respond to emergencies worldwide.



Sophie Gillibert
Chair of the Board of Trustees, RedR UK



Jo de Serrano OBE DUniv
CEO, RedR UK

Our Vision, Mission, Values, Purpose and Principles

Our vision is a world in which sufficient competent and committed personnel are available and responding to humanitarian needs.

Our mission is to build the knowledge and skills of individuals and organisations for more effective humanitarian action.

Our purpose is to mitigate the impact of crises on the most vulnerable people, primarily in low and lower middle-income countries.

Our values drive our day-to-day behaviour, make us unique and are at the heart of everything we do.

- | | |
|----------------------------|---|
| ▪ Collaboration | We work together towards shared goals |
| ▪ Excellence | We continually improve through listening, learning and innovation |
| ▪ Lifelong Learning | We never stop learning, so that others can also keep learning |
| ▪ Integrity | We are honest and fair and we speak up |
| ▪ Accountability | We do what we say we will |

Our values were developed by our employees and provide guiding principles about the way we work. They set the tone for our culture, identify what we care about and help us make important decisions for how we work. A values-driven common purpose helps RedR's people build great working relationships. Against that background, RedR:

- are clear that the organisation's values are crucial to our success
- attach prime importance to our staff and the overall health of the organisation
- put communication and active listening at the heart of engagement
- place high-quality outcomes for clients as our core purpose
- adopt a can do, constructive approach in everything we do.

Our principles guide how we do our work:

- **Humanitarian:** We believe in the provision of humanitarian assistance to people wherever it is needed to relieve suffering and sickness.
- **Professional:** Our staff, members and partners are professional people committed to providing high quality training and expertise in disaster relief and rehabilitation.
- **Impartial:** We work with people regardless of race, religion, or political affiliation.
- **Inclusive:** We believe that partnerships with individuals, other organisations and communities promote creative and fruitful initiatives.
- **Impact:** We believe that people in communities and aid agencies should be empowered to develop skills for immediate and future disaster response.
- **Respect:** We believe people affected by disasters can and should be empowered to contribute to relief, rehabilitation, and development efforts.

The Importance of Capacity Development

Capacity development saves lives and enables communities to rebuild after humanitarian crises. Combined with localisation, it can lessen the impact of disasters and lead to more sustainable development.

Growth in capacity can be achieved through knowledge transfer – training, coaching, and mentoring – as well as through provision of resources and financial support. At RedR, this does not just involve training but also the development of learning resources, organisational development, human resource development, mentoring, coaching and dissemination of knowledge and best practice. It also includes standardisation of common tools and processes, and support with access to information (through tools such as [KnowledgePoint](#)).

To create lasting solutions, capacity is needed at all points in the disaster management cycle – from mitigation and preparedness to response and recovery (see Figure 1). This makes communication and consistency in the nexus of humanitarian, development and peacebuilding vitally important.

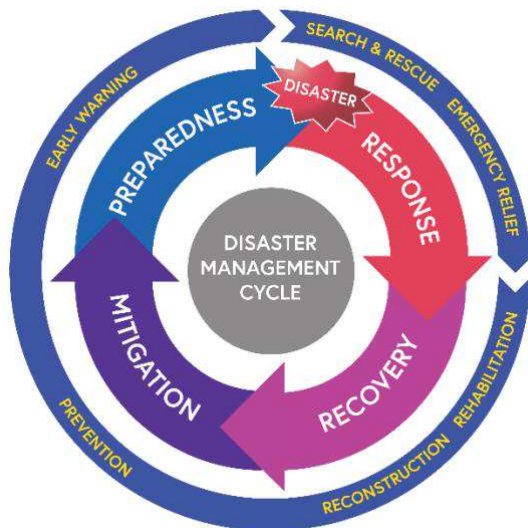


Figure 1: Disaster Management Cycle (©Coventry University)

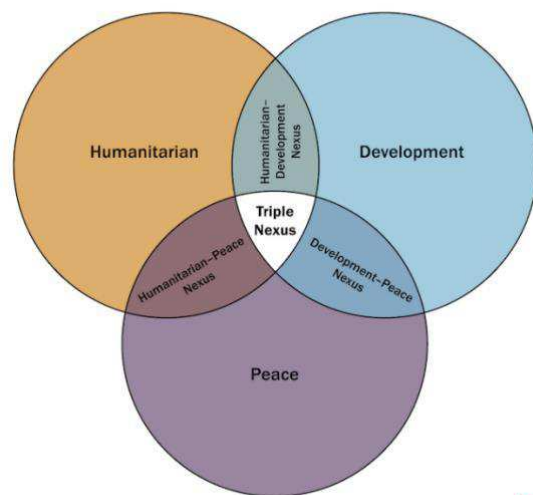


Figure 2: Humanitarian-development-peace Nexus (©SIPRI 2019)

The direct impact of capacity development can be measured by assessing participants' knowledge and skills (and access to resources) before and after intervention, but ultimately the more significant development is indirect: namely, the resilience and preparedness of communities and their ability to respond swiftly and recover from disasters.

Public Benefit

In shaping our objectives and planning our activities, the Trustees considered the Charity Commission's guidance on public benefit, including the guidance 'Public Benefit: running a charity (PB2)'. Our strategy in 2019/20 for increasing the capacity of humanitarian actors resulted in the activities described in the sections that follow.

Although they rarely meet the RedR organisation, RedR's programmes also provide a public benefit to our ultimate beneficiaries – those directly affected by disasters and other humanitarian crises.

Our Strategy for 2020 – 2025

In 2019, we reviewed the status quo and the challenges within the aid sector that were relevant to RedR's vision and mission. We involved RedR staff and Trustees, Associate Trainers, donor representatives, capacity development experts, INGO, UN, Patron and Red Cross Movement staff and came to the following findings:

What is happening now?	But...
Many large emergencies are managed by international teams.	Local staff are already present. However, within an internationalised response, they often lack power and decision-making capability. ¹
Institutional donors, including governments, have shifted from funding smaller (I)NGOs towards multilaterals and INGOs, who in turn are shifting away from direct implementation towards implementation by local partners.	Local partners are often unable to meet due diligence requirements of larger donors and/or lack the organisational structure, skills, tools or procedures to respond effectively. ²
Emergency response occurs in silos – humanitarian, development and peacebuilding.	Bridging the gap between all three would lead to better humanitarian outcomes within a New Way of Working ³ in the humanitarian, development and peacebuilding nexus.
Emergencies are increasing in scale and impact, with climate change a significant driver.	Insufficient progress is being made within the nexus to address impacts of climate change. Climate change increases competition for resources and acts as a driver of conflict; and it increases the requirement for resilient infrastructure. ⁴
Rapid urbanisation means humanitarian response is increasingly required in urban contexts.	The international humanitarian system lacks the competencies and skills to operate effectively in urban environments. ⁵
Conflicts and now COVID-19 (not part of the original findings) have increased reliance on both individuals and organisations at a local level, as international staff and/or their employers are either unable or unwilling to allow international staff to remain overseas.	Remote management requires development and refinement for specific requirements, and local staff need to be able to work safely, securely and effectively in these environments. ⁶

Table 1: Strategy Development Findings

We developed our 2020-2025 strategy with the above in mind, structured around a new business model, organisational structure and the delivery of three service 'hubs':

- **Bridging the Gap** This hub focuses on learning initiatives that will bridge the skills and capacity gaps of individuals and organisations in the Global North, continuing professional

¹ https://www.icvanetwork.org/system/files/versions/ICVA_ODI_Localisation_paper.pdf

² and http://media.ifrc.org/grand_bargain_localisation/wp-content/uploads/sites/12/2019/07/Localisation-Under-The-Looking-Glass-Slides.pdf

³ <https://reliefweb.int/report/world/humanitarian-development-peace-nexus-what-does-it-mean-multi-mandated-organizations>

⁴ <https://www.unclearn.org/sites/default/files/inventory/undp304.pdf> and <http://www.oecd.org/environment/cc/policy-perspectives-climate-resilient-infrastructure.pdf>

⁵ <https://www.odi.org/events/4542-urban-humanitarian-response-challenges-and-opportunities#:~:text=Humanitarian%20crises%20are%20increasingly%20affecting.now%20live%20in%20urban%20settings.>

⁶ https://reliefweb.int/sites/reliefweb.int/files/resources/HH_PP_Guidance-Note_Remote-Management_electronic_FINAL.pdf

development (CPD), accreditation and membership. This hub includes responsibility for the deployment of skilled professionals and the tools for effective remote management.

- **Localisation** This hub focuses on building local capacity in countries affected by humanitarian emergencies, through delivery of free or low-cost support to individuals and organisations. It works to ensure that humanitarian response is as local as possible and as international as necessary, as agreed at the World Humanitarian Summit in 2016.

- **Engineering** This hub focuses on disaster risk reduction (DRR), relief, recovery, and reconstruction, and harnesses the resources and commitment of engineering and other technical sectors to build disaster resilience within local communities. This includes our work on urban response and climate change.

This strategy is being reviewed regularly, given the unfolding impacts of COVID-19.

Year in Review

Table 2: Key Statistics

	Enterprise	Funded	Sudan	Total
No. of people reached directly	1,300	486	1,275	3,061
No. of countries in which we delivered services	23			
No. of events	101	32	58	191
% of interventions that include online learning	6%	40 %	0%	3% average
% of other non-face-to-face training interventions, such as coaching, mentoring	12%	60%	45%	39% average
% who say skills and knowledge have improved (directly after the event)	92%	93%	94%	93% average
% who rated the facilitation of the training as excellent or good	97%	91%	91%	93% average
% of participants who are women or non-binary	53%	40%	45%	46% average
% of participants who are national staff	40%	77%	95%	70% average
% participants who work for national organisations	17%	N/A	31%	24% average
No. of organisations supported at organisational level (beyond training staff)	35			
% of organisations supported at organisational level that are national or national/regional branches of INGOs/UN agencies	67%	N/A	N/A	67%

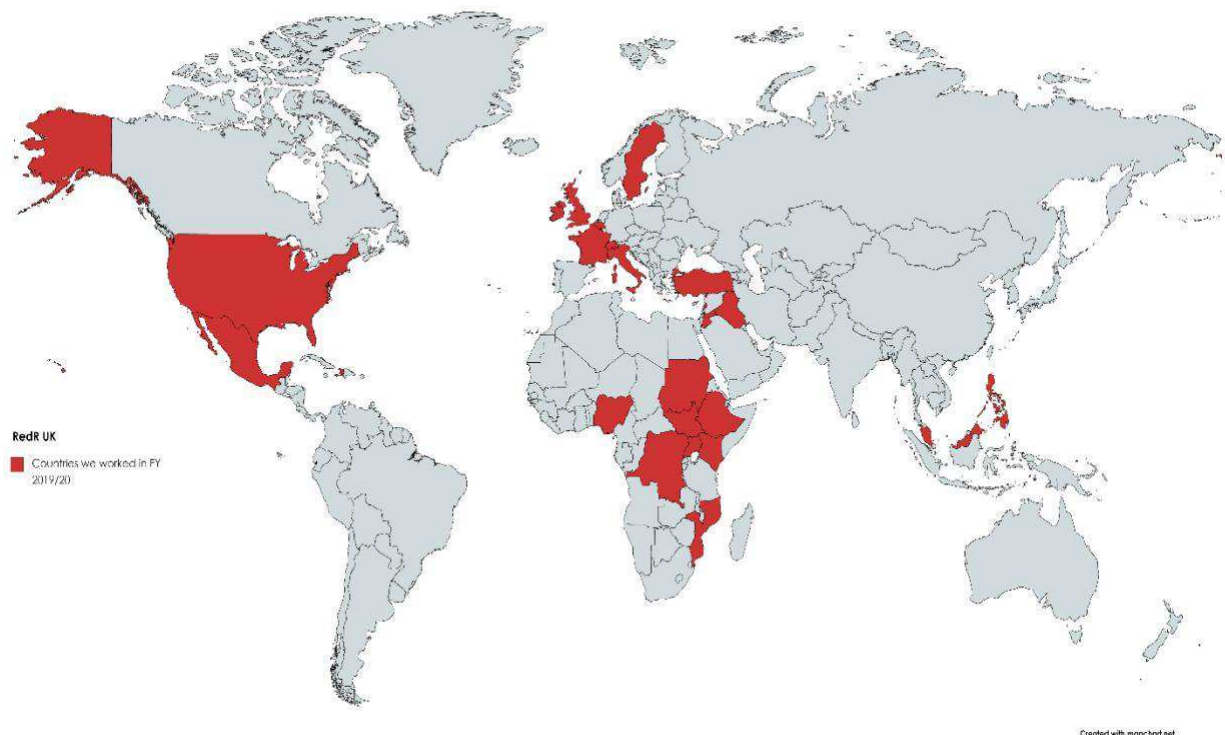


Figure 3: Countries we worked in 2019/20

Our Enterprise Programme

During the year, the Enterprise Team ran 36 open, 62 tailored and three pop-up courses worldwide. Highlights included coaching and mentoring for the Global Nutrition Cluster and organisational and capacity development for MICAIA in Mozambique. We deployed a Humanitarian Adviser to support MICAIA in the first month of the response to Cyclone Idai and an organisational development specialist to enable them to respond to future humanitarian emergencies. Other highlights included designing a range of games to promote gender-, age- and disability-inclusion in disaster preparedness and humanitarian response, and also Gender and Participation research into factors impacting women’s participation in WASH services in South Sudan, which led to the design of practical actions, guidelines and training.

In line with RedR’s localisation strategy, in the Middle East and North Africa (MENA) region over 70% of course participants were national staff and in Sudan 95% of course participants were Sudanese. Local participants will remain long after international staff leave, thus contributing to the effectiveness and sustainability of disaster management in the region.

The thematic focus and number of events held by RedR’s Enterprise section included:

- Management and Leadership (33)
- Capacity Development (21)
- Humanitarian Principles and Practice (16)
- Safety and Security (12)
- Planning, Monitoring and Evaluation (9)
- Other topics, including DRR and WASH (10)

Our Funded Programmes

During the year, our Funded Programmes Team implemented five main projects, supporting 25 organisations across nine countries:

1. The [Ready to Respond](#) project, responsible for the conversion to e-learning and for delivery of our urban courses.

2. A second phase of the [Africa Catalyst project](#), building the capacity of the [Federation of African Engineering Organisations \(FAEO\)](#).
3. The [Climate Change Adaptation and Disaster Risk Reduction](#) project, which trained responders in the Philippines.
4. The [Neighborhood Approach](#) project, training participants in the USA, Haiti, Switzerland, and France in urban humanitarian response.
5. The [Bridging the Gap](#) project, which improved the effectiveness of humanitarian response in South Sudan by better integrating local faith actors into the response.

RedR also participates in the [Global Shelter](#) and [Global WASH Cluster](#), and is an active member in the [Global Alliance for Urban Crises](#).

RedR UK in Sudan

The coup d'état that overthrew President Omar al-Bashir, on 11th April 2019, changed the operating environment in Sudan. The political and social uncertainty that followed affected our ability to deliver training and resulted in fewer opportunities to secure large contracts. In this difficult fundraising environment, we were forced to suspend our operations temporarily.

The transition to a civilian Prime Minister, in September 2019, saw INGOs returning and greater opportunities, especially within peacebuilding contexts. In February 2020, RedR in Sudan held a Strategic and Fundraising Planning Retreat to identify where our work could have the greatest impact, incorporating development, peacebuilding and humanitarian sectors.

During the year, the RedR UK team in Sudan trained 1,275 people and worked with UN and NGO partners and others in subjects including:

- Results-Based Management
- Monitoring and Evaluation
- Managing Projects and People
- Proposal and Report Writing
- Community Driven Recovery
- Peacebuilding

Highlights included training 25 participants from various local NGOs in a pilot project for Localisation, increasing the capacity of National NGOs, and training 180 participants in six Sudanese States in Food Security and Nutrition Data Collection and Analysis.

Communications

In 2019/20, we developed a new communication strategy, shifting our focus from advertising to audience engagement through storytelling, predominantly through digital media. This shift has helped to raise our brand awareness, increase our engagement and more effectively market our courses. Some of our communications highlights for the year included an [article](#) by Jo de Serrano on duty of care for LGBTQ+ workers in humanitarian response, featured in *The New Humanitarian*, and impact stories to highlight the success of the Climate Change Adaptation and Disaster Risk Reduction project that we ran with support from [AXA XL](#).

What we have learnt

As a learning organisation, with lifelong learning as a core value, RedR focuses on continually improving and learning lessons from its own programmes, as well as building the capacity of others in this area.

What we have learnt	What's the fix?
Some of our online learning platforms were not providing a good experience for users.	We undertook a review and have now implemented changes to our chosen platforms.

Participant engagement in online learning is hard!	We changed our approach and work done in the build-up to events, and we will recruit and train more e-learning specialists and trainers.
Accreditation, Certification and Qualification: People increasingly want more accredited or certified online learning in aid-sector subjects, as part of formal CPD or higher-level education.	We are developing learning pathways and looking to expand our accredited and certified capacity-development offer.
Localisation applies to us: trainers should be local too.	We will maintain our Sudan roster for the sub-Saharan Africa region and increase the size of our roster in the Middle East and North Africa region.
Urbanisation continues apace. Urban response skills are increasingly needed.	We will maintain our focus on urban competencies and response and showcase RedR's initiatives in this area.
Communication is key and we were not showcasing the work we do well enough or sufficiently demonstrating our impact.	We developed a new Communications Strategy to deliver impactful communications and drive engagement and will outsource to a media content company in 2020/1.
Coaching and mentoring are invaluable. They maximise sustainability, especially in a COVID-19 world.	A new model, including staff, partners, patrons and members will be developed in 2020/21.
Climate Change isn't stopping. Infrastructure is needed to support communities affected by climate change and improve humanitarian outcomes, but current infrastructure is failing.	There is a role for RedR, its members, patrons and partners, to develop and deploy infrastructure solutions in humanitarian, development and peacebuilding contexts in Low-Income Countries (LICs) and Lower Middle-Income Countries (LMICs), so as to improve outcomes for affected communities.

Table 3: Key learning from the year

Case Study – Cyclone Idai

RedR puts the development of national humanitarian organisations and national aid workers in disaster-affected countries at the forefront of our work. This approach helps to ensure that skills and knowledge remain in-country, where they are needed most, for the long-term. In the aftermath of Cyclone Idai, RedR deployed a Humanitarian Adviser to Mozambique to advise MICAIA on accessing and engaging with the humanitarian system and to seek funding for those affected within MICAIA's programmes. A follow-up deployment helped MICAIA develop tools and processes to prepare for a humanitarian response in future emergencies.

Andrew Kingman, the Managing Director of MICAIA, explains how the support offered by RedR reinforced the work of MICAIA and other national aid organisations on the ground, giving them skills to respond to the immediate crisis and to support vulnerable communities as they recovered:

“Without the initial intensive support from the RedR Humanitarian Adviser, we would have really struggled to get integrated into the suddenly scaled up humanitarian system. Once we were properly connected, we found many ways to utilize our deep and long-term connections with communities in the Chimanimani area, and we were also able to raise additional funding including grants from FAO. By the end of 2019, MICAIA Foundation had been able to support more than

3,000 families with initial food aid and other emergency goods, and then with seed and tools to help re-establish farms. In parallel to getting integrated into the humanitarian architecture, the work we did with the RedR Organisational Development expert enabled our Senior Management team to explore and understand what it means to be a humanitarian organisation and enabled us to develop strategies for preparedness in the event of future crises.”

Case Study – Bridging the Gap

Red UK worked in consortium with Tearfund, Islamic Relief, the Joint Learning Initiative on Faith and Local Communities, and the University of Leeds to strengthen the role of local faith actors in humanitarian response in South Sudan. A 15-month project piloted an innovative two-way approach to capacity sharing, bringing together local faith actors (LFAs) and international humanitarian actors to increase understanding, trust, coordination and collaboration. The project demonstrated significant innovation in capacity sharing to create a more localised response. Key innovations included:

- Strengthening the capacity of LFAs through core humanitarian skills and tools training, including online training through video calls and WhatsApp messaging, with a focus on why organisations should serve people of all religions in their humanitarian work.
- Grants for the LFAs, so that they could put into practice the skills they learnt at each stage of the training.
- Mentoring LFAs throughout their grant cycle and training local mentors to continue the mentoring process beyond the end of the project.
- Strengthening international humanitarian actors’ understanding of LFAs’ contribution, through two training days that outlined why and how to work with LFAs.
- Providing multiple networking opportunities where LFAs and international humanitarian actors could meet, such as ‘Linkages Workshops’.

You can find the report of this project [here](#):

Financial Review

There has been a fundamental change in the business model and related financials of RedR since the last annual audit report. This is the result of a strategic review of RedR's activities and financials initiated by its Board of Trustees in mid-2019. The review was led by two external Advisers⁷ on a pro bono basis, working closely with the Board and its new CEO.

As a result, RedR was restructured along with the introduction of a new business model and strategy. During this period, RedR's financial position has, like many other charities, been adversely impacted by the COVID-19 pandemic.

Prior Business Model

The prior business model was based on the following:

- Unrestricted income of c. £800k p.a. from donations and grants.
- Employees of c. 30 FTE people.
- Restricted income funding programmes and projects underpinned by subsidies from RedR's unrestricted income.

⁷ Both Advisers were previously Partners at PricewaterhouseCoopers and have considerable experience as charity trustees. Lawrie Philpott, Chief Executive of Philpott Black, led the Board and RedR's culture, values and behaviours review and Alan Barlow, most recently CEO of a multinational company, led the business model, financial and management reporting review

New Business Model, Related Financials and Strategy

In mid-2019, the Board of Trustees decided to conduct a strategic review. This concluded that there was a need to restructure RedR. The following business model was endorsed and adopted by the Board of Trustees at a Board meeting in December 2019.

The basis of RedR's new strategy and structure is as follows:

- Its vision and mission remain the same. It will deliver client focused, high quality services in a cost-effective and flexible manner. It will reduce its costs in the short-term but allow for future growth. It will maintain a minimum staffing, sufficient to be able to adapt should one or two key staff leave the organisation.
- The restructuring is as follows:
 - a core team of employees of c. 12 FTE staff
 - a cost base of c. £800k (staff costs of c. £500k, other costs of c. £300k)
 - restricted contracts, being predominantly delivered by screened/known personnel on fixed term contracts related directly to projects.
 - unrestricted funding income remains a priority
- A comprehensive suite of management accounts and cashflows was recommended and introduced to enable management and Trustees to monitor, review and provide a basis for corrective action regarding, with respect to performance:
 - Management accounts: month end and year end latest best estimate:
 - Cashflow, including:
 - Cashflow
 - Creditors and debtors
 - Investments
 - Unrestricted income
 - Forward outlook: restricted and unrestricted income
 - Debtors and creditors: aging analysis
 - Donor analysis

The Board of Trustees approved the proposed restructured business model in mid-December 2019. On the then financial estimates, it appeared to be viable for RedR to pursue full recovery business opportunities along with delivery of a low level of non-recoverable services, funded from unrestricted income.

An Acting CEO was appointed in August 2019 and subsequently appointed as CEO in November 2019.

With this new business model, a new strategy was developed that comprises the formulation and implementation of three transformation programmes, delivered in three phases over the next five years.

- **Consolidate what is already in place.** The new organisational structure and its business model were adopted in early 2020. However, COVID-19 caused revenues to decline substantially. This phase is therefore focused on urgently securing contracts to generate revenue. Duration c. 9-12 months.
- **Revitalise ourselves** with full implementation of our transformation programme. This will include a tactical approach to revenue generation and delivery of a refined range of core services. Duration c. 18 - 24 months.
- **Become recognised as world class.** We will have new standards of efficiency, effectiveness and stability. We will also enjoy market leadership in a niche service area responding to the needs of communities in low- and middle-income countries. Duration c. 18 - 24 months.

Management Accounts 2019/2020

Sophie Gillibert was appointed Trustee and Treasurer in April 2020, chairing the Finance and Risk Committee (FARC) and reporting to the Board of Trustees.

During the subsequent months, there has been rigorous analysis of financial management accounts and cashflow by the new CEO and the team, with oversight from the FARC, led by the Treasurer, Sophie Gillibert. The decision was taken in July 2020 to focus on cashflow reporting as the imperative was to assess RedR's position.

The current CEO, Programmes Director and Financial Accountant have, to the best of their abilities, analysed last year's finances. Findings point to some restricted income being charged to the management accounts in the year it was received rather than carried forward into the year of the related project activity. There also appear to be large expenditure on salary which were reduced by 50% in Q3 as the restructuring benefits started to materialise. In parallel, QuickBooks was brought up to date, which enables greater clarity on finances.

In parallel, as an organisation we shifted our focus to bid for bigger projects, most often as a sub-contractor in consortia with larger lead partners. These bids which have a high return on investment require greater investment of human resources as they take longer to put together and the timelines for award notifications are long. Unfortunately, the anticipated grants did not materialise, contributing to lower than anticipated restricted income in the year. For RedR, tailor-made work with partners provides us with a steady revenue stream of, on average, £10k per opportunity.

It was also a tough year for the Sudan office, which struggled to achieve expected income and manage costs. Despite some recovery at the turn of the year, the effects of COVID-19 signal a challenging financial situation for our work with the country in 2020/21. Internet limitations in Sudan make it difficult to provide e-learning in the way we do in other locations.

The Trustees have assessed whether the going concern basis is appropriate and have considered any possible events or conditions that might cast significant doubt on the ability of the charitable company to continue as a going concern. The Trustees have made this assessment for a period of at least one year from the date of the approval of the financial statements. In particular, the Trustees have considered the charitable company's forecasts and projections and taken account of pressures on investment income.

In making this assessment, the Trustees have considered the impact of COVID-19 and, as set out within our risk register and detailed in this document, although investment income streams were initially affected, they bounced back and will not affect the charity's ability to continue its charitable objectives. However, receipt of both unrestricted and restricted funding is likely to be at a reduced level.

Annual budgets have been revised, taking this into account, with prudent figures for both income and expenditure. After making enquiries, the Trustees have concluded that there is a reasonable expectation that the charitable company has adequate resources to continue in operational existence for the foreseeable future.

With the structural changes made to the organisation, Trustees expect performance to improve substantially and that the losses experienced in financial year 2019/20 will not be repeated.

Post Balance Sheet Notes

Trustees have given due consideration for the effects of the COVID-19 outbreak, which occurred before these financial statements were signed. The organisation is somewhat sheltered from the expected effects of this because of the unrestricted funding provided by its loyal donor base. However, activities that were expected to take place in the 2020/21 financial year have been significantly affected. While it is anticipated that these income streams will fall, this will be offset by a reduction in associated expenditure as well as other mitigating actions, such as applying for COVID-19 emergency response funding. In particular, the Trustees have considered the charitable company's forecasts and projections. Trustees are confident that the charity will continue to meet its obligations as they fall due and that the going concern basis continues to be appropriate.

COVID-19

Since the end of our financial year, the impacts of COVID-19 have been felt across the world, including at RedR. Our face-to-face training, which generated a baseline level of regular positive cash flows for RedR had to be cancelled due to governments locking down in all countries where RedR have offices.

As countries locked down due to COVID-19, we switched to remote working in all three of our offices, supported by systems we already had in place, including Office 365 and Voice Over Internet Protocol. Staff were, and continue to be, supported by our Employee Assistance Programme, which among other benefits offers counselling support to staff. In fact, remote working has been so successful in the UK, we are investigating how to make that more permanent. Leaving our office will reduce overheads substantially and make us more agile.

As an immediate consequence of COVID-19, our unrestricted income dropped by 39%, from a projected £113k to approximately £70k. Many fundraising events, such as the London Marathon and our flagship fundraising event with HRH the Princess Royal for our 40th birthday were cancelled. Instead, we have focused on online appeals, including launching a COVID-19 appeal in April, a targeted summer appeal in June and our #RedRBig40 campaign in August. In addition, we are working with our current supporters to maintain engagement and investigate new sources of income, and RedR's Trustees are playing a key role. We are immensely fortunate that RedR has huge support from its members, supporters and patrons.

In the early days of the emergency, funds from aid agencies suddenly dried up, as they assessed how best to support efforts to minimise the impact of the COVID-19 pandemic. Official UK aid spending, set at 0.7% of GDP, has also been significantly reduced given the impact of COVID-19 on the UK economy.

RedR's Focus on Liquidity

In the extraordinary circumstances we, as many other charities, find ourselves in, our target is to close the 2020/21 financial year with a cash balance of c. £200k, equal to the opening cash balance in April 2020.

The Board's Networks and Fundraising Committee (established in April 2020) is supporting the Senior Leadership Team in seeking to raise funds via a Key Account Management programme, drawn up by the CEO and the team. Trustees are directly approaching sources of unrestricted income, with direct support from the pro bono advisers.

Fortunately for RedR, where other charities were unable to obtain funding or operate as a result of the pandemic, our history of working in humanitarian crises, including Ebola, helped us secure COVID-19 funding for a series of online training courses, in the UK, Sudan and the MENA region.

- H2H Network: £202k COVID-19 training for the Middle East and North Africa region
- WhitbyBird Foundation: £43k COVID-19 training in the UK
- Clothworkers Foundation: £150k for COVID-19 training in low resource environments
- Conversion of face-to-face training to online training for FAO

Monthly costs have been reduced from c. £120k in the financial year 2019/20, to c. £60k in 2020 to date. Possible future cost-savings include moving to lower cost premises in both the UK and Sudan, reviewing our insurance policies, changing our IT support provider, reducing staff costs in our Sudan office and reducing consultant fees paid for our COVID-19 projects.

The current cash balance, as at the end of September 2020, is c. £300k. The year-end cash balance is forecast to be c. £200k.

After thorough risk assessments, face-to-face training has restarted in both Jordan and Sudan. In the UK, we are continually monitoring the COVID-19 situation and will restart face-to-face training when risk assessments have been undertaken and circumstances allow. The health and wellbeing of both our staff and our trainees is of utmost importance.

The potential upsides are acceleration of e-learning course development, which could open up new areas of income, and remote course delivery resulting in cost savings. The main vulnerabilities are an extension of the effects of COVID-19 on clients' readiness to commission training (such as open or tailor-made courses).

Reserves Policy

Good management of RedR's finances and other assets enables it to succeed in delivering its charitable aims. RedR is committed to the prudent use of funds and therefore requires reserves to ensure it can fund its operations, fund any unexpected expenditure or any shortfalls in income. Reserves enable us to carry on running operations despite future uncertainties. The Rules for the financial provisions are as described in sections 50 to 55, inclusive, of the Articles of Association.

RedR continues to meet liabilities but has engaged with service providers to discuss amounts and payment plans.

During this exceptional COVID-19 period, which is likely to extend for some considerable time, the Board has decided to temporarily suspend its policy of 12 weeks' reserves, while reviewing cash flow regularly.

Cash reserves will be maintained to meet all statutory requirements and obligations, should a decision be taken by RedR to wind down its operations. The current cash balance required to meet this temporary reserves policy is £180k.

Total reserves at year end were £181k

Fundraising

As an organisation, we follow the Code of Fundraising Practice, as established by the Fundraising Regulator. The Code of Fundraising Practice sets the standards that apply to fundraising carried out by all charitable institutions and third-party fundraisers in the UK. No complaints were received during the year relating to fundraising practices.

Pay Policy for Senior Staff

The Trustees consider the Trustees and Senior Leadership Team, comprising the CEO, Programmes Director and Head of Partnerships as key management personnel of the charity.

RedR has a Remuneration Committee that regularly reviews external benchmarking data for salaries in the sector to maintain oversight of remuneration for key management personnel. In making recommendations and decisions, the committee have regard to the overall RedR pay policy, affordability, and the need to be able to recruit, retain and motivate high-quality staff.

Risk Management

The Trustees have considered the major risks to which the charity is exposed and satisfied themselves that systems or procedures have been established to manage those risks. A detailed risk register is updated by the Finance, Audit and Risk Committee ahead of each quarterly Board meeting and as and when a significant risk, such as COVID-19, arises. The risk register states the appetite for each risk, estimates the likelihood and impact of the risk, notes the changes since the last review and details the actions that have been taken to manage the risk. This ensures that Trustees are aware of significant risks and can satisfy themselves that control procedures are in place.

Our Finance, Audit and Risk Committee Board of Trustees has met, and will continue to meet, more regularly than the scheduled quarterly meetings to discuss COVID-19 impacts.

The Finance, Audit and Risk Committee has identified the key risks and their mitigating actions for the coming financial year:

Risk	Mitigating action
COVID-19	We have adjusted our priorities and temporarily suspended some workstreams, such as new member applications and the affiliates scheme, to focus on income-generating initiatives.
COVID-19 affects our ability to undertake face-to-face training, leading to a decline in income	<p>We reviewed our budgets and have reduced costs across the organisation. We suspended our open course programme in all three offices. Face-to-face training has now resumed in both Jordan and Sudan. In the UK, we regularly review when these can resume.</p> <p>We have converted some of our face-to-face training to online training and have been successful in accessing COVID-19 related funding to deliver innovative training solutions in the UK, Jordan and Sudan.</p>
Grant/contract income levels not sustained/growing	<p>A Key Account Management plan is in place for early market engagement and client relationship management. This is part of working smarter, increasing the chance of success when submitting proposals.</p> <p>A primary focus for 2020/21 is on securing grant income to replace income lost due to lack of face-to-face training.</p> <p>We are working more with partners within consortia to submit targeted proposals.</p>
Unrestricted income declines	We anticipated this early in the COVID-19 emergency and adjusted our budgets accordingly. We switched to predominantly digital fundraising. We are engaging more frequently with our current supporters and investigating new sources of income.
Financial reserves too low	<p>We have renewed our focus on securing unrestricted funding. The level of reserves is constantly monitored by the Finance, Audit and Risk Committee. There is regular assessment of cash flow against the evolving situation, and new or enhanced financial management tools are in place.</p> <p>We are consistently looking for ways to reduce expenditure, including moving out of our UK office in 2020/21, which is the second largest cost we have after salaries.</p>
<p>COVID-19 creates additional safety, security, and health risks:</p> <ol style="list-style-type: none"> 1. Deployment of staff overseas 2. Returning to the office 3. Undertaking face-to-face training 	<p>We have amended our standard risk assessment processes for overseas deployments to include COVID-19. We have discussed COVID-19 risk with our insurers and will not return to deploying either staff or consultants unless risk assessments deem it safe to do so. In addition, we are discussing remote training with clients.</p> <p>Prior to returning to the office in Sudan and Jordan and undertaking face-to-face training in both locations, we ensured that we were not contravening any law or guidance issued by the relevant authorities and that a thorough risk assessment was undertaken.</p> <p>In the early stages of the COVID-19 pandemic, we took the decision not to send paper correspondence to our supporters, due to the risk</p>

4. Our supporters	of transmission. This has now been reviewed and we <i>are</i> now sending paper correspondence to our supporters and members.
Strategy no longer relevant due to COVID-19	We have reviewed our 2020-2025 strategy, placing an even greater emphasis on localisation as well as on remote management.

Safeguarding and Ethical Policies

RedR has a Safeguarding and a Business Ethics Policy, both of which are being reviewed as part of a regular and comprehensive audit of our policies by RedR's Board of Trustees. As a developer and deliverer of safeguarding training to the humanitarian community, we are confident in our safeguarding standards.

Our Business Ethics Policy outlines our approach to business integrity in two parts: A Code of Ethics and a Code of Conduct. Our Code of Ethics outlines the ethical principles of RedR, its staff and our business partners, representing the aspirations of the organisation at the business level. Our Code of Conduct translates these principles into practical guidance that empowers RedR, its staff, volunteers, Trustees, its business partners and their employees to realise these aspirations.

Structure, Governance and Management

RedR is a company limited by guarantee, governed by its Memorandum and Articles of Association. It is registered as a charity with the Charity Commission. Members of the charity guarantee to contribute an amount not exceeding £1 to the assets of the charity in the event of winding up. Of the 1916 members, the total number of such guarantees on 31 March 2020 was 639.

RedR UK is part of the [RedR International](#) family. RedR International is the umbrella body of RedR organisations globally. RedR UK has two nominees on the committee of RedR International and one on the Board of RedR USA.

The Board of Trustees governs the organisation in line with its memorandum and articles of association, vision, aims and charitable objectives, as well as providing overall policy direction. Trustees meet at least quarterly as a full Board and are responsible for compliance with all the legal and statutory requirements of a UK charity and of a registered company.

RedR has taken out Charity Trustees Liability Insurance to indemnify all its Trustees, existing and retired, and the directors of its subsidiary company, RedR UK Trading Limited, for any proceedings commenced against them as a result of their service with the charity and the company.

All Trustees give their time freely, with none receiving remuneration in the year. Upon admission to the Board, Trustees receive an induction on RedR. Details of Trustees' expenses are disclosed in note 5 to the accounts.

The Board has a Governance Manual that stipulates the provisions for appointments to the Board of Trustees, their term limits, nominations and appointments to the positions of Chair, and Terms of Reference for sub-committees, which include:

- Governance Committee
- Remuneration Committee
- Networks and Fundraising Committee
- Finance, Audit and Risk Committee

Each Trustee has taken responsibility for monitoring the charity's activities in specific operational areas and constant attention is paid to the skills mix of the Trustees to ensure that the Board of

Trustees has the necessary skills required to contribute fully to the charity’s development. A comprehensive review of Board of Trustee membership is underway in 2020, to reduce the size of the Board in relation to the size of the organisation.

The Trustees (who are also directors of RedR (for the purposes of company law) are responsible for preparing the Trustees’ Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). Company law requires the Trustees to prepare financial statements for each financial year that 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 these financial statements, the Trustees are required to:

- Select suitable accounting policies and apply them consistently.
- Observe the methods and principles in the Statement of Recommended Practice (Accounting and Reporting by Charities) (the Charities’ SORP).
- Make judgements and estimates that are reasonable and prudent.
- State whether applicable United Kingdom 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 charity will continue in operation.

The Trustees are responsible for keeping adequate accounting records that disclose, with reasonable accuracy at any time, the financial position of the charity and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company’s website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Each of the Trustees confirms that:

- So far as the Trustee is aware, there is no relevant audit information of which the charity’s auditor is unaware; and
- The Trustee has taken all the steps that they ought to have taken as a Trustee in order to make themselves aware of any relevant audit information and to establish that the charity’s auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

Members of the Board are directors of the charitable company (the company) and its Trustees for the purpose of charity law. Throughout this report they are collectively referred to as the Trustees. The Trustees are responsible as a body for governance, policy making, monitoring of implementation, general conduct, overall performance, and for reporting to the membership at general meetings. The Trustees delegate operational management of the organisation to the Chief Executive Officer.

The Trustees who served during the year April 2019 to March 2020 were as follows:

Name	Office	Joined	Current term
Geoff French	Chair	2014	Co-opted Sep 2017
Prof. Paul Sherlock		2012	Elected Sep 2018
Jane Smallman		2013	Resigned Nov 2019
Tim Hayward		2015	Elected Sep 2018
Ian Smout		2008	Elected Sep 2019
Andrew Lamb		2011	Elected Sep 2019
Caroline Lassen	Vice Chair	2013	Elected Sep 2019

Dr. Tim Healing Isobel Byrne Hill		2010 2017	Resigned Sep 2019 Elected Sept 2017
Prof. Parneet Paul		2017	Elected Sep 2017
Linda Richardson		2017	Elected Sep 2017
Sebastian Wood Jack Jones	Vice Chair Fundraising Committee Chair	2018 2019	Elected Sep 2018 Co-opted Sep 2019

The President of RedR, an honorary role, is Her Royal Highness The Princess Royal

Honorary Vice Presidents during 2019-20 were:

Sir Michael Bear
Rt. Hon. The Baroness Chalker of Wallasey
Colonel James Howard
Prof. Peter Guthrie OBE
Dr. Scott Steedman CBE
Lieutenant-General Tyrone Urch CBE
Mike Woolridge OBE
Richard Groome
Wendy Fenton

Reference and Administrative Details

Company number 3929653

Charity number 1079752

Registered office

250A Kennington Lane
London
SE11 5RD

Principal Office

250a Kennington Lane
London
SE11 5RD

Principal Staff

Jo de Serrano – Chief Executive Officer

Honorary Officers

Geoff French – Chair
Sebastian Wood – Vice Chair
Caroline Lassen – Vice Chair
Sophie Gillibert – Treasurer

Bankers

National Westminster Bank Plc
30 Market Place
Newbury
Berkshire
RG14 5GP

Auditors

Moore Kingston Smith LLP
Devonshire House
60 Goswell Road
London
EC1M 7AD

Statement of Responsibilities of the Board of Trustees

The Trustees (who are also directors of RedR for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and regulations.

The Board of Trustees presents its report and the audited financial statements for the year ended 31 March 2020. The financial statements comply with current statutory requirements, the Memorandum and Articles of Association and the Financial Reporting Standard applicable in the UK and the Republic of Ireland (FRS 102) and follow the Charities SORP (FRS 102).

Under company law, the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charity and of the surplus or deficit of the charity for that period.

In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently
- make judgements and accounting 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 Charity will continue in operation
- observe the methods and principles in the Charities SORP.

In so far as the Trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the Trustees 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 Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Charity's transactions and disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Financial statements are published on the Charity's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements, which may vary from legislation in other jurisdictions. The maintenance and integrity of the Charity's website is the responsibility of the Trustees. The Trustees' responsibility also extends to the ongoing integrity of the financial statements contained therein.

The charitable company qualifies as small under section 383 of The Companies Act 2006 and so no strategic report has been prepared, which is a requirement of medium and large companies under the Companies Act 2006 (Strategic Report and Director's Report) Regulation 2013.

Approved by the Board of Trustees and signed on its behalf by



Sophie Gillibert – Chair of the Board of Trustees

8th January 2021

Independent Auditor's Report to the Members of RedR UK

We have audited the financial statements of RedR UK ('the company') for the year ended 31 March 2020 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including FRS 102 'The Financial Reporting Standard applicable in the UK and Ireland'.

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2020 and of its income and expenditure 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.

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 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.

Material uncertainty relating to going concern

We draw attention to the paragraph relating to going concern in note 1 of the financial statements, which indicates that the charity is reliant on securing funding from grants and contracts and training services in order to support its charitable objectives to continue in operational existence for the period of at least twelve months from the date of approval of these financial statements.

While a significant cost cutting and reshaping exercise was undertaken in the year under review which has continued into 2020/2021, the full effect of this will not be visible until later in the current financial year.

As stated in note 1, these events or conditions, along with the other matters as set out in note 17 indicate that a material uncertainty exists that may cast significant doubt on the company's ability to continue as a going concern.

Our opinion is not modified in respect of this matter.

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 trustees are responsible for the other information. 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.

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

We have nothing to report in this regard.

Opinions on other matters 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 trustees' annual report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the trustees' annual report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' annual report.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate 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 trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies exemption in preparing the Trustees' Annual Report and from preparing a Strategic Report.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees 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 trustees 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 trustees 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

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

As part of an audit in accordance with ISAs (UK) we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the charitable company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charitable company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Use of this 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. Our audit work has been undertaken for no purpose other than to draw to the attention of the charitable company's members those matters which we are required to include in an auditor's report addressed to them. To the fullest extent permitted by law, we do not accept or assume responsibility to any party other than the charitable company and charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Moore Kingston Smith LLP

Neil Finlayson, Senior Statutory Auditor

for and on behalf of Moore Kingston Smith LLP, Statutory Auditor
Devonshire House,
60 Goswell Road,
London,
EC1M 7AD

Dated: 29/01/2021

Statement of financial activities (incorporating an income and expenditure account)

For the year ended 31 March 2020

	Note	Restricted £	Designated £	Unrestricted £	2020 Total £	2019 Total £
Income						
Donations and Legacies	2	16,176	-	510,941	527,117	880,717
Other trading activities			-	-	-	-
Investment income		-	-	7,731	7,731	8,282
Charitable activities	3					
Improving competence		534,139	-	610,082	1,144,221	2,167,724
Total income		550,315	-	1,128,754	1,679,069	3,056,723
Expenditure						
Raising funds						
Fundraising		22,771		360,426	383,197	341,386
Publicity		-		54,215	54,215	79,629
Total costs of raising funds		22,771	-	414,641	437,412	421,015
Charitable activities						
Improving competence		808,101	-	1,169,918	1,978,019	3,205,704
Total expenditure	4	830,872	-	1,584,559	2,415,431	3,626,719
Net gains/(losses) on investments				3,764	3,764	11,233
Net income/(expenditure)	5	(280,557)	-	(452,041)	(732,598)	(558,763)
Transfers between funds	13	-	(39,364)	39,364	-	-
Net movement in funds		(280,557)	(39,364)	(412,677)	(732,598)	(558,763)
Balance brought forward at 1 April 2019		455,381	42,916	415,721	914,018	1,472,781
Balance carried forward at 31 March 2020	13	174,824	3,552	3,044	181,420	914,018

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in note 13 to the financial statements.

Balance sheet

As at 31 March 2020

	Note	2020		2019
		£	£	£
Fixed assets				
Tangible fixed assets	8		3,552	5,661
Investments	9		<u>101,744</u>	<u>187,980</u>
			105,296	193,641
Current assets				
Debtors	10	198,081		404,855
Cash at bank and in hand		<u>245,354</u>		<u>559,833</u>
		443,435		964,688
Creditors: amounts falling due within one year	11	<u>(367,311)</u>		<u>(244,311)</u>
Net current assets			<u>76,124</u>	<u>720,377</u>
Net assets	12		<u><u>181,420</u></u>	<u><u>914,018</u></u>
Funds				
Restricted funds			174,824	455,381
Unrestricted funds				
Designated funds			3,552	42,916
General funds			<u>3,044</u>	<u>415,721</u>
Total funds	13		<u><u>181,420</u></u>	<u><u>914,018</u></u>

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

Approved by the Board of Trustees and authorised for issue on 8th January 2021 and signed on its behalf by



Sophie Gillibert - Chair of the Board of Trustees

Company registration number: 3929653

Cash Flow Statement**For the year ending 31 March 2020**

	2020	2019
	£	£
Cash flow from operating activities		
Net cash provided by operating activities	<u>(412,210)</u>	<u>(615,374)</u>
Cash flow from investing activities		
Investment income and interest received	7,731	8,282
Disposal investments	<u>90,000</u>	<u>-</u>
	<u>97,731</u>	<u>8,282</u>
Net increase/(decrease) in cash and cash equivalents	(314,479)	(607,092)
Cash and cash equivalents at beginning of year	559,833	1,166,925
Cash and cash equivalents at end of year	<u>245,354</u>	<u>559,833</u>

Reconciliation of net income to net cash flow from operating activities

	2020	2019
	£	£
Net income/(expenditure)	(732,598)	(558,763)
Adjustments for:		
Depreciation charges	2,109	2,424
(Gains)/losses on investments	(3,764)	(11,233)
Investment income	(7,731)	(8,282)
Decrease/(increase) in debtors	206,773	(94,806)
Increase/(decrease) in creditors	123,000	63,056
Net cash provided by operating activities	<u>(412,211)</u>	<u>(607,604)</u>

Analysis of changes in net debt

	As At 1st April 2019	Cashflows	As At 31st March 2020
Cash at bank	559,833	(314,479)	245,354
Cash held with investment managers	-	-	-
Total	<u>559,833</u>	<u>(314,479)</u>	<u>245,354</u>

Notes to the financial statements

For the year ended 31 March 2020

Company Status

RedR UK is a company limited by guarantee and has no share capital. The liability of each member is limited to £1 per member.

1. Accounting policies

RedR UK is a registered charity who seek to relieve suffering caused by disasters by selecting, training and providing competent and committed personnel to humanitarian programmes worldwide.

The entity is registered in England and Wales with a registered office of 250a Kennington Lane, London, SE11 5RD. Its company number is 3929653 and charity number is 1079752.

a) Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102). The charitable company is a public benefit company for the purpose of FRS102 and therefore the charity also prepared its financial statements in accordance with the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Accounting and Reporting by charities: Financial Reporting Standard applicable in the UK and Republic of Ireland (The FRS102 charities SORP), including Update Bulletin 2, the Companies Act 2006 and the Charities Act 2011.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in the financial statements are rounded to the nearest £.

a) **Basis of preparation of financial statements (continued)**

The trustees have assessed whether the use of the going concern basis is appropriate and have considered possible events or conditions that might cast significant doubt on the ability of the charitable company to continue as a going concern. The trustees have made this assessment for a period of at least one year from the date of approval of the financial statements.

The Trustees consider that there are material uncertainties about RedR UK's ability to continue as a going concern and have based this on detailed budgets and forecasts that have been produced on a conservative basis. The uncertainty has arisen following a number of years making losses, at which point the charity embarked on a significant cost cutting and reshaping exercise in the current financial year.

The current economic climate as a result of the Covid-19 pandemic has put a further strain on the amount of income that the company can generate from long term grants and contracts and training services. The most significant areas of uncertainty of RedR UK in the short term is the increased difficulty to secure long term grants that cover the full costs of running programmes, which is further explained in the performance and risk sections of the trustees' annual report. RedR UK is in the final stages of securing a contract from the EU worth €1.4 million.

Based upon informal discussions and recent correspondence finalising administrative elements, the charity and senior management are confident being awarded this contract, however this is not currently guaranteed and the charity are still awaiting the outcome of the award of the contract. If the contract is not awarded it is difficult to reliably predict as to whether the quantum and timing of receipt of other income will be sufficient to enable the charity to continue as a going concern. In addition, the charitable company's income has been impacted by the Covid-19 pandemic since the balance sheet date and while significant costs cutting measures have been implemented, the full effect of these will not be fully visible until the following financial year. After appropriate consideration and making enquiries the trustees have concluded that there is a reasonable expectation that the charitable company has adequate resources to continue in operational existence for the foreseeable future. Whilst the charitable company has continued to adopt the going concern basis in preparing its financial statements, the matters described above indicate that there may be an uncertainty over its ability to continue as a going concern.

The principal accounting policies adopted, judgements and key sources of estimation of uncertainty in the preparation of the financial statements are as follows:

b) Income

All income is recognised when there is entitlement to the funds, the receipt is probable and the amount can be measure reliably. Legacies are also included when receivable. Donated services and facilities are recognised as income where the provider of the service has incurred a financial cost. Volunteer time is not included in the financial statements.

Grants are recognised in full in the statement of financial activities in the year in which they are receivable.

Notes to the financial statements

For the year ended 31 March 2020

1. Accounting policies (continued)

b) Income (continued)

When donors specify that donations and grants given to the charity must be used in future accounting periods the income is deferred until those periods. When donors impose conditions that have to be fulfilled before the charity becomes entitled to use them the income is deferred and not included in incoming resources until these conditions have been met.

Income generated from the supply of goods or services is included in the statement of financial activities in the period in which the supply is made, net of VAT where applicable.

c) Expenditure

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that a settlement is required and the amounts of the obligation can be measured reliably. All expenditure is accounted for on an accrual basis.

Expenditure includes attributable VAT which cannot be recovered.

The costs of raising funds relate to the costs incurred by the charitable company in raising funds for the charitable work and raising the profile of our work through our corporate communications.

Charitable costs relate to providing relief personnel through our recruitment service and improving competence through training in the UK and overseas and our technical support service.

Support costs comprise of those costs which are incurred directly in support of expenditure on the objects of the charity and includes governance costs. Governance costs include the management of the charitable company's assets, organisational management and compliance with constitutional and statutory requirements.

d) Fund accounting

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund.

Unrestricted funds are donations and other income received or generated for the charitable purposes. They are available to spend on activities that further any of the purposes of the charity.

Designated funds are unrestricted funds set aside by the board of Trustees for specific future purposes or projects.

e) Pension costs

The charity participates in a New Generation Stakeholder Pension Plan (a defined contribution scheme). Employees set their own contribution level while the charity contributes up to 5% of earnings to the plan. Pension costs are charged to the Statement of Financial Activities in the period to which they relate.

Notes to the financial statements

For the year ended 31 March 2020

1. Accounting policies (continued)

f) Tangible fixed assets and depreciation

Individual assets costing £1,000 or more are capitalised at cost.

Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost of each asset evenly over its estimated useful life. The useful lives in use are as follows:

Office equipment	5 years
Computer equipment	3 years
Office refurbishment	5 years (period of the lease)

Tangible fixed assets purchased from restricted funds for a particular project are charged to that project and are not capitalised.

g) Foreign Currency Translation

Monetary assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions denominated in foreign currencies are translated into sterling at the rates ruling at the date of the transaction. Any gains or losses arising due to fluctuations in exchange rates are charged to the statement of financial activities.

h) Leases

Rentals payable under operating leases, where substantially all the risks and rewards of ownership remain with the lessor, are charged to the statement of financial activities on a straight line basis over the minimum lease term.

i) Financial Instruments

Investments

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. The Statement of Financial Activities includes net gains and losses arising on revaluation and disposals throughout the year.

The charity does not acquire put options, derivatives or other complex financial instruments.

Cash and cash equivalents

Cash at bank and cash in hand includes cash and short-term deposits with a short maturity of three months or less.

Debtors and Creditors

Debtors and creditors receivable or payable within one year of the reporting date are carried at their transaction price. Debtors and creditors that are receivable or payable in more than one year and not subject to market rate of interest are measured at the present value of the expected future receipts or payments discounted at a market rate of interest.

Notes to the financial statements

For the year ended 31 March 2020

1. Accounting policies (continued)

i) Financial Instruments (continued)

Critical accounting judgements and estimates

In the view of the Trustees in applying the accounting policies adopted, no judgements were required that have a significant effect on the amounts recognised in the financial statements nor do any estimates or assumptions made carry a significant risk of material adjustment in the next financial year.

Notes to the financial statements

For the year ended 31 March 2020

2. Voluntary income

for year ended 31 March 2020

	Restricted £	Designated £	Unrestricted £	2020 Total £	2019 Total £
Trusts	-		8,000	8,000	260,509
Individual giving	16,176		207,269	223,445	221,116
Patrons and corporate supporters			186,144	186,144	239,263
Legacies			9,823	9,823	1,636
Events			96,050	96,050	158,193
Other			3,655	3,655	
Total	16,176	-	510,941	527,117	880,717

for year ended 31 March 2019

	Restricted £	Designated £	Unrestricted £	2019 Total £	2018 Total £
Trusts	251,534		8,975	260,509	675,385
Individual giving	46,139		174,977	221,116	168,456
Patrons and corporate supporters			239,263	239,263	227,990
Legacies			1,636	1,636	223,652
Events			158,193	158,193	195,964
BP challenges				-	3,438
Total	297,673	-	583,044	880,717	1,494,885

Notes to the financial statements

For the year ended 31 March 2020

3. Charitable activities
for year ended 31 March 2020

	Restricted	Designated	Unrestricted	2020	2019
	£	£	£	Total	Total
				£	£
<i>Improving competence</i>					
Grants					
DfID	-			-	30,187
CCQL	-			-	97,552
QALC	3,518			3,518	
CDR	51,423			51,423	-
JFU	10,450			10,450	-
Nap	23,221			23,221	-
Lloyds	31,549			31,549	-
OFDA-USAID	-			-	36,982
ACP	-			-	114,150
ECHO - Europe	(37,422)			(37,422)	57,792
Royal Commission	30,000			30,000	
AICS-Euro	30,585			30,585	
WHH(WFP)			25,345	25,345	(6,102)
UNICEF	68,722		-	68,722	208,668
The Clothworkers' Foundation	60,000			60,000	40,000
FNC			7,999	7,999	
UCF				-	59,256
Govt of Belgium (BTG)				-	170,060
Other				-	34,092
Training fees	262,093		576,738	838,831	1,325,087
	<u>534,139</u>	<u>-</u>	<u>610,082</u>	<u>1,144,221</u>	<u>2,167,724</u>

Notes to the financial statements

For the year ended 31 March 2020

3. Charitable activities
for year ended 31 March 2019

			2019	2018
	Restricted	Designated	Unrestricted	Total
	£	£	£	£
<i>Providing relief personnel</i>				
Recruitment fees			-	1,611
<i>Improving competence</i>				
Grants				
DfID - Mission Ready	30,187		30,187	10,185
CCQL	97,552		97,552	76,732
ECHO - Europe	57,792		57,792	-
JOAC	-		-	15,466
NCCI	-		-	16,657
OFDA - USAID	36,982		36,982	41,127
UNDP	-		-	-
UNICEF	208,668		208,668	220,064
WHO	-		-	146,911
The Clothworkers' Foundation	40,000		40,000	40,000
ACP (RAE)	114,150		114,150	63,375
WHH(WFP)	(6,102)		(6,102)	54,658
Save The Children	-		-	77,790
UCF	59,256		59,256	40,066
LCMA	-		-	44,016
Oxfam	-		-	46,113
Govt of Belgium (BTG)	170,060		170,060	-
Other	34,092		34,092	18,769
Training fees	523,250		801,837	1,340,358
	1,365,887	-	801,837	2,167,724
				2,252,287

Notes to the financial statements

For the year ended 31 March 2020

4. Analysis of total expenditure

for the year ended 31 March 2020

	Fundraising £	Publicity £	Improving Competence £	Support £	2020 Total £	2019 Total £
Staff costs (Note 6)	228,969	29,797	663,922	354,819	1,277,507	1,863,472
Office administration	-		110,389	238,303	348,692	251,409
Training	-		705,554		705,554	1,192,988
Fundraising/PR	57,722	10,764	-	1,050	69,536	96,070
Organisation administration Communication				14,142	14,142	222,780
					-	-
Total resources expended	286,691	40,561	1,479,865	608,314	2,415,431	3,626,719
Support costs	96,506	13,654	498,154	(608,314)	-	-
Total resources expended	383,197	54,215	1,978,019	-	2,415,431	3,626,719

N.B: Support costs are those costs that, whilst necessary to deliver an activity, do not themselves produce or constitute the output of the charitable activity. Similarly, costs will be incurred in supporting income generation activities such as fundraising, and in supporting the governance of the charity. Support costs include the central or regional office functions such as general management, payroll administration, budgeting and accounting, information technology, human resources, and financing.

Notes to the financial statements

For the year ended 31 March 2020

4. Analysis of total expenditure continued

for the year ended 31 March 2020

Support Costs

Included within support costs are governance costs.
Governance costs comprise of the following:

	2020	2019
Staff costs	12,818	15,624
Audit and accountancy	10,500	17,712
Professional fees	225	9,995
Meetings	2,289	15,491
	<u>25,832</u>	<u>58,822</u>

4. Analysis of total expenditure
for the year ended 31 March 2019

	Fundraising £	Publicity £	Improving Competence £	Support £	2019 Total £	2018 Total £
Staff costs (note 6)	208,661	45,620	1,255,646	353,545	1,863,472	1,804,547
Office administration	-	-	180,112	71,297	251,409	202,867
Training	-	-	1,192,988	-	1,192,988	1,771,035
Fundraising/PR	71,764	19,790	4,516	-	96,070	88,412
Organisation administration	-	-	-	222,780	222,780	278,351
Communication	-	-	-	-	-	6,700
Total resources expended	280,425	65,410	2,633,262	647,622	3,626,719	4,151,912
Support costs	60,961	14,219	572,442	(647,622)	-	-
Total resources expended	341,386	79,629	3,205,704	-	3,626,719	4,151,912

Notes to the financial statements

For the year ended 31 March 2020

5. Net Income / Expenditure

	2020	2019
	£	£
This is stated after charging:		
Depreciation	2,109	2,109
Trustees' reimbursed expenses	1,008	3,920
Operating lease charges: UK property rent	67,944	64,416
Operating lease charges: Overseas property rent	31,586	47,391
Foreign exchange (gain)/loss	29,463	11,466
Auditors' remuneration:		
Current year statutory audit UK	11522	13,583
Current year statutory audit Overseas	5,375	4,535
Other services	976	2,192

Trustees' reimbursed expenses are reimbursed travel and subsistence costs of attendance at board meetings and monitoring RedR's activities. Three trustees made claims during the year (2019: six). No trustees received any remuneration in the year (2019:none).

6. Staff costs and numbers

	2020	2019
	£	£
Staff costs were as follows:		
Salaries and wages	1,002,919	1,616,849
Social security costs	87,461	145,560
Pension costs	30,249	38,371
Redundancy costs	56,755	-
Recruitment costs	10,734	8,483
Staff development costs	11,353	14,810
Travel, subsistence and other staff costs	78,037	39,399
	1,277,508	1,863,472

Employees earning more than £60,000 during the year:

	2020	2019
	No.	No.
£60,001 - £70,001	1	-
£70,001 - £80,000	-	-
£80,001 - £90,000	-	1

Pension contributions in respect of this employee were £Nil (2019: £Nil).

The key management personnel of RedR UK during the year comprise the trustees, the Chief Executive Officer, Programmes Director, Fundraising Director and Finance and Resources Director. During the year the organisation structure was streamlined removing the Directors and introducing the Head of partnerships.

The total employee benefits of the key management personnel were £275,955 (2019: £266,252).

There were £56,755 of redundancy payments included in Salaries and wages in the year (2019: £4,440).

The average weekly number of employees (full-time equivalent) during the year was as follows:

	2020	2019
	No.	No.
Improving competence	14.9	25.1
Fundraising & publicity	5.1	6.0
Administration	5.4	6.0
Governance	0.2	0.2
Staff employed on overseas programmes:		
East Africa	-	2.6
Sudan	15.9	18.0
Middle East	3.2	4.1
	44.7	62.0

Notes to the financial statements

For the year ended 31 March 2020

7. Taxation

The charitable company is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

8. Tangible fixed assets

	Office Refurbishment £	Computer equipment £	Total £
COST			
At 1 April 2019	133,431	19,329	152,760
Additions in year			-
At 31 March 2020	133,431	19,329	152,760
DEPRECIATION			
At 1 April 2019	130,543	16,556	147,099
Charge for the year	722	1,387	2,109
At 31 March 2020	131,265	17,943	149,208
NET BOOK VALUE			
At 31 March 2020	2,166	1,386	3,552
At 31 March 2019	2,888	2,773	5,661

9. Fixed asset investments

	2020 £	2019 £
Market value at 1 April 2019	187,980	176,747
Disposals	(90,000)	-
Net unrealised investment gains/(losses)	3,764	11,233
Market value at 31 March 2020	101,744	187,980
Historical cost at 31 March 2020	82,256	150,000
The investments comprise		
CCLA - COIF Charities Investment Fund	96,778	182,231
Equity Shares	4,966	5,749
	101,744	187,980

Notes to the financial statements

For the year ended 31 March 2020

10. Debtors

	2020 £	2019 £
Grants receivable	-	65,923
Accrued Income	3,518	20,041
Advances	384	1,215
Other debtors	146,772	245,423
Prepayments	47,407	72,253
	198,081	404,855
	198,081	404,855

11. Creditors : Amounts falling due within one year

	2020 £	2019 £
Taxation & social security	14,196	41,001
Other creditors	180,994	120,557
Accruals	46,670	73,470
Deferred income	125,451	9,283
	367,311	244,311
	367,311	244,311

Included in other creditors are outstanding pension contributions amounting to £2,994 (2019: £4,346)

Deferred income occurs where training courses which are due to occur after the balance sheet date but are invoiced beforehand.

Natwest bank PLC hold a fixed and floating charge over the undertaking and all property and assets, both present and future.

Notes to the financial statements

For the year ended 31 March 2020

12. Analysis of net assets between funds

for year ended 31 March 2020

	Restricted funds £	Designated funds £	General funds £	Total funds £
Tangible fixed assets	-	3,552	-	3,552
Investments	-	-	101,744	101,744
Net current assets	174,824	-	(98,700)	76,124
Net assets at 31 March 2020	174,824	3,552	3,044	181,420

for year ended 31 March 2019

	Restricted funds £	Designated funds £	General funds £	Total funds £
Tangible fixed assets	-	5,661	-	5,661
Investments	-	-	187,980	187,980
Net current assets	455,381	37,255	227,741	720,377
Net assets at 31 March 2019	455,381	42,916	415,721	914,018

Notes to the financial statements

For the year ended 31 March 2020

13a Breakdown of funds

for year ended 31 March 2020

	At 1 April 2019	Income	Expenditure	Transfers	As at 31 March 2020
	£	£	£	£	£
RedR Restricted funds:					
Sudan	9,509	138,175	(111,545)	-	36,139
Middle East	66,850	102,280	(169,130)	-	-
Europe & Global Initiatives	303,086	255,203	(427,379)	-	130,910
Mission Ready	10,323	2,873	(5,421)	-	7,775
Lloyds	59,017	41,982	(100,999)	-	-
Other	6,596	9,803	(16,398)	-	-
Total Restricted Funds	455,381	550,316	(830,872)	-	174,824
Unrestricted Funds					
Designated Funds					
Halcrow Trust Fund	37,255			(37,255)	-
Fixed Asset Funds	5,661	-	-	(2,109)	3,552
Total Designated Funds	42,916	-	-	(39,364)	3,552
General Funds	415,721	1,132,518	(1,584,559)	39,364	3,044
Total Unrestricted Funds	458,637	1,132,518	(1,584,559)	-	6,596
Total Funds	914,018	1,682,834	(2,415,431)	-	181,420

Transfers between funds:-

The transfer of the Halcrow Trust Fund represents an undesignation of the fund to unrestricted funds, in line with prior year transfers.

The transfer in the Fixed Asset Fund represents the movement in the net book value of fixed assets

Notes to the financial statements

For the year ended 31 March 2020

13b Breakdown of funds

for year ended 31 March 2019

	At 1 April 2018	Income	Expenditure	Transfers	As at 31 March 2019
	£	£	£	£	£
RedR Restricted funds:					
Sudan	63,943	344,608	(399,042)	-	9,509
East Africa	-	131,363	(131,363)	-	-
Middle East	105,156	300,732	(339,038)	-	66,850
Europe & Global Initiatives	113,385	779,745	(590,044)	-	303,086
Mission Ready	1,042	48,410	(39,129)	-	10,323
TSS	10,415		(10,415)	-	-
Lloyds	180,504	12,563	(134,050)	-	59,017
Other	-	46,139	(39,543)	-	6,596
Total Restricted Funds	474,445	1,663,560	(1,682,624)	-	455,381
Unrestricted Funds					
Designated Funds					
Halcrow Trust Fund	721,062		(58,807)	(625,000)	37,255
Fixed Asset Funds	315	-	-	5,346	5,661
Total Designated Funds	721,377	-	(58,807)	(619,654)	42,916
General Funds	276,959	1,393,163	(1,874,055)	619,654	415,721
Total Unrestricted Funds	998,336	1,393,163	(1,932,862)	-	458,637
Total Funds	1,472,781	3,056,723	(3,615,486)	-	914,018

Notes to the financial statements

For the year ended 31 March 2020

13c Purposes of restricted funds

The Sudan Fund was used for providing training and addressing technical and coordination competencies. Funding has been secured from trust funds in support of this work.

The Middle East and North Africa Fund was used for providing training and addressing technical and coordination competencies. Funding has been secured from trust funds in support of this work.

Europe & Global Initiatives Fund represents a number of contracts secured from a variety of major institutional donors; these vary in timing of cashflows, income and expenditure

The Mission Ready Fund was financed by DFID and OFDA (USAID) to develop an online security training programme.

The Lloyds Fund is a grant towards our 'Ready to Respond' programme focussing on urban emergencies and training international aid workers.

13d Purposes of designated funds

The Halcrow Trust Fund was established by Trustees in response to a generous unrestricted donation in 2014/15 to allow long term investment in strengthening both the capacity to deliver RedR UK's mission and in the delivery of that mission. During the year it was decided that this money should be undesignated and transferred to unrestricted funds.

The Fixed Asset Fund has been set up to assist in identifying funds that are not free funds and represents the net book value of tangible fixed assets.

14. Related parties

RedR International is the umbrella body of the various RedR organisations around the world. The charity has two nominees on the committee of RedR International.

The charity has established a wholly owned subsidiary trading company, RedR UK Trading Limited, a company registered in England & Wales. The company remains dormant.

RedR US is established as a 501c entity. Jo de Serrano, CEO of RedR UK currently sits on the board but as there is no control, the results of that entity are not amalgamated within these financial statements. At the year end, RedR US held \$1,763 (GBP£1,424) of funds that were raised on behalf of RedR UK. This debtor is currently included in note 10 to these accounts.

15. Operating lease commitments

At 31 March 2020, the charity had the following minimum lease payments under non-cancellable operating leases which fall due as follows:

	Land and buildings	
	2020	2019
	£	£
within one year	80,684	82,216
between two and five years	16,258	227,353
over five years	-	-

16. Capital Commitments

There were no capital commitments not provided for in the financial statements (2019: None)

17. Post Balance Sheet Events

The trustees have given due consideration for the effects of the Covid-19 outbreak, which occurred before these financial statements were signed.

With regard to the following year, whilst it is anticipated that income streams may fall, this will be offset by a fall in associated expenditure as activities are undertaken virtually as travel remains restricted globally.

There are uncertainties as for many charities and businesses in the Covid-19 pandemic period which will put a strain on income. Since 1st April 2020, there has been a recovery in income with new additional contracts won and signed. A number of these projects are related to Covid-19 training, which positions RedR for additional contracts in this area. RedR UK is well positioned with a portfolio of proven products and services that have been adapted for Covid-19. These can be flexed, and have differing financial profiles with respect to duration (from grants, short-term training courses to longer term contracts) and hence income recognition and receipt of cash. In addition, RedR UK had already embarked on a significant cost cutting and reshaping transformation which began in the financial year 2019/20 and has continued into the current financial year.