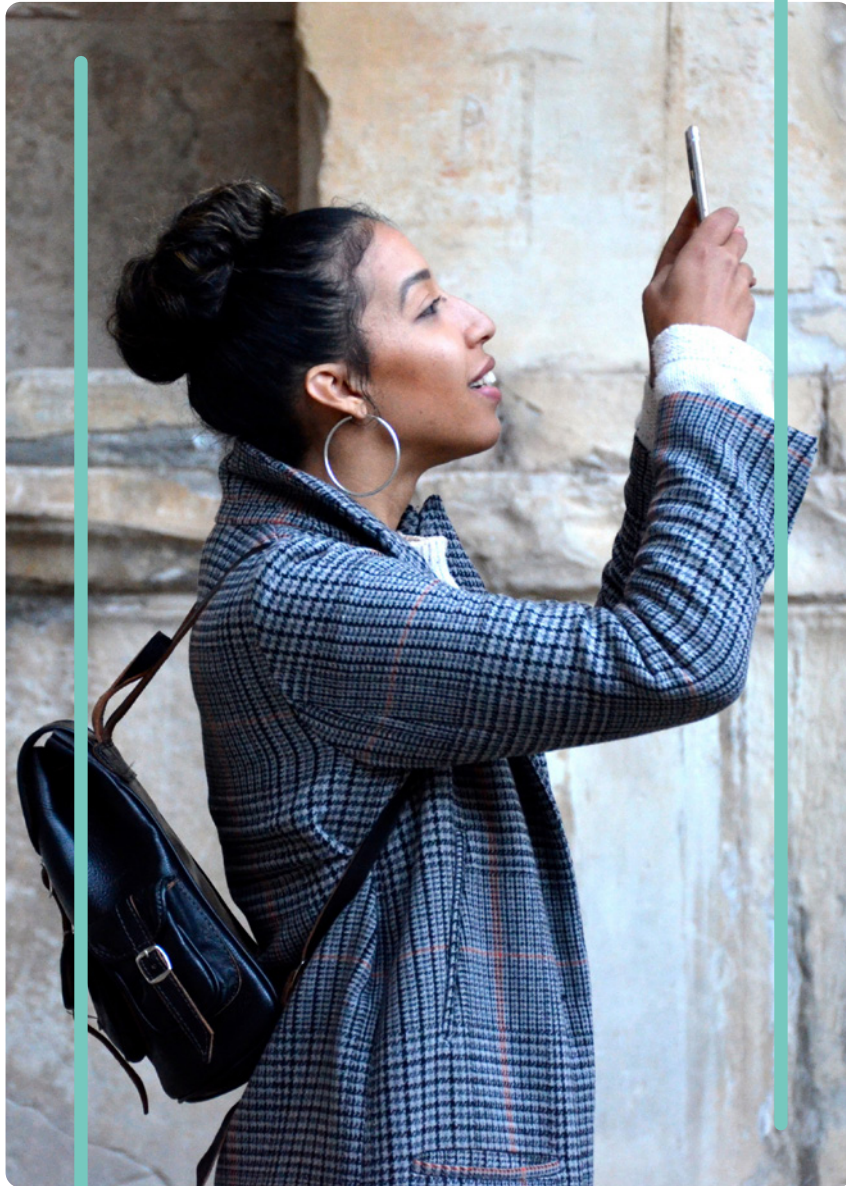


2019



2020

*Annual Review*

## Our Vision

is that every refugee and person of refugee background can fulfill their potential and integrate into their new home through employment that matches their skills, experience, and aspirations.

## Our Mission

is to help refugees and people of refugee background to acquire knowledge, confidence and experience to get stable, fulfilling employment. We give a central role to businesses, involving them directly in finding employment solutions and providing support that get refugees into work.

## Our Values

Our values reflect who we are as a charity and what our clients, donors and staff can expect from us:

### Mission-led

Our clients come before everything else.



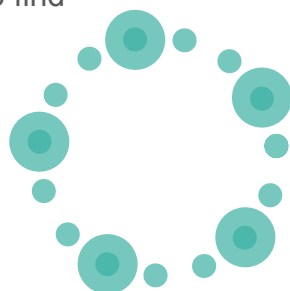
### Welcoming

We want all people to feel happy, comfortable and secure with us.



### Collaborative

We are supportive and considerate, curiously exploring other viewpoints to find solutions.



### Enterprising

We are discerningly bold, entrepreneurial and have the courage to give things a go.





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# Foreword

## A message from our Chair of Trustees and CEO

Welcome to the Breaking Barriers Annual Report for the financial year 2019 – 2020.

We're incredibly proud of what we've achieved this year, despite the many challenges that the Covid-19 pandemic has brought us, our clients, and the wider refugee community.

We were devastated when we were forced to pause our in-person services in March 2020, but we used that time to good effect and managed to pivot our services to enable us to reinstate direct support through a remote delivery model from July 2020.

We want to take this opportunity to thank our supporters, partners, funders and donors who made this possible through their commitment to Breaking Barriers.

We published and shared widely our first needs assessment – Supporting our clients – The impact of Covid-19 on refugees and people of refugee background in London. The report found that people from refugee background are being disproportionately affected by the pandemic, with refugees more likely to be furloughed than the general population, as well as having limited access to digital technologies.

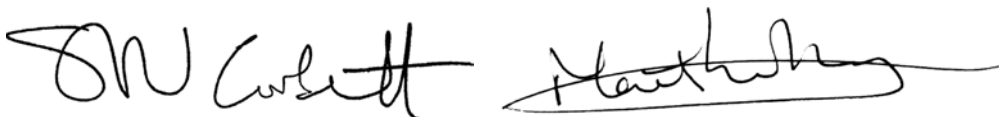
This knowledge has enabled us to focus on how we support our clients with these barriers, through developing digital skills and digital inclusion support, so we can reach as many refugees as possible.

Other highlights from this financial year include supporting 1,000 clients since 2015, 474 clients accessing our support in this year, and 254 of those achieving an education, training, or employment outcome.

We're pleased that in a year of adversity we have been successful in continuing to fulfil our three-year strategy and deliver the best possible impact for people from refugee backgrounds that we can.

Whilst the last 12 months have been a bumpy ride, we feel more committed than ever to our vision of every refugee in London being able to fulfil their potential and integrate into their new home through employment that matches their skills, experience, and aspirations.

Thank you for all your support this year and we look forward to continuing our work together.

The image shows two handwritten signatures in black ink. The signature on the left is 'Sue Corbett' and the signature on the right is 'Matthew Powell'. Both are written in a cursive, flowing style.

Sue Corbett and Matthew Powell

**Chair of Trustees and Chief Executive**

# Our strategy

Breaking Barrier's three-year strategy was devised in 2018–19 but is updated yearly so that we work towards a clear set of organisational priorities and objectives. Covid-19 has dramatically changed the context we're working in and altered the labour market and day-to-day reliance on technology.

With many changes expected to endure in the medium and long-term, this has changed the integration needs of our clients and therefore requires a change from us in our approach to supporting them. In addition, this is likely to reduce the access to services for many people of refugee background and make journeys into work even longer.

Based on this challenge and others identified previously, our strategy has adapted slightly to meet the emerging needs of people from refugee backgrounds, but these remain our strategic aims:



1

Provide the most inclusive and effective support model in the sector

2

Increasing our impact through the expansion of our services

3

Continue to improve and refine our organisational infrastructure

4

Diversify the impact of the corporate partner offering

5

Continue to increase and diversify our income and improve infrastructure

6

Develop our position as experts in the sector

6

# Our approach

## BB Employment

BB Employment is a programme supporting unemployed and underemployed refugees and people of refugee background to rebuild their lives through meaningful job, training, and education opportunities. Prior to the Covid-19 pandemic our trained employment and integration advisers and volunteers offered tailored, one-to-one employment support on a weekly basis in three primary sites: Clapham Junction, Hoxton, and Hammersmith. However after a brief hiatus, remote support has been in place since July 2020. Support includes CV and cover letter assistance, help with job applications and interview preparation.



## BB Education

Our Education programme offers refugees and people of refugee background tailored English language support and training courses (including numeracy and ICT skills) to increase their employability prospects and prepare them for entering the workplace. We provide small, engaging group classes led by trained teachers and supported by teaching assistants. As per the BB Employment approach, all BB education classes are now offered remotely.



## BB Prospects

BB Prospects refers to the unique way that Breaking Barriers engages with businesses to help harness the skills and knowledge of refugees and enable them to thrive in the UK. We match clients with paid work placements and permanent job opportunities with our corporate and charity partners, as well as offering access to other training or mentoring schemes if a client would benefit from this.



# The impact of Covid-19

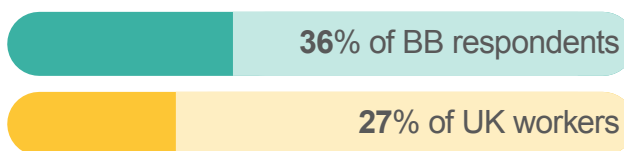
In April 2020, we made the difficult decision to temporarily suspend our delivery and furlough the majority of our staff in light of the Covid-19 pandemic. Whilst it was a challenging and uncertain time, we were thrilled when we were able to reopen in June to provide remote support to our clients.

## Our response

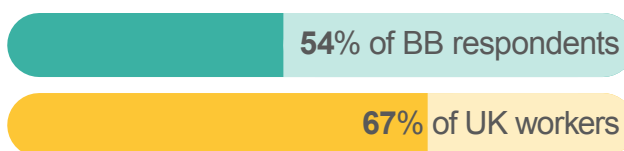
During the time delivery was suspended, we focussed on adapting our services to a remote model and understanding how best to meet the emerging needs of people from a refugee background during this crisis. A key part of this work was asking our clients directly what support they needed through these difficult times and engaging with our partners in the sector to share information and resources.

We published [Supporting our clients – The impact of Covid-19 on refugees and those of refugee background in London](#) in June. It was vital in informing our own response to the pandemic, but also hugely beneficial to our partners and the sector in understanding that the pandemic was impacting refugees more severely than the rest of the UK population. According to the study, people of refugee background are experiencing higher than average rates of job loss and furloughing because of Covid-19, and lower levels of technological access.

**Disproportionately affected employment levels.** % of workers who reported being furloughed:



**Limited access to a remote, digitalised, workplace and service provision.** % of workers with access to a laptop:



## Going forward

The needs assessment and learning from the past year have given us the insight required to adapt our programmes to hopefully minimise the long-term effects of the pandemic on people of refugee background. Our existing programmes are now well-adapted to remote delivery and we have been piloting new forms of support, with a focus on digital inclusion.

As the pandemic continues, we are conducting a follow-up needs assessment of our refugee clients to understand the longer-term impact on the refugee community. And we will continue with remote delivery for the foreseeable future and phase in face-to-face services as part of a hybrid model when restrictions allow.





## *Diversity and inclusion*

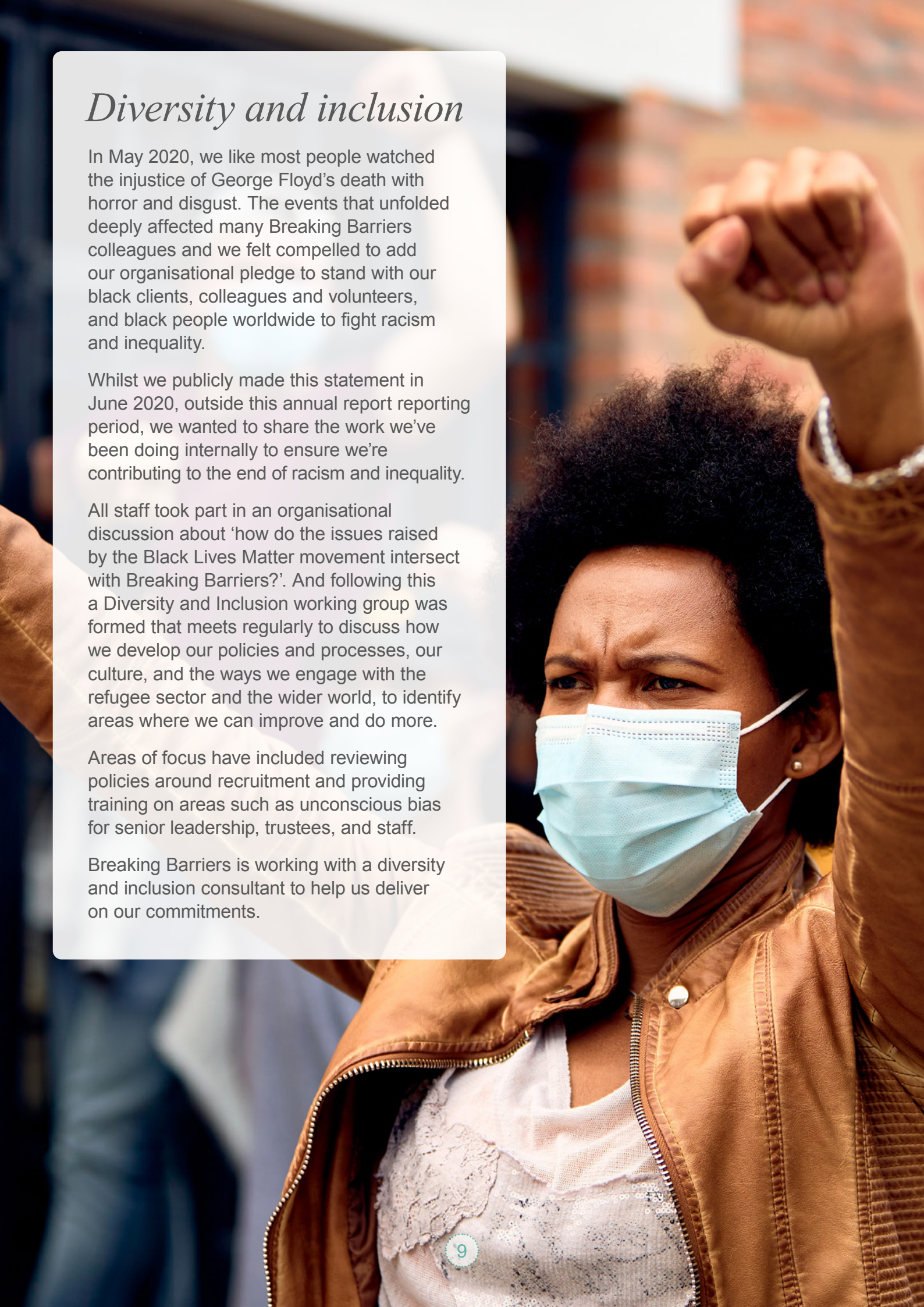
In May 2020, we like most people watched the injustice of George Floyd's death with horror and disgust. The events that unfolded deeply affected many Breaking Barriers colleagues and we felt compelled to add our organisational pledge to stand with our black clients, colleagues and volunteers, and black people worldwide to fight racism and inequality.

Whilst we publicly made this statement in June 2020, outside this annual report reporting period, we wanted to share the work we've been doing internally to ensure we're contributing to the end of racism and inequality.

All staff took part in an organisational discussion about 'how do the issues raised by the Black Lives Matter movement intersect with Breaking Barriers?'. And following this a Diversity and Inclusion working group was formed that meets regularly to discuss how we develop our policies and processes, our culture, and the ways we engage with the refugee sector and the wider world, to identify areas where we can improve and do more.

Areas of focus have included reviewing policies around recruitment and providing training on areas such as unconscious bias for senior leadership, trustees, and staff.

Breaking Barriers is working with a diversity and inclusion consultant to help us deliver on our commitments.



## Our highlights

This year has been a challenging one – with Covid-19 forcing us to suspend our delivery for the final quarter. However, we still had plenty of impact and highlights:



1,000

Our **1,000th client accessed our services**. Since our inception we have supported 1,045 people of refugee background – 50% of whom have achieved their goal of entering employment, education, training, or volunteering.

Between 2019 – 2020 **474 people accessed our services**, and 355 actively engaged in them.



474



11.8

We are now providing more in-depth employment support than ever before. At **11.8 hours the average amount of employment support received is higher than previous years.**



191

**191 of our clients went into employment, education, training, or volunteering.**

254 outcomes were achieved overall as 10% of clients achieved multiple employment goals within the year.

We achieved this with the support of **293 volunteers**, who contributed a record breaking 2,584 hours of support to our clients.



293



2

**We launched two new programmes – BB Grants and Aspire – to improve the quality and access of our support.** The BB Grants programme provides small grants for clients who want to upskill themselves but do not have the funds. The Aspire programme helps those unable to obtain meaningful employment that accurately matches their skills, knowledge, and prior experience.

# How we supported our clients

## We deliver in:

- East London (South Hackney)
- West London (Hammersmith)
- South London (Clapham Junction)
- +3 satellite centres



**2,676 hours**

of one-to-one employment support

**71 hours**

of corporate workshops



**11.8 hours**

on average of employment support per client

**358 hours**

of education classes

We did this with the support of

**293 highly skilled volunteers**

who delivered

**2,584 hours of support**

**97%**

of clients were satisfied or very satisfied with the support we provided to them



“

At the Jewish Council for Racial Equality, I have been referring the young refugees on our Unaccompanied Minors Project to Breaking Barriers for many months now. These young people have received a whole range of support from Breaking Barriers' responsive, patient, and flexible team. For the young people we support, who live in the UK without their families and who live in incredibly vulnerable and precarious circumstances, Breaking Barriers have ensured they've felt supported as they consider how to start their careers and get the work experience they need. ”

Leyla – JCORE (Jewish Council for Racial Equality)

“

Ipsos has made a commitment globally to employ refugees and has been working in partnership with Breaking Barriers since early 2019. So far in 2019, we have offered placements to 3 of their clients in Project Management, Coding and in our Client Organisation, and we are continuing to seek more. All of the refugees in the placements are a real asset to our business and they are now performing valuable roles and are very popular members of the team. We look forward to continuing our fruitful relationship with Breaking Barriers and welcoming their clients into our business. ”

Louise Maycock – Head of Talent, Ipsos MORI

## Andrew's story

**I did my first degree in Urban and International Planning in Nigeria and came to the UK to study my master's in International Planning. After my degree I went home but faced difficulty with the police after the Nigerian government introduced a law making homosexuality illegal.**

I was threatened with arrest and was scared for my life. When I returned to London for my graduation ceremony I applied for asylum and was lucky to be granted refugee status within around 7 months.

Whilst I waited for my status I was unable to work so when I was finally able to apply for jobs I was lacking in confidence. I also faced a significant barrier because I had no experience of interviewing for professional roles.

When I joined Breaking Barriers in Hammersmith the first thing I was asked was 'What are your long term goals?' I wanted to become a project manager and, together with my Employment and Integration Adviser, I worked towards this goal. My Adviser helped me to focus on the kind of roles that

I needed to apply for, as well as helping me with mock interviews, and improving my cover letter and CV. I live in West London so it made a big difference for me to attend Hammersmith as it wasn't too far to travel from my home.

My Adviser helped me to access workshops to improve my interview technique and also told me about a 6-month placement opportunity with Ipsos

MORI. We looked at the role and job description together, and the kind of skills and knowledge I would acquire, and I realised it would be a big help

in achieving my long-term goal. After the 6-months my confidence was much greater, my IT skills had improved and my communication skills are also much stronger. I was lucky enough to be offered a permanent position after my placement.

I owe a great deal of gratitude to Breaking Barriers for the tremendous support they provided me with. The help I received from my Adviser and through



workshops really helped me regain confidence in my ability to build a career. It was also great to have a one-to-one relationship with my Adviser in Hammersmith. I always knew there was someone I could talk to, who understood my background and my goals, and who could direct me onto the right path.

I am really happy with Breaking Barriers follow-through system which I experienced during my placement. The system ensures clients goals are met in the process of entering employment. Thanks to Breaking Barriers I now work in a company I love and in a role within which I will gain valuable experience to achieve my long term goal as a Project Manager. I hope their work continues as there are many more like me seeking opportunities to help them reach their goals.

“ I was threatened with arrest and was scared for my life. ”

# *Trustees’ Annual Report*

*For the year ended  
28 May 2020*

# *Trustees' Annual Report*

## **For the year ended 28 May 2020**

The trustees present their report and financial statements for the year ended 28 May 2020.

The trustees confirm that the financial statements comply with current statutory requirements, the memorandum and articles of association and the Statement of Recommended Practice – Accounting and Reporting by Charities: SORP applicable to charities preparing their accounts in accordance with FRS 102.

## **Objectives and activities**

### **Purposes and aims**

The objects of the Charitable Incorporated Organisation, as defined in its governing document, are:

- To advance the education and training of those granted refugee status, their dependants and those seeking asylum in the United Kingdom so as to advance them in life and assist them to adapt within a new community;
- The relief of unemployment and financial hardship of those granted refugee status, their dependants and those seeking asylum in the United Kingdom, by the provision of vocational skills training, advice and support;
- To advance the education of the public in general about the issues relating to refugees and those seeking asylum; and
- The promotion of social inclusion for the public benefit among people who are refugees, their dependants or seeking asylum in the United Kingdom, who are socially excluded on the grounds of their social and economic position.

Breaking Barriers provides a comprehensive support service for refugees seeking employment. Through our various programmes, we provide bespoke support to accommodate all refugees whatever their needs, circumstances and aspirations.

### **Public benefit**

When planning Breaking Barriers' activities each year, the Trustees take due regard of the Charity Commission's general guidance on public benefit. Within the constraint of resources, and subject to any eligibility criteria for a specific service, Breaking Barriers' services, described above, are available to all refugees and people of refugee background. Services are offered without charging fees. Our work to help refugees gain meaningful employment is a key contributor to integration for refugees themselves and for members of the host population.

## Achievements and performance

Over the last 12 months we have tested new ideas, launched new programmes, improved existing ones and supported 474 (2019: 572) refugees on their integration journeys. 191 of these progressed into employment, education, training or volunteering (2019: 221). We have also made significant investments and improvements in our infrastructure, including our fundraising, IT, finance and HR. We have worked with 293 volunteers (2019: 156) volunteers to deliver our vital employment and education services.

### Covid-19

The impacts of Covid-19 struck at the beginning of the final quarter of the year (March 2020). We took the decision to furlough almost all staff and suspend all service delivery for 2 months shortly before the national lockdown was implemented in March. The suspension of our services resulted in the reduction in clients support and outcomes for the financial year compared with the previous one.

Whilst a difficult decision to furlough staff and suspend our services, this period allowed our senior leadership team to develop strategies for adapting our services and securing funding, whilst protecting our staff, volunteers and clients. We also took this time to conduct a needs assessment of the impact of Covid-19 on refugees, which we disseminated in the summer. Staff who were furloughed were phased back through June and July, with all of our services fully resumed in July 2020.

All of our services are now operating remotely. Our Employment and Integration Advisers take remote 1:1 meetings with clients who have the digital literacy to work over Zoom. For clients who are less able to use technology, we are developing a package of Digital Support to help them with basics like accessing a Zoom meeting, and staying safe online. Our Education programme has also moved online, with smaller class sizes, an updated curriculum and the introduction of informal 'Conversation Cafés' to help clients practice English. We anticipate remote support continuing to be the norm for the foreseeable future but hope to introduce a hybrid model of remote and in-person support when safe to do so.

Despite a strong financial performance for the year, we anticipate that we lost over £100k of income as a result of fundraising staff time lost, cancelled events and the loss of corporate income that was tied to service delivery. Given the impact of the virus struck so late on in our Financial Year, the full impact of the pandemic on our finances will be felt in the coming Financial Year.

More information on our activities undertaken throughout the year, their impact and our response to the Covid-19 pandemic can be found on pages 7 – 13.



## Financial review

Total income for the year ended 28 May 2020 was £1.43m (2019: £1.01m) representing an increase of £420k or 42% from the previous year. This includes a donation by WeWork in respect of education classroom rental equivalent to £36k and the corresponding costs are included in expenditure. The main income sources for Breaking Barriers during the year were donations from corporate partners, trusts and foundations and statutory sources, this also includes £284.5k income from Breaking Barriers Trading Ltd. FY20 was Breaking Barriers' fifth year of operation and the charity has continued to experience strong growth. The investment in a Senior Leadership Team made in FY19 to provide a platform for future growth has been a success, with the team now well established. Investments in fundraising enabled us to continue to diversify our income, further reducing reliance on corporate partners. In line with one of our strategic aims we will continue to invest in the diversification of our income in order provide a solid platform for future growth and mitigate against the impact of any economic crises, such as Covid-19.

Total expenditure during the year was £1.28m (2019: £1.03m). This increase reflects our investment this year in key middle management positions, expansion of our programme staff, and further development of our operational infrastructure to ensure we are working as effectively and efficiently as possible.

Breaking Barriers' services are delivered directly by its staff, with assistance from a group of volunteers. Staff costs are thus the largest portion of the organisation's costs at 75% of total expenditure. The average staff employed during the year totalled 30. Total staff grew by 10 during the year.

Expenditure on raising funds was £165k in the year (2019: £115k) which represents 13% of total expenditure. This reflects mainly the staff costs of the Philanthropy team and the cost of fundraising events.

## Principal risks and uncertainties

Breaking Barriers has the following strategy for dealing with risks:

The Board of Trustees meets every three months to review financial plans, budgets and forecasts, to review the adequacy and appropriateness of controls and policies and the long-term security of Breaking Barriers. Performance against delivery targets is reviewed by trustees quarterly. The Audit and Risk sub-committee reviews the risk register quarterly and there is an annual review by the Board as a whole.

The Chair and Treasurer also meet monthly with the CEO and Head of Finance to review income, costs and cash flow against the budget. A formal re-forecast is prepared quarterly to identify major financial risks, to consider the potential outcome and impact on the charity's current and forecast performance, and to take any necessary action to mitigate the impact of identified risks.

A Fundraising sub-committee meets monthly to review progress against the fundraising target and to consider the risks of current funding proposals. During the financial year an Audit and Risk Committee and a Nominations and Remuneration Committee were established as additional sub-committees.

## Covid-19

In response to Covid-19 and its potential impacts on the organisation, Breaking Barriers took the following steps:

- The CEO and Chair agreed to stay in near daily contact with one another during the initial response and planning phase.
- The CEO provided weekly updates to the Board, including the impact of the pandemic on our services, fundraising and financial positions.
- The Audit and Risk sub-committee increased the frequency of their meetings to monitor whether Breaking Barriers was a going concern.
- The Senior Leadership team met daily and reviewed our financial position, including a 24-month cash flow forecast, on a weekly basis. The forecasts were made up of various scenarios, including a worst-case position. This was communicated to the Board via the CEO to the Chair / Treasurer each week.
- The Senior Leadership Team had regular 'emergency' meetings with the Board on an ad hoc basis where key decisions needed to be made with urgency – e.g. the furloughing of staff and associated suspension of services.

In addition, the charity revised all income and cash-flow projections for the coming 12 months and beyond; updated and reviewed these forecasts continually to ensure that the consolidated cash and reserves remained sufficient to cover planned activities and commitments on a rolling 12 month basis.

## Liquidity risk

The objective is to manage liquidity risk in order to ensure that the charity can meet its financial obligations as they fall due. Breaking Barriers expects to be able to meet its financial obligations through tight control of cash flow. At present, Breaking Barriers does not have access to any funding sources outside the grants and donations received through the charity and the income generated from the trading subsidiary

## Income risk

A large proportion of Breaking Barriers' income is from annual corporate donations, some of which are large though none exceeds 20% of total income. Renewal of these contracts can be uncertain and in some cases is based on performance criteria. Breaking Barriers' objective is to achieve as wide a range of income streams as possible in order to spread the reliance on any one stream and to protect the charity from not being able to fulfil its objectives

## Safety and safeguarding risk

The safety and welfare of our clients, volunteers and staff is of paramount importance. We have a formal safeguarding policy and all staff and volunteers have been trained to meet its requirements. The safeguarding policy is updated annually and reviewed with sign off by the Board.

## Funding Strategy

The charity is growing rapidly with the goal of supporting as many refugees as possible. This requires a continued emphasis on building capacity in the programmes that are delivered and on ensuring that there is in place a suitable administrative and management structure to support the delivery of the programmes.

There are two types of fund, General Fund and Restricted Fund.

**General Fund:** the overall aim is to distribute funds quickly to our charitable activities whilst maintaining a prudent level of reserves to ensure stability and continuity. At this stage, our aim is to attract a majority of unrestricted funding to allow the development of our total programme offering and to build the core infrastructure capacity to operate at greater scale. We have developed a fundraising strategy which aims to create a balanced mix of funds from corporate partners and from trusts and foundations. Donations from individuals, although less significant, also enable us to grow our core capacity.

**Restricted Fund:** this fund is subject to specific conditions imposed by donors. Restricted funds formed 5% of our total reserves in FY20 (FY19: 25%). Where appropriate from one year to the next. The impact of this is reflected in a balance of restricted funds carried to future years.

Breaking Barriers Trading Ltd, a wholly owned subsidiary of Breaking Barriers CIO, was set up in the previous financial year to help the charity provide employment services to refugees in order to help them find meaningful work and to assist their successful settlement in, and integration with, local communities. In both FY19 and FY20, its only source of income was income from these employment services.

## Covid-19

In order to ensure we remain a going concern and our financial position remained strong, we decided to further invest in our fundraising team with the approval of two key fundraising roles – a Senior Business Development Manager and a Senior Philanthropy Manager – both of whom will join at the beginning of the next financial year. We made this decision on the assumption the economic impacts of Covid-19 and subsequent ability for charities to generate income would be longer-lasting and mostly felt in Financial Years 2021 and 2022. Both roles will enable us to further grow and diversify our income in order to maintain and expand our services in what is likely to be a very competitive fundraising climate for some time.

## Reserve policy

Breaking Barriers policy is to work towards a General Fund which represents three months of total expenditure. General Reserves at the year-end were £407k (2019: £210k) which represents approximately 3.8 months expenditure which is in line with the reserves target policy. In addition to this General Fund the charity has restricted funds of £23k for specific programmes carrying forward to FY21.

## Covid-19

The Trustees recognise the uncertainty caused by the current pandemic and in order to mitigate against the loss of any future income streams have agreed that any additional surplus achieved in FY21 will be used to bolster reserves and maintain flexibility for the future. This does not constitute a formal change of policy but is designed to ensure, as far as possible, that the charity has sufficient reserves to meet its objectives during a period of major disruption.

## Plans for the future

Breaking Barriers is committed to helping as many refugees as possible into employment or education and has developed an ambitious strategy.

We review our strategy annually and our 6 strategic aims for the next 3 years are:

- 1) Provide the most inclusive and effective support model in the sector**, increasing the accessibility of our services whilst maintaining a high-level of impact for all clients no matter where they are on their employment journey.
- 2) Increasing our impact through the expansion of our services**, making our services more geographically inclusive and developing programmes that take a holistic and long-term approach to ensuring our clients achieve their employment goals.
- 3) Continue to improve and refine our organisational infrastructure** using learnings and technological innovations to create lean processes and a fruitful working environment, whilst maintaining a level of flexibility that leads to enterprising and efficient programming.
- 4) Diversify the impact of the corporate partner offering** to increase the range of opportunities available and the proportion of people from refugee background benefitting from them.
- 5) Continue to increase and diversify our income and improve infrastructure** to ensure we are able to support more clients and continue meeting the needs of refugees and individuals of refugee background over the long-term.
- 6) Develop our position as experts in the sector** in order to maintain the highest quality of support and raise awareness of the needs refugees and those of refugee background among stakeholders.

Please see page 6 to see more details about our updated strategy and plans for the coming years.

## Covid-19

Any economic crisis that leads to mass unemployment disproportionately impacts those already most marginalised in society. It will be increasingly difficult to support our clients into work in a more competitive labour market. Our work will need to continue to adapt to ensure we are equipping them with the skills to compete as best they can and ensure that when the economy picks up they are well placed to secure meaningful work. It is likely our clients will require more intensive support and longer journeys into work. We are confident that we can continue to deliver effective support in new forms but there will be an impact on the number of people we can support and the associated cost per beneficiary / cost per outcome. This is something we will continue to monitor closely through to the next Financial Year.

The impacts of Covid-19 have not diluted our commitment to support as many refugees as effectively as possible. With the re-introduction of our services in July and a strong financial position, we are confident that we can continue to expand our services over the coming years.

Staff will continue to work from home as default until we deem it safe and necessary for the office to be re-opened. The world of work will look different in the long-term and we are exploring what our office situation will be when the pandemic draws to a close.

Covid-19 will clearly have an impact on the way charities must deliver their services – especially through periods of tight restrictions – and Breaking Barriers is no different. We will continue to offer our services remotely and increase digital access wherever possible. For us, remote support is not just a stop-gap until face-to-face delivery can resume. We view it as a key part of our offering long-term as part of a hybrid support model combining both remote and face-to-face delivery. Thus, Covid-19 has had an unexpected but positive impact on Breaking Barriers – significantly speeding up our journey of digitalisation.

## Structure, governance and management

The charity is constituted as a Charitable Incorporated Organisation (CIO) and is governed by its 'Foundation' model constitution governing document dated 22 April 2015. The charity wholly owns its trading subsidiary, Breaking Barriers Trading Ltd, incorporated on 3 December 2018 and which exists to raise funds for the charity to use for its charitable purposes. Both the charity and subsidiary have entered into a Resource Sharing Agreement in order to define and agree the framework within which dealings between them shall be carried on. The results of Breaking Barriers Trading Ltd are fully consolidated in these accounts.

The charity is governed by its board of trustees which meets a minimum of four times during the year to approve budgets, operational plans and key organisational policies. The board also reviews finances, fundraising, risks, impact data and feedback from beneficiaries. The board and the CEO collaborate in the formulation of the strategy which is then formally approved by the trustees.

Day-to-day management of the charity is delegated by trustees to the Chief Executive Officer, Matthew Powell, supported by his Senior Leadership Team. This group meets monthly to review income, expenditure and cashflow, recruitment and monitor organisational risks. It also reviews any other matter which might materially impact the financial position or reputation of the charity and where necessary notifies the trustees of any issues arising.

During the year, the board undertook a Board Effectiveness Review and then implemented a number of improvements to strengthen governance structure and process and to ensure they are fit for purpose as the charity continues to grow.

## **Appointment, induction and training of trustees**

Trustees are chosen for their expertise and commitment to support refugees. Potential new trustees are identified either from suitable candidates known to the board or CEO or through open search. All candidates submit an application with a CV and personal statement and appointments are approved by majority vote of existing trustees. A formal induction plan is in place to ensure that new trustees are fully informed about their responsibilities, the current position of the charity and the key questions they will need to address.

As part of the Board Effectiveness Review, it was decided that trustee terms should be changed from the current rolling basis in which one third retire each year to fixed terms of three years with optional extensions. This change will take full effect in the next financial year.

## **Related parties and relationships with other organisations**

The charity has one subsidiary undertaking, Breaking Barriers Trading Ltd, which is wholly owned by the charity and was established in FY19. No loans have been made by the charity to the trading subsidiary.

There are no formal relationships between the charity and any other organisation.

Legal advice was commissioned on a commercial basis from Bates Wells totalling £421. One trustee is a partner at Bates Wells. No donations were received from Bates Wells in the year.

During part or all of the year, one trustee was employed by Apax Partners and one by Bank of America. Both organisations have made donations to the charity.

Individual donations to a total value of £5,850 were received from the trustees during the year.

Breaking Barriers maintains active contact with a range of other charities who are able to provide support outside of its remit for refugees. It receives and makes referrals wherever that is deemed in the interests of an individual refugee.

## Remuneration policy for key management personnel

Annual pay awards for the organisation are approved by the Board. The Board considers the CEO and the rest of the Senior Leadership Team's salaries separately, taking into account performance and any growth in responsibilities consequent on the growth of the charity as well as the remuneration levels in other charities. In this Financial Year, a Nominations and Remuneration sub-committee was established and the Board delegated these responsibilities to this sub-committee.

## Statement of responsibilities of the trustees

The trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards including Financial Reporting Standard 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England & Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the income and expenditure 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;
- observe the methods and principles in the Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements, and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for maintaining proper accounting records which 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 Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed/constitution. 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 charity and financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

## Statement as to disclosure to our auditors

In so far as the trustees are aware:

- There is no relevant audit information of which the charity's auditors are 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 auditors are aware of that information.

## Auditors

Goldwins limited were re-appointed as the auditors of the charity for a fourth year and have expressed their willingness to continue in that capacity.

The trustees' annual report has been approved by the trustees on 30th November 2020 and signed on their behalf by:



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**Sue Corbett**

Chair of Trustees



*Independent  
Auditors Report*

*For the year ended  
28 May 2020*

# *Independent Auditors Report*

*To the members of the Charity*

**For the year ended 28 May 2020**

## **Opinion**

We have audited the consolidated financial statements of Breaking Barriers for the year ended 28 May 2020 which comprise the consolidated Statement of Financial Activities, the group and parent Charity's Balance Sheets, the group's Statement of Cash Flows and notes to the financial statements including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the group's and parent Charity's affairs as at 28 May 2020 and of the group's income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Charities Act 2011.

## **Basis for opinion**

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

Conclusions relating to going concern

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

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

## Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. 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.

## Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Charity and 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 in relation to which the Charities Act 2011 requires us to report to you if, in our opinion:

- sufficient accounting records have not been kept;
- the financial statements are not in agreement with the accounting records and returns; or
- we have not obtained all the information and explanations necessary for the purposes of our audit.

## Responsibilities of the trustees

As explained more fully in the trustees' responsibilities statement, the trustees 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 they 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 Charity'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 Charity or to cease operations, or have no realistic alternative but to do so.

## Our 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 the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

## Use of our report

This report is made solely to the Charity's trustees, as a body, in accordance with section 144 of the Charities Act 2011 and the regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the Charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

*Goldwins Limited*

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### **Goldwins Limited**

Statutory Auditor  
75 Maygrove Road  
London NW6 2EG

# *Financial Statements*

*For the year ended  
28 May 2020*

# Consolidated statement of financial activities

For the year ended 28 May 2020

	Note	Unrestricted £	Restricted £	2020 Total £	2019 Total £
<b>Income from:</b>					
Donations and legacies	3	64,857	-	64,857	153,691
Charitable activities	4	706,921	654,603	1,361,524	852,672
<b>Total income</b>		<b>771,778</b>	<b>654,603</b>	<b>1,426,381</b>	1,006,363
<b>Expenditure on:</b>					
Raising funds	5	(165,458)	-	(165,458)	(114,574)
Charitable activities	5	(409,555)	(702,812)	(1,112,367)	(915,534)
<b>Total expenditure</b>		<b>(575,013)</b>	<b>(702,812)</b>	<b>(1,277,825)</b>	(1,030,108)
Net income / (expenditure) before net gains / (losses) on investments		196,765	(48,209)	148,556	(23,745)
Net gains / (losses) on investments		-	-	-	-
<b>Net income / (expenditure) for the year</b>	6	<b>196,765</b>	<b>(48,209)</b>	<b>148,556</b>	(23,745)
Transfers between funds		-	-	-	-
<b>Net movement in funds</b>		<b>196,765</b>	<b>(48,209)</b>	<b>148,556</b>	(23,745)
<b>Reconciliation of funds:</b>					
Total funds brought forward		210,434	71,514	281,948	305,693
<b>Total funds carried forward</b>	13	<b>407,199</b>	<b>23,305</b>	<b>430,504</b>	281,948

All of the above results are derived from continuing activities.

There were no other recognised gains or losses other than those stated above.

The attached notes form part of these financial statements.

# Consolidated balance sheet

As at 28 May 2020

	Note	2020 £	2020 £	2019 £	2019 £
<b>Current assets:</b>					
Debtors	9a	27,533		55,970	
Cash at bank and in hand		849,456		305,301	
		<b>876,989</b>		<b>361,271</b>	
<b>Liabilities:</b>					
Creditors: amounts falling due within one year	10a	(446,485)		(79,323)	
<b>Net current assets / (liabilities)</b>			<b>430,504</b>		<b>281,948</b>
<b>Total assets less current liabilities</b>			<b>430,504</b>		<b>281,948</b>
<b>Total net assets / (liabilities)</b>			<b>430,504</b>		<b>281,948</b>
<b>Funds</b>					
Restricted funds	13		23,305		71,514
Unrestricted funds:					
Designated funds		-		-	
General funds		407,199		210,434	
<b>Total Unrestricted funds</b>			<b>407,199</b>		<b>210,434</b>
<b>Total funds</b>			<b>430,504</b>		<b>281,948</b>

Approved by the trustees on 30th November 2020 and signed on their behalf by:



**Sue Corbett**

Chair of Trustees

The attached notes form part of the financial statements.

# Charity balance sheet

As at 28 May 2020

	Note	2020 £	2020 £	2019 £	2019 £
<b>Fixed assets:</b>					
Investments			1		-
<b>Current assets:</b>					
Debtors	9b	318,923		92,770	
Cash at bank and in hand		500,277		305,301	
		<b>819,200</b>		<b>398,071</b>	
<b>Liabilities:</b>					
Creditors: amounts falling due within one year	10b	(378,984)		(242,723)	
<b>Net current assets / (liabilities)</b>			<b>440,216</b>		<b>155,348</b>
<b>Total assets less current liabilities</b>			<b>440,216</b>		<b>155,348</b>
<b>Total net assets / (liabilities)</b>			<b>440,216</b>		<b>155,348</b>
<b>Funds</b>					
Restricted funds			23,305		71,514
Unrestricted funds:					
Designated funds		-		-	
General funds		416,911		83,834	
<b>Total Unrestricted funds</b>			<b>416,911</b>		<b>83,834</b>
<b>Total funds</b>			<b>440,216</b>		<b>155,348</b>

Approved by the trustees on 30th November 2020 and signed on their behalf by:



**Sue Corbett**

Chair of Trustees

The attached notes form part of the financial statements.



# Consolidated statement of cash flows

For the year ended 28 May 2020

	Note	2020 £	2019 £
<b>Cash flows from operating activities:</b>			
Net cash provided by / (used in) operating activities	14	544,155	(8,304)
<b>Change in cash and cash equivalents in the year</b>		544,155	(8,304)
Cash and cash equivalents at the beginning of the year		305,301	313,605
<b>Cash and cash equivalents at the end of the year</b>	15	<b>849,456</b>	<b>305,301</b>

# *Notes to the consolidated financial statements*

**For the year ended 28 May 2020**

## **1. Accounting policies Basis of preparation**

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102 – effective 1 January 2015) – (Charities SORP FRS 102) and the Companies Act 2006.

The charity meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy or note.

### **Basis of consolidation**

The statement of financial activities (SOFA) and balance sheet fully consolidate the financial statements of the charity and its subsidiary undertaking. Subsidiary's accounts are fully consolidated from the time the control is acquired.

No separate SOFA has been presented for the charity.

### **Going concern**

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern. The trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

### **Income**

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the income have been met, it is probable that the income will be received and that the amount can be measured reliably.

Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred. Income received in advance for the provision of specified services is deferred until the criteria for income recognition are met.

Income from donations for specific programmes is recognised on receipt of the donation: however, income on certain programmes is received in advance for the provision of specified services. In these cases income is deferred until the criteria for income recognition are met.

For legacies, entitlement is taken as the earlier of the date on which either: the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the charity that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only

considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

### **Donations of gifts, services and facilities**

Donated professional services and donated facilities are recognised as income when the charity has control over the item or received the service, any conditions associated with the donation have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), volunteer time is not recognised so refer to the trustees' annual report for more information about their contribution.

On receipt, donated gifts, professional services and donated facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

### **Interest receivable**

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

### **Fund accounting**

Unrestricted funds are available to spend on activities that further any of the purposes of charity. Designated funds are unrestricted funds of the charity which the trustees have decided at their discretion to set aside to use for a specific purpose. Restricted funds are donations which the donor has specified are to be solely used for particular areas of the charity's work or for specific projects being undertaken by the charity.

### **Expenditure and irrecoverable VAT**

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

- Costs of raising funds comprise of trading costs and the costs incurred by the charity in inducing third parties to make voluntary contributions to it, as well as the cost of any activities with a fundraising purpose.
- Expenditure on charitable activities includes the costs of delivering services and other activities undertaken to further the purposes of the charity and their associated support costs.
- Other expenditure represents those items not falling into any other heading.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

## **Allocation of support costs**

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include back office costs, finance, personnel, payroll and governance costs which support the charity and its activities. These costs have been allocated between cost of raising funds and expenditure on charitable activities. The bases on which support costs have been allocated are set out in note 5.

## **Operating leases**

Rental charges are charged on a straight line basis over the term of the lease.

## **Tangible fixed assets**

Items of equipment are capitalised where the purchase price exceeds £1,000. Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The depreciation rates in use are as follows:

- Freehold property 2%
- Fixtures and fittings 25%
- Computer equipment 33%
- Motor vehicles 25%

## **Debtors**

Trade and other debtors are recognised at the settlement amount due after any trade discount offered.

Prepayments are valued at the amount prepaid net of any trade discounts due.

## **Cash at bank and in hand**

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

## **Creditors and provisions**

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

## **Pensions**

Breaking Barriers operates a defined contribution pension scheme managed by NEST in accordance with current auto-enrolment rules.

## 2. Detailed comparatives for the consolidated statement of financial activities

	2019 Unrestricted £	2019 Restricted £	2019 Total £
<b>Income from:</b>			
Donations and legacies	153,691	-	153,691
Charitable activities	641,041	211,631	852,672
<b>Total income</b>	<b>794,732</b>	<b>211,631</b>	<b>1,006,363</b>
<b>Expenditure on:</b>			
Raising funds	(114,574)	-	(114,574)
Charitable activities	(707,119)	(208,415)	(915,534)
<b>Total expenditure</b>	<b>(821,693)</b>	<b>(208,415)</b>	<b>(1,030,108)</b>
<b>Net income / (expenditure)</b>	<b>(26,961)</b>	<b>3,216</b>	<b>(23,745)</b>
Transfers between funds	-	-	-
<b>Net movement in funds</b>	<b>(26,961)</b>	<b>3,216</b>	<b>(23,745)</b>
Total funds brought forward	237,395	68,298	305,693
<b>Total funds carried forward</b>	<b>210,434</b>	<b>71,514</b>	<b>281,948</b>

## 3. Income from donations and legacies

	2020 Unrestricted £	2020 Restricted £	2020 Total £	2019 Total £
Donations & Gifts	-	-	-	-
Donated services	64,857	-	64,857	153,691
	<b>64,857</b>	<b>-</b>	<b>64,857</b>	<b>153,691</b>

Donated services income relates to Gift in Kind for office space and classrooms for Education classes.

## 4. Income from charitable activities

	2020 Unrestricted £	2020 Restricted £	2020 Total £	2019 Total £
Charitable activities	706,921	654,603	1,361,524	852,672
<b>Total income from charitable activities</b>	<b>706,921</b>	<b>654,603</b>	<b>1,361,524</b>	<b>852,672</b>

## 5. Analysis of expenditure

	Charitable activities							2020 Total £	2019 Total £
	Basis of allocation	Cost of raising funds £	BB Employment £	BB Prospects £	BB Education £	Support costs £	Governance costs £		
Direct costs	Direct	(11,309)	(19,751)	(75,237)	(42,142)	-	-	(148,439)	(120,298)
Shared staff costs	Direct	(154,149)	(384,452)	(89,321)	(99,677)	(190,268)	-	(917,867)	(573,967)
Support costs	Staff time	-	(150,868)	(28,470)	(32,181)	-	-	(211,519)	(335,843)
Governance costs						4,000	(4,000)	-	-
		(165,458)	(555,071)	(193,028)	(174,000)	(186,268)	(4,000)	(1,277,825)	(1,030,108)
Support costs		-	(132,250)	(22,352)	(31,666)	186,268	-	-	-
			71%	12%	17%				
Governance costs		-	(2,840)	(480)	(680)	-	4,000	-	-
			71%	12%	17%				
<b>Total expenditure 2020</b>		<b>(165,458)</b>	<b>(690,161)</b>	<b>(215,860)</b>	<b>(206,346)</b>	<b>-</b>	<b>-</b>	<b>(1,277,825)</b>	<b>(1,030,108)</b>
Total expenditure 2019		(114,574)	(513,206)	(220,003)	(182,325)	-	-	-	(1,030,108)
			58%	23%	19%				

Of the total expenditure, £575,013 was unrestricted (2019: £821,693) and £702,812 was restricted (2019: £208,415).

Governance costs relate mainly to the cost of annual audit.

## 6. Net income / (expenditure) for the year

This is stated after charging / (crediting):

### Operating lease rentals:

Property

### Auditor's remuneration:

Audit fees

	2020 £	2019 £
	(153,543)	(151,505)
	(4,000)	(3,000)

## 7. Analysis of staff costs, trustee remuneration and expenses, and the cost of key management personnel

Staff costs were as follows:

Salaries and wages

Social security costs

Employer's contribution to defined contribution pension schemes

	2020 £	2019 £
	822,059	521,735
	81,095	45,170
	14,622	7,062
	917,777	573,967

The total employee benefits including pension contributions of the key management personnel were £312,000 (2019: £210,700).

The charity trustees were not paid or received any other benefits from employment with the charity or its subsidiary in the year (2019: £nil) neither were they reimbursed expenses during the year (2019: £nil). No charity trustee received payment for professional or other services supplied to the charity (2019: £nil).

The following number of employees received compensation (excluding employer pension) during the year between:

£60,000 – £69,999

£70,000 – £79,999

	2020 Number	2019 Number
	1	-
	1	1

### Staff numbers

The average number of employees (head count based on number of staff employed) during the year was as follows:

Raising funds

Charitable activities

	2020 Number	2019 Number
	3	3
	27	17
	30	20

## 8. Taxation

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

### 9a. Debtors – Group

	2020 £	2019 £
Trade debtors (net of provisions)	9,466	1,016
Other debtors	16,370	24,929
Prepayments	1,697	2,525
Accrued income	-	27,500
	<b>27,533</b>	<b>55,970</b>

### 9b. Debtors – Charity

	2020 £	2019 £
Trade debtors (net of provisions)	9,466	1,016
Other debtors	16,370	24,929
Prepayments	1,697	2,525
Amounts owed by group undertakings	291,390	36,800
Accrued income	-	27,500
	<b>318,923</b>	<b>92,770</b>

### 10a. Creditors: amounts falling due within one year – Group

	2020 £	2019 £
Taxation and social security	(24,837)	(18,372)
Accruals	(63,828)	(16,951)
Deferred income	(327,820)	(44,000)
Other creditors	(30,000)	-
	<b>(446,485)</b>	<b>(79,323)</b>



## Deferred income

	2020 £	2019 £
Balance at the beginning of the year	(44,000)	(10,000)
Amount released to income in the year	144,684	10,000
Amount deferred in the year	(428,504)	(44,000)
Balance at the end of the year	(327,820)	(44,000)

Deferred income comprises amounts received in advance for annual programmes and the AMIF advance payment of £278K

## 10b. Creditors: amounts falling due within one year – Charity

	2020 £	2019 £
Taxation and social security	(24,837)	(18,372)
Accruals	(73,828)	(16,951)
Deferred income	(280,319)	(1,000)
Amounts owed to group undertakings	-	(206,400)
Other creditors	-	-
	(378,984)	(242,723)

## Deferred income

	2020 £	2019 £
Balance at the beginning of the year	(1,000)	(10,000)
Amount released to income in the year	1,000	10,000
Amount deferred in the year	(280,319)	(1,000)
Balance at the end of the year	(280,319)	(1,000)

Deferred income comprises amounts received in advance for annual programmes and the AMIF advance payment of £278K.

## 11. Pension scheme

Breaking Barriers has a defined contribution scheme operated by NEST.

## 12. Analysis of net assets between funds

	General Unrestricted £	Designated £	Restricted £	Total funds £
Net current assets	407,199		23,305	430,504
Net assets at the end of the year	407,199	-	23,305	430,504

## 13. Movements in funds

	At the start of the year £	Incoming resources & gains £	Outgoing resources & losses £	Transfers £	At the end of the year £
<b>Restricted funds:</b>					
BB Employment	70,172	447,194	(502,561)	-	14,805
BB Prospects	-	99,915	(99,915)	-	-
BB Education	1,342	98,994	(100,336)	-	-
BB Grants		8,500	-	-	8,500
<b>Total restricted funds</b>	<b>71,514</b>	<b>654,603</b>	<b>(702,812)</b>	<b>-</b>	<b>23,305</b>
<b>General funds</b>	<b>210,434</b>	<b>771,778</b>	<b>(575,013)</b>	<b>-</b>	<b>407,199</b>
<b>Total unrestricted funds</b>	<b>210,434</b>	<b>771,778</b>	<b>(575,013)</b>	<b>-</b>	<b>407,199</b>
<b>Total funds</b>	<b>281,948</b>	<b>1,426,381</b>	<b>(1,277,825)</b>	<b>-</b>	<b>430,504</b>

### Purposes of restricted funds

Restricted funds brought forward from prior year were spent in full in the year. At the end of the year, the Restricted funds balance carried forward related to the remainder of the funds received from Bank of America Merrill Lynch for BB Futures relating to FY22 and £8.5K from Big Yellow Foundation for BB Grants funding programme which was delayed due to COVID-19 with a planned start in FY22.

During the year, the Charity received the following restricted grants: a grant from Trust for London of £36K as part of the multi-year grant of £108K for the period from FY20 to FY22 contributing to caseworkers' salaries for our Aspire programme; a grant of £6K from the Swire Charitable Trust as part of the multi-year grant of £18K for the period from FY18 to FY21 for our English Education classes; and a grant of £10K from London Borough of Hammersmith and Fulham Council towards our work in Hammersmith. The Charity also received grants from The Rayne Foundation towards caseworkers' salaries, The Jack Petchey Foundation to hire a member of staff into our partnerships team through Jack Petchey's internship programme and East End Community Foundation and Allen and Overy Ben Ogden Community Fund for their support of our work in Hoxton. All these grants were spent in full in the year under review.

Unrestricted General funds are made of the remaining unrestricted income and expenditure. Included in the consolidated Unrestricted funds, is £284.5K of income reserves in Breaking Barriers Trading Ltd. Breaking Barriers' reserves policy is to work towards a General fund which represents approximately three months of total expenditure. General reserves at the year-end were £407k (2019: £210k) which represents 3.8 months of expenditure in line with the reserves policy.

## Movement in funds previous year

	At the start of the year £	Incoming resources & gains £	Outgoing resources & losses £	Transfers £	At the end of the year £
<b>Restricted funds:</b>					
BB Employment	68,298	146,018	(146,157)	-	<b>68,159</b>
BB Prospects	-	27,863	(27,863)	-	-
BB Education	-	32,750	(29,395)	-	3,355
Core	-	5,000	(5,000)	-	-
<b>Total restricted funds</b>	<b>68,298</b>	<b>211,631</b>	<b>(208,415)</b>	-	<b>71,514</b>
<b>Unrestricted funds:</b>					
BB Employment	134,167	-	(134,167)	-	-
Core	30,000	-	(30,000)	-	-
<b>Total designated funds</b>	<b>164,167</b>	-	<b>(164,167)</b>	-	-
<b>General funds</b>	73,228	794,732	(657,526)	-	<b>210,434</b>
<b>Total unrestricted funds</b>	<b>237,395</b>	794,732	<b>(821,693)</b>	-	<b>210,434</b>
<b>Total funds</b>	<b>305,693</b>	1,006,363	<b>(1,030,108)</b>	-	<b>281,948</b>

## Purposes of restricted funds

Restricted funds brought forward from prior year were spent in full in the year. At the end of the year, the Restricted funds balance carried forward related to the remainder of the funds received from Bank of America Merrill Lynch for BB Futures which will continue to cover the costs of the programme in 2020 as well as £3k from UBS towards Education classes.

Designated funds put aside for BB Prospects at the end of 2018 to cover elements of programme delivery in 2019 were spent in full in the year under review.

Unrestricted General funds are made of the remaining unrestricted income and expenditure. Included in the consolidated Unrestricted funds, is £130k of income reserves in Breaking Barriers Trading Ltd. Breaking Barriers' reserves policy is to work towards a General fund which represents approximately three months of total expenditure. General reserves at the year-end were £210k (2018: £73k) which represents 2.5 months of expenditure in line with the reserves policy. The charity is entering a phase of consolidation and will continue to work towards achieving the overall target.

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

	2020 £	2019 £
<b>Net income / (expenditure) for the reporting period (as per the statement of financial activities)</b>	<b>148,556</b>	(23,745)
(Increase)/ decrease in debtors	28,437	(34,566)
Increase/ (decrease) in creditors	367,162	50,007
<b>Net cash provided by / (used in) operating activities</b>	<b>544,155</b>	(8,304)

## 15. Analysis of cash and cash equivalents

	At 29 May 2019 £	Cash flows £	Other changes £	At 28 May 2020 £
Cash at bank and in hand	305,301	544,155	-	<b>849,456</b>
<b>Total cash and cash equivalents</b>	<b>305,301</b>	544,155	-	<b>849,456</b>

## 16. Operating lease commitments

Total future minimum lease payments under non-cancellable operating leases are as follows:

	Property 2020 £	Property 2019 £
Less than 1 year	<b>153,543</b>	113,465
1 – 5 years	-	38,040
	<b>153,543</b>	151,505

## 17. Legal status of the charity

The charity is constituted as a Charitable Incorporated Organisation (CIO) and is governed by its foundation model constitution. The Trustees are chosen for their expertise and commitment to support refugees.

## 18. Related party transactions

During the year, unrestricted donations totalling £5,850 were received from certain trustees.

Legal advice was commissioned on a commercial basis from Bates Wells Braithwaite totalling £421. One trustee is a partner at Bates Wells Braithwaite. No donations were received from Bates Wells Braithwaite in the year.

During part or all of the year, one trustee was employed by Apax Partners and one by Bank of America Merrill Lynch. Both organisations have made donations to the charity. There were no other related party transactions during the year under review.

During the year, Breaking Barriers Trading was invoiced a total of £5,690 for the Use of Rights and Name and £1,200 for the Use of Name by the parent charity. In addition, recharges for resources deployed by the parent charity to fulfil the IKEA contract totalled £284,500 to the wholly owned subsidiary.

## 19. Subsidiary undertaking

Charitable Incorporated Organisation has the following share holding at 28 May 2020:

Entity	Type	Number of shares	Value	Interest
Breaking Barriers Trading Ltd	Ordinary	1	£1	100%

Results of the subsidiary were as following:

	Period Ended 28 May 2020 £
Income	284,500
Expenditure	(294,212)
<b>Net deficit for the period</b>	<b>(9,712)</b>
The aggregate of the assets, liabilities and deficits was:	
Assets	349,179
Liabilities	(358,891)
	<b>(9,712)</b>

Subsidiary's accounts are fully consolidated and all intra-group balances, transactions, income and expenses are eliminated on consolidation.

## 20. Post balance sheet events

The World Health Organization declared the outbreak of the coronavirus a pandemic in March 2020. As we progress through 2020, more information is becoming known about the scale and impact of the coronavirus. The pandemic might have a financial effect on the charity and its operations. This may include changes to project implementation plans, alterations to ways of working and reductions in future donations.

# Reference and Administrative Information

## Trustees

**Chair:** Sue Corbett appointed July 2016

**Treasurer:** Ian Chard appointed October 2016

### Trustees:

Stephanie Biden appointed September 2016

Rachel Harrington appointed August 2017

Sajid Hussein appointed October 2016

Vicky Knight appointed September 2016 –  
resigned 28 November 2019

Nishant Nayyar appointed October 2017

James Newell appointed June 2018

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## Chief Executive

Matthew Powell

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## Charity number

1161901

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## Registered office

Breaking Barriers  
Office 202, 2nd Floor, The Frames  
1 Phipp Street  
London EC2A 4PS

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## Auditors

Goldwins Limited  
75 Maygrove Road  
West Hampstead  
London NW6 2EG

[www.goldwins.co.uk](http://www.goldwins.co.uk)

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## Bankers

Barclays  
9 High St  
Sutton  
Surrey  
SM1 1DR

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## *With thanks*

We are grateful to our donors, supporters, partners and those who prefer to remain anonymous, for their support which has made our success possible.

AB Charitable Trust	EQ Investors Foundation	Schroder Charitable Trust
Allen & Overy	Garfield Weston Foundation	Souter Charitable Trust
Apax Partners	Grant Thornton UK LLP	Swire Charitable Trust
Asylum Migration and Integration Fund (AMIF)	Gucci	The Big Yellow Foundation
Bank of America	Herbert Smiths Freehills	The Jane and Tad Shepard Family Foundation
Barclays	IKEA UK	The Loan Syndicate Manager's Forum
Bates Wells	Ipsos MORI	The Madison Foundation
BNY Mellon	Jack Petchey Foundation	The National Lottery Community Fund & The European Social Fund
Breaking Barriers' Auxiliary Board	Lincoln International	The Ullman Trust
Brethren of Strong Man Lodge No. 45	Lloyds Bank Foundation	Tony & Sheelagh Williams Foundation
Broadgate Estates	London Borough of Hammersmith & Fulham	Trust for London
Charles S. French Charitable Trust	Mayer Brown	U+I plc
Chepstow House School	Mishcon de Reya	UBS
Choose Love	Norton Rose Fulbright	Western Union
Deutsche Bank	Pret Foundation	WeWork
East End Community Foundation (Allen & Overy)	Rank Foundation	
Ben Ogden Memorial Fund)	Rayne Foundation	
	RG Foundation	
	S&P Global Foundation	



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