



International Rescue Committee, UK
Annual Report and Financial Statements

30 September 2015

Company Limited by Guarantee
Registration Number
3458056 (England and Wales)

Charity Registration Number
1065972

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Reference and administrative details of the charity, its trustees and advisers

Trustees	Sir John Holmes GCVO, KBE, CMG (Chair) George Biddle Glenda Burkhart François-Xavier De Mallman Susan Gibson Kathleen O'Donovan Dylan Pereira The Hon Richard Sharp Diane Simpson Iliane Ogilvie Thompson Jake Ulrich
SVP Europe & Executive Director IRC-UK	Jane Waterman
Registered office and principal operating address	3 Bloomsbury Place London WC1A 2QL
Company registration number	3458056 (England and Wales)
Charity registration number	1065972
Auditor	Buzzacott LLP 130 Wood Street London EC2V 6DL
Bankers	National Westminster Bank plc Cavell House 2a Charing Cross Road London WC2H 0PD Standard Chartered Bank 1 Basinghall Avenue London EC2V 5DD
Solicitors	White & Case 5 Old Broad Street London EC2N 1DW

Trustees' report Year to 30 September 2015

The trustees present their statutory report together with the financial statements of International Rescue Committee, UK (IRC-UK) for the year ended 30 September 2015.

The trustees report has been prepared in accordance with Part 8 of the Charities Act 2011 and the statement of recommended practice (SORP). It also meets the requirements for a directors' report set out in the Companies Act 2006 and the requirements for a strategic report as outlined in 'The Companies Act 2006 (Strategic Report and Director's Report) Regulations 2013'.

The financial statements have been prepared in accordance with the accounting policies set out on pages 31 to 33 and comply with the charitable company's Memorandum and Articles of Association, applicable laws and the requirements of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities".

GOVERNANCE, STRUCTURE AND MANAGEMENT

Constitution

IRC-UK is constituted as a company limited by guarantee, Company Registration No 3458056, and is registered for charitable purposes with the Charity Commission, Charity Registration No 1065972. Its governing document is the Memorandum and Articles of Association.

IRC-UK is affiliated with the International Rescue Committee Inc, hereafter "IRC Inc" a not-for-profit agency based in New York, USA; the International Rescue Committee Belgium ASBL, based in Brussels; and associated agencies and offices worldwide. Collectively, these agencies make up the network referred to as the International Rescue Committee (IRC).

The relationship between the IRC and IRC-UK is governed by a Framework Agreement, which covers matters relating to programmes, funding, governance, intellectual property and other legal affairs.

Liability of members

In the event of the charitable company being wound up, IRC Inc, as the company member is required to contribute an amount not exceeding £1.

Organisation

IRC-UK is managed by a senior staff person with the title Executive Director IRC-UK and Senior Vice President Europe, who is not a director for the purposes of company law, and who reports to the Board of Trustees.

The Executive Director IRC-UK works with a Senior Management Team (SMT), comprising Departmental Directors, who meet regularly to review organisational business. The SMT comprises:

Eleanor Dougoud	Deputy Executive Director
Sanjayan Srikanthan	Director Policy and Practice

GOVERNANCE, STRUCTURE AND MANAGEMENT (continued)

Organisation (continued)

Tania Songini	Director Finance and Operations
Henrik Boejen	Director (interim) International Programmes

The Board guides the Executive Director in relation to the charitable purpose of IRC-UK and overseas implementation of the Framework Agreement with the IRC.

The Board has constituted a committee for Audit and Governance from its trustees, a Policy and Advocacy Committee and also a Development Committee, which includes several trustees, who advise the Executive Director and staff and report back to the Board.

The Audit and Governance Committee meets three times a year, twice with the auditors in attendance. The Committee agrees the external audit plans, reviews the external auditor's management letter and the financial performance of IRC-UK during the year, and monitors implementation of actions required as a result. It also has responsibility to advise the Board on whether the audit, risk management and control processes within IRC-UK are effective (for details of the Risk Management Policy and Procedures see pages 15-16).

A typical year for a Board member includes the following:

- Attendance at three Board of Trustees meetings per annum (1 day each);
- Attendance at committee meetings, and at ad hoc groups convened for specific purposes;
- Attendance at staff or senior management meetings on an occasional basis;
- Attendance at events, e.g. public meetings, meetings with supporters/donors; and
- Occasional travel to IRC programmes with other trustees.

Trustees

The directors of the charitable company are the charity's trustees for the purposes of charity law and for ease of reference are referred to as the trustees throughout this report.

As set out in the Articles of Association, IRC Inc as a member of IRC-UK shall have power to appoint a person or persons to be trustees by (i) ordinary resolution passed at a meeting of the members; or (ii) by written resolution signed by at least three quarters of the members for the time being. The trustees shall have power at any time and from time to time to appoint any person to be a trustee either to fill a vacancy or as an additional trustee.

Board members may serve up to two 3-year terms, and a third 3-year term if they chair the Board or a committee. The exception is the IRC Inc representative (George Biddle), who does not rotate off.

GOVERNANCE, STRUCTURE AND MANAGEMENT (continued)

Trustees (continued)

The following trustees were in office at 30 September 2015 and served throughout the year except where indicated.

Trustees	Appointed/Resigned
Sir John Holmes GCVO, KBE, CMG (Chair)	
George Biddle	
Glenda Burkhart	
François-Xavier De Mallman	
Susan Gibson	
Kathleen O'Donovan	
Dylan Pereira	
The Hon Richard Sharp	
Diane Simpson	
Iliane Ogilvie Thompson	
Jake Ulrich	

No trustee received any remuneration for services as a trustee (2014 - £nil) and travel expenses of £4,147 (2014 - £11,062) relating to Board field visits were paid on behalf of three trustees (2014 – five). No trustee had any beneficial interest in any contract with the charity during the year.

On appointment, trustees are provided with a comprehensive induction pack including all relevant statutory documents and background to the organisation and the programme of Board visits to IRC field programmes open to all trustees.

Subsidiary company

IRC-UK owns 100% of the issued ordinary share capital of IRC-UK Trading Limited, a company incorporated in England and Wales (Company Registration Number 07170021). The company was incorporated on 25 February 2010.

The principal activities of the subsidiary are to manage the trading activities of IRC-UK. The company was dormant throughout the year.

Statement of trustees' responsibilities

The trustees, who are also directors of IRC-UK for the purposes of company law, are responsible for preparing the trustees' report and 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 which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period.

GOVERNANCE, STRUCTURE AND MANAGEMENT (continued)

Statement of trustees' responsibilities (continued)

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 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; and
- 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 proper 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 the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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 he/she ought to have taken as a trustee in order to make him/herself 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.

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.

Communicating with staff

IRC-UK has strengthened its arrangements for consulting and involving staff over the last financial year. Management and staff negotiate and/or consult on terms and conditions of employment with the IRC-UK Trade Union representatives. There are many opportunities to also consult with team leaders and staff. All staff are expected to hold regular one-to-ones with their staff. To keep staff informed, IRC-UK produces a weekly Newsletter and holds a staff meeting once every six weeks.

STRATEGIC REPORT

Statement of public benefit

The trustees confirm that they have complied with their duty in the Charities Act 2011 to have due regard to the Charity Commission's general guidance on public benefit, 'Charities and Public Benefit'. That guidance addresses the need for all charities' aims to be, demonstrably, for the public benefit, and is reflected in the objectives of the charity set out below, as well as by the activities of the charity as illustrated in this 'Strategic Report' and in the 'Achievements and Performance During the Year' section. Wherever possible the views and opinions of beneficiaries are sought in the design and implementation of programmes, with the aim of ensuring that these are targeted to people in need, also taking into account their assessment of their needs and evaluating and assessing the beneficial changes.

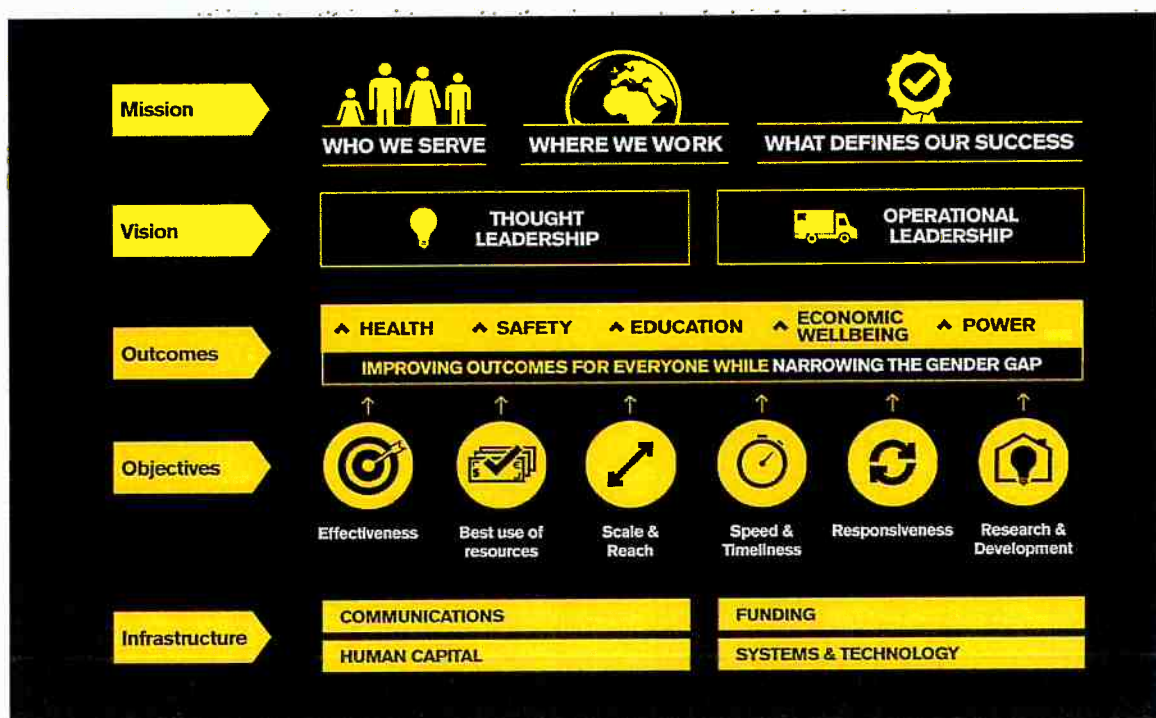
Principal aims and objects

The objectives of the charity as stated in its Memorandum of Association are to:

- relieve poverty, distress and suffering in any part of the world in particular for the benefit of refugees and victims of oppression, violent conflict or natural disaster, and to administer such relief without regard to the race, nationality or religion of the beneficiaries; and
- carry out programmes in global emergency relief so as to assist the victims of oppression, violent conflict or natural disaster, and to administer such assistance without regard to the race, nationality or religion of the beneficiaries.

In January 2015, the IRC completed a strategy refresh process and published its new strategy for IRC 2020.

IRC Strategy 2020



STRATEGIC REPORT (continued)

Principal aims and objectives (continued)

The IRC's **Mission** is to help people whose lives and livelihoods are shattered by conflict and disaster to survive, recover and gain control of their future. The IRC serves people forced to flee from war, conflict and disaster and the host communities that support them, as well as those who remain within their homes and communities.

The IRC's **Vision** is to lead the humanitarian field by implementing high-impact, cost-effective programmes for people affected by crisis, and by using its learning and experience to shape policy and practice.

The IRC's aims (as presented in previous Annual reports) to:

- save lives (including the delivery of health services, water, sanitation and shelter);
- protect the vulnerable (including child protection, women's protection and empowerment, and programmes that promote the rule of law);
- rebuild communities (including programmes that promote livelihoods, economic and community development, and education)

These aims have been further refined to focus on the following five outcomes :

- Safety from physical, sexual and psychological harm;
- Health, reduced risk of ill health, and better chances of recovery from ill health;
- Education in terms of literacy and numeracy, as well as foundational, vocational and life skills;
- Income in terms of basic material needs and income and asset growth;
- Power in terms of influence over the decisions that affect their lives,

The IRC defines success as its ability to help people to survive, recover and gain control of their future.

The principal funding sources for the charity were:

- grants from institutional donors and trusts (as detailed in the financial statements), almost entirely restricted to specific field programmes; and
- voluntary income and individual donations.

STRATEGIC REPORT (continued)

Report on progress against strategic priorities

2015 was a year marked by continued crises in countries such as South Sudan, the Central African Republic, Somalia, Nigeria and new crises in countries such as Yemen and Burundi. The war in Syria, now in its fifth year, has led to further internal displacement within the country and movement of refugees into neighbouring countries. An increasing number of Syrian refugees have decided to brave the journey to Europe, often putting their lives at risk. All of these events highlight the importance of work carried out by international non-governmental organisations (INGOs) like the IRC. Increased donor support enabled agencies to scale up their programming in disaster-hit areas such as Syria and South Sudan, but funding continues to fall short of what is necessary to address the growing humanitarian needs. In 2015, IRC-UK experienced a 14% growth in its portfolio.

IRC-UK continued pursuing its strategic objectives in 2015, improving outcomes in: Safety, Health, Education, Income and Power.

All IRC-UK departments make important contributions towards the strategic plan's accomplishment, and for each of the above outcomes we aim to increase available resources, shape the policies and programmes of major donors and policy-makers, and increase visibility and understanding of humanitarian issues among the media and general public.

Specifically, IRC-UK has been carrying out groundbreaking work in the sectors of women's protection and empowerment, and urban refugees and displaced people.

Some of this year's successes include:

Emergency assistance

IRC-UK secured increased funding from statutory donors to respond to emergencies across the world, as well as humanitarian crises that are not receiving significant media attention, for example:

Syria Crisis Regional Response

The protracted conflict in Syria has continued unabated during the last 12 months. So far it has claimed the lives of around a quarter of a million people, created 4 million refugees and caused 6.6 million people to become internally displaced. In total, 13.5 million people are believed to be in need of humanitarian assistance inside Syria. The IRC has been at the forefront of the response in the region. With European donor funds from the UK Department for International Development (DFID), the European Commission's Humanitarian Aid and Civil Protection department (ECHO) and the Swedish International Development Agency (Sida), amounting to £17 million in the year, the IRC has been able to provide support and services to 1.25 million affected by the conflicts in Syria and Iraq.

STRATEGIC REPORT (continued)

Report on progress against strategic priorities (continued)

Emergency assistance (continued)

Ebola Response in Sierra Leone

In 2015, the IRC in Sierra Leone received ten grants from European donors to respond to the ongoing Ebola Viral Disease (EVD) outbreak, with a total support of £27 million received from DFID, ECHO, Irish Aid and Sida.

Thanks to these funds, the IRC was able to quickly mobilise staff and resources to respond to the outbreak. As the lead agency in the Ebola Response Consortium, the IRC worked alongside fourteen partner organisations to deliver nationwide support to the health services, ensuring that health staff in hospitals and communities had the correct equipment and training to keep themselves and their patients safe.

Yemen Crisis

Yemen is not only the poorest and most water-scarce country in the Arab world, but it has also been plagued by a brutal civil conflict in recent years that has intensified following foreign intervention, creating one of the world's worst humanitarian crises. An estimated 15.2 million people are in need of basic health care in Yemen, an increase of 80% since March 2015. The IRC in Yemen began by implementing the Sida financed (£270,000) "Emergency Health and NFI (non-food items) Support to Conflict-affected People in Sana'a and Aden" project in September 2015. The project provides life-saving access to health services and basic NFIs (non food items) to conflict affected populations in these two cities. By the end of the project in April 2016, the IRC aims to reach 16,700 direct beneficiaries. The Start Fund also provided £160,000 in "Emergency Medical support to conflict affected Communities in Aden and Abyan"

Burundi Crisis

When political turmoil in Burundi led to violence, fear and uncertainty, causing 102,000 Burundians to flee to neighbouring Tanzania, the IRC responded with emergency health and hygiene activities to prevent diarrhoea and control the spread of cholera, and protection for the vulnerable, focussing on women, children and people with disabilities in Nyaragusu Refugee Camp and Manyovu, Kagunga and Kigoma transit centres. As the IRC was one of the few organisations already present and working with refugees, it was able to respond quickly to the new arrivals with funding from Sida and Irish Aid amounting to £1 million.

Women's protection and empowerment

Women's protection and empowerment (WPE) has remained a top priority for DFID, and IRC-UK has worked to extend the agreement that responding to and preventing violence against women in emergencies remains a top priority for the key policy makers across Europe. After joint efforts by the IRC, Irish Aid and the Luxembourg Presidency of the EU Council, women's and girls' protection in emergencies and the response to gender based violence (GBV) in all emergencies were successfully included in the EU Gender Action Plan 2016-2020. The IRC's leadership in advocating for a strong focus on women's and girls' protection in the World Humanitarian Summit (WHS) continued, with a strong recommendations package on the subject which will be taken to the May 2016 Istanbul Summit.

STRATEGIC REPORT (continued)

Report on progress against strategic priorities (continued)

Urban refugees

The IRC's high-level policy conferences on urban displacement in October 2013 and 2014 secured significant buy-in and interest in this important issue from across the sector, particularly within DFID and the UN Refugee Agency (UNHCR). In partnership with DFID, the IRC is leading a two-year policy and advocacy campaign in the run-up to the WHS and beyond. We are actively engaging with key stakeholders to move discussion beyond recognising the challenges of working in urban settings and providing appropriate assistance to the urban displaced as a result of conflict and fragility, to identifying concrete solutions to the core structural barriers. The IRC convened stakeholders to discuss urban issues and influence policy makers throughout the year and led the development of urban recommendations for the WHS. Urban issues remain a key part of the IRC's engagement plan for the WHS in 2016 where we will co-host a main plenary event on urban crises with UNHABITAT.

In addition to our successful policy and advocacy, the IRC has secured funding to lead the way in developing evidence and learning around best practice in urban humanitarian crises and has invested in developing new programming models and tools to meet the specific challenges and opportunities of working in cities. We are using this evidence to create champions for change at technical, structural and coordination levels. The first Urban Regional Practitioners' workshop was held in Istanbul to share lessons learned from urban response in the Middle East context of the Syrian conflict. The IRC will also be exploring the impact on urban displacement in the short and long term in other conflict settings.

Becoming a "Go To" agency:

IRC-UK's objective to become a "Go To" agency for stakeholders in Europe has been redefined as part of the IRC2020 and Europe Strategy processes conducted this year. This has led to a refinement of the purpose, outcomes and objectives alongside a recognition that events such as the European Refugee Crisis that gained public and political interest during the summer of 2015, gave the IRC the opportunity to showcase its expertise in working with refugees across the world. The IRC has been a clear voice in the public space for humanitarian consideration in what has been a political crisis as much as anything else. The IRC produced policy briefings on refugees in Turkey (based on a large scale assessment conducted there) and five areas for action in Europe, which were widely distributed and well-received by stakeholders in London and Brussels, with positive feedback about their impact in getting attention to these issues. The IRC's work saw both our issues and our name start to be used increasingly in the UK and EU Parliaments in relation to the crisis as a 'truth teller' with operational knowledge and experience. It has also led to a special European Parliament Home Affairs Committee session on hotspots, at which Emergency Field Director Lani Fortier will give evidence on the situation in Lesbos, alongside responsible people from the European Commission and Greek authorities.

STRATEGIC REPORT (continued)

Report on Progress against Strategic Priorities (continued)

Future plans

In January 2015, the IRC published its organisation-wide 'strategic refresh', identifying key opportunities for and challenges to the agency's growth, and informing a new global strategic plan for the IRC, the highlights of which are included under 'Principal Aims and Objects' above. The UK office was closely involved in the development of this plan.

During the course of 2015, IRC-UK worked on its own new five year UK and Europe Strategy, which will support the new global strategic plan with the goal of driving a higher profile building on the successes of IRC-UK, generating more funding and achieving greater influence for the IRC within Europe.

IRC-UK places evidence-based responses, effectiveness, client responsiveness and transparency at the centre of its work. It sees itself as an NGO that bridges emergency response and a longer term approach by advocating for:

- long term, predictable humanitarian financing that increases effectiveness and the overall cost-benefit of humanitarian action;
- a joined up response to long term, urban displacement; and
- the Sustainable Development Goals (SDGs) to be upheld in fragile and conflict affected states.

Particular areas of focus are influencing policy and practice in:

- cash based response and sustainable livelihood solutions;
- urban displacement;
- women and girls in emergencies, particularly sexual and reproductive health needs;
- education in emergencies; and
- the European Refugee crisis.

This is alongside ensuring that the needs of refugees and conflict affected people in Europe are addressed by UK and European stakeholders.

IRC-UK is consolidating its role as a thought leader in the UK and Europe. Examples of our fundraising and advocacy work and of field programmes funded by European donors are included in the 'Objectives and Activities' section below. These highlight key achievements and provide details of projects that cut across our organisational focus on Safety, Health, Education, Income and Power.

Financial report for the year

In 2014-15, IRC-UK saw a further increase in multi-year grants going towards programmes in key crisis regions. These included:

- scaling up activities in the Syria region with new grants from DFID, ECHO and Sida, amounting to funding of over £34m to support programmes in Syria, Iraq, Jordan, Lebanon and Turkey. This included DFID-funded UK Aid Match related to the Financial Times Seasonal Appeal 2014;
- responding to the evolving and long-term needs of internally displaced people in Pakistan (£8m);
- the last phase (£13m) of IRC-UK's multi-year ground breaking community driven reconstruction programme in Eastern Democratic Republic of Congo;
- increasing our work on protection of conflict-affected populations, particularly women and girls, responding to the continued crisis in South Sudan (£5m);
- growing the IRC's activities in Sierra Leone (£8m) as one of the lead implementers in the Ebola crisis, providing infection prevention and control services, primary healthcare and WASH (Water, Sanitation and Hygiene) infrastructure; and
- humanitarian work in countries suffering protracted crises such as Central African Republic (community based social and economic empowerment for vulnerable women and children), Somalia (multi-sectoral assistance in health, protection, livelihoods, WASH and emergency preparedness) and in areas of new conflict such as Yemen (emergency health and Non Food ItemsNFI support).

IRC-UK has also been able to secure an increasing number of thematic multi-country grants, led by our Technical Units, including:

- a DFID-funded Urban Refugees Advocacy and Learning Partnership (URALP), aiming to increase the capability of DFID, its partners and the humanitarian community to better understand the situation of refugees and internally displaced people within urban settings, and how to respond to urban crises in a conflict-sensitive manner, improving the living conditions of refugees as well as hosting communities;
- WPE advocacy work funded by Irish Aid, to support the IRC to use learning generated from emergency and recovery areas of work to reinforce and generate political commitments from key European donors and policy makers, for the prevention of GBV in emergency responses.

STRATEGIC REPORT (continued)

Financial report for the year (continued)

The above examples and more were possible only thanks to continued grant funding for international work from statutory donors, including increased commitments from DFID (total of £80,822,000 with an annual increase of £17,886,000), and Sida (total of £7,172,000 with an annual increase of £2,487,000) and continued significant support from ECHO (£23,376,000), EuropeAid (£2,829,000), the Danish International Development Agency (DANIDA) (£1,986,000), Irish Aid (£690,000), the Dutch Ministry of Foreign Affairs (£1,803,000) and the Swiss Development Cooperation (SDC) (£187,000) together with funding from trusts, foundations and individuals. Full details can be found in the notes to the financial statements Year to 30 September 2015.

IRC-UK also succeeded in increasing voluntary income to £2.5m, (2014: £2.4m) of which £1.9m relates to voluntary income and £0.6m to charitable activities.

Reserves policy

Free reserves are the funds of the charity excluding the restricted funds, any designated funds, and the value of funds tied up in fixed assets for the charity's use.

The charity aims to hold free reserves sufficient to protect the organisation against an unexpected loss of income, or other unanticipated financial risks, and for investment in the long-term future of the organisation. The organisation strives to maintain free reserves equivalent to six months operating expenditure of the charity, which is currently being achieved. The trustees monitor the level of actual and projected reserves and believe these to be sufficient to meet the current level of risk.

The designated fund of £15,000 is provided for the annual provision of major repairs.

Financial position

The majority of IRC-UK's income is project-specific, restricted funding. Much of this funding is received in advance but is required by the Charity SORP to be included as income at the time of receipt rather than deferred to future periods. The value of restricted programme funding received but not expended prior to 30 September 2015, and which does not form part of the charity's available reserves, was £29.4m (2014: £26.5m).

The restricted income for the year was £120.9m (2014: £106.5m), and the restricted expenditure for the year was £118.0m (2014: £99.4m), which gives rise to an increase in restricted funds carried forward of £2.9m.

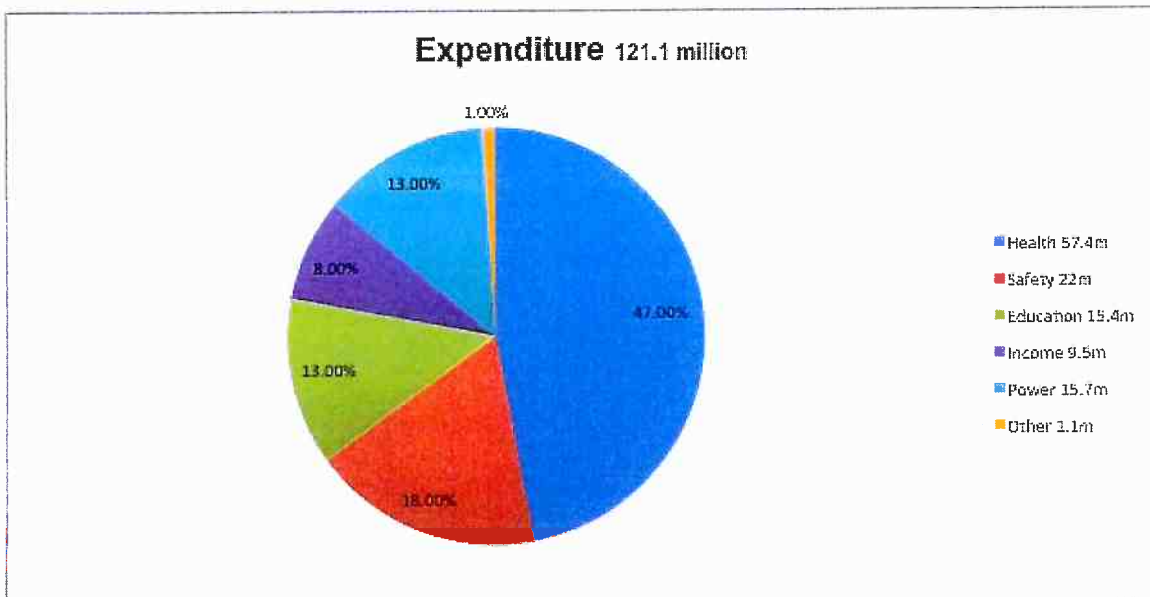
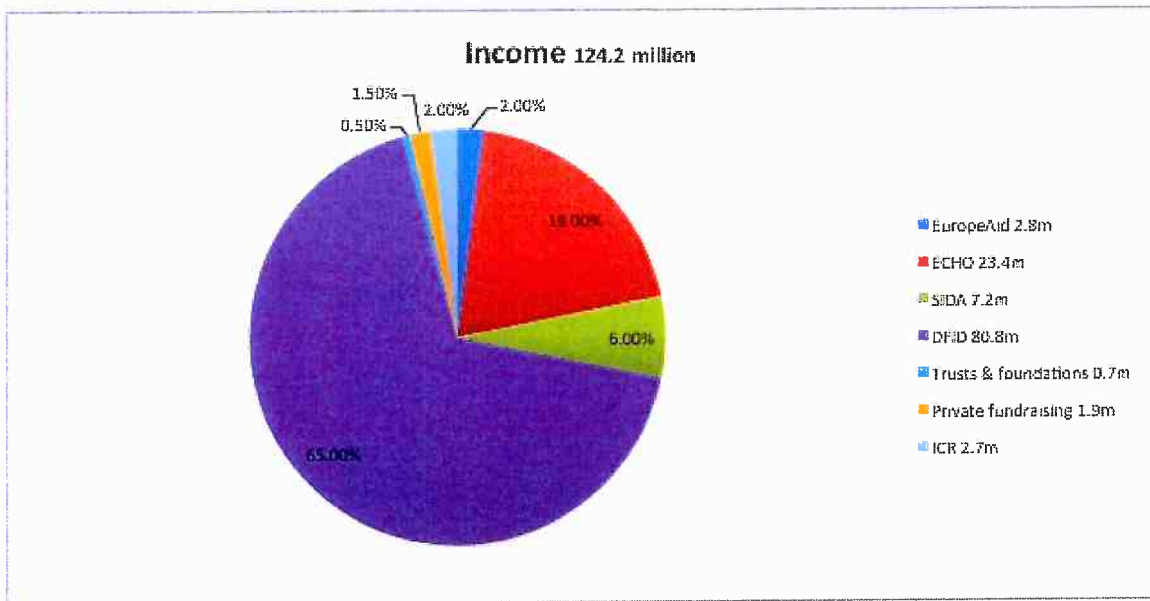
STRATEGIC REPORT (continued)

Financial report for the year (continued)

Financial position (continued)

At 30 September 2015, the unrestricted funds of the charity stood at £2.1m (2014: £1.85m). Unrestricted funds include £103,000 (2014: £85,000) of fixed assets; £15,000 of designated funds, and £1,980,000 (2014: £1,702,000) of free reserves.

In the year to 30 September 2015, the total income was £124.2m (2014: £108.7m). The total expenditure was £121.1m (2014: £101.2m).



STRATEGIC REPORT (continued)

Financial report for the year (continued)

Financial position (continued)

During the year, IRC-UK made a surplus of £245,000 (2014: £346,000) on the unrestricted fund. The surplus in 2015 could be used, if needed, to offset a planned budget deficit of £78,000 in 2016, based on the budgeted cost of UK office operations.

IRC Inc will continue to provide a share of the Income Cost Recovery (ICR) as unrestricted allocation based on expected grant expenditure.

Matching funds

IRC-UK needs additionally to monitor matching fund liabilities of its possible future grants. The policy of the charity is to monitor carefully matching fund liabilities as part of the proposal development process, and to engage with implementing and funding partners to ensure that matching fund liabilities are met. IRC Inc has also agreed to support the fulfilment of matching fund obligations of projects that have been approved under IRC network procedures, as well as to guarantee any expenditure that is disallowed by donors on these projects.

The charity's assets

Acquisitions and disposals of fixed assets during the year are recorded in the notes to the financial statements.

Principal risks and uncertainties

The trustees have mandated the Audit and Governance Committee to oversee the risk management framework and the effectiveness of the management of risk, to ensure key risks are reviewed and prioritised by the IRC-UK senior management team and established systems are in place to mitigate all significant risks. This review of the major risks to which the charity is exposed, both within the UK and internationally, is carried out using a risk management framework that identifies and prioritises risks, evaluates the likelihood of such risks and the level of impact they would have, and sets out the mitigation approach and responsibilities, under the following headings:

- Strategic risk – including volatility of charitable income from economic uncertainties in donor countries and changes in donor funding priorities.
- Reputational risk – including media exposure due to the IRC's increasing profile. Additionally, the IRC works in locations where the terrorism threat is significant and very much in the public agenda. During the year, Internal Audit continued its work with reviews in country offices to ensure anti-terrorist checks were performed on suppliers and on the purchase or disposal of assets
- Field operations – limited through Grant Implementation Agreements with the IRC and comprehensive operating and financial procedures, which are being reviewed and strengthened with a number of projects introducing improvements in Finance, HR and procurement and in wider management information

STRATEGIC REPORT (continued)

Financial report for the year (continued)

Principal risks and uncertainties (continued)

- UK operations – including business continuity risks associated with IT and other systems and premises, Health and Safety and Employment Relations risks
- Financial risk – donor financial compliance risk, the risk of fraud, and exchange risks associated with funding secured in a range of donor currencies.
- Statutory compliance – with UK Companies Act and Charity Commission guidance and with specific UK legislation including the Bribery Act 2010. Compliance by field programmes is transferred to IRC Inc through Grant Implementation Agreements. Additionally, to assist with issues of compliance, IRC-UK is on the IRC Inc Audit Committee and receives IRC Inc's external and internal audit findings. The SVP Europe and Executive Director is a member of the IRC Inc Leadership Board and conversely a staff member from IRC Inc attends the UK Board Meeting.

Policies and procedures are in place for child protection, whistle-blowing, anti-fraud compliance and health and safety.

In addition, the financial and management systems under which IRC programmes operate are subject to external review by auditors acting on behalf of funding partners, and internal review by the IRC Internal Audit team on a risk-based schedule.

The trustees are satisfied that key risks have been identified and mitigation strategies are in place, and that operating and financial procedures provide sufficient protection against exposure to risk.

ACHIEVEMENTS AND PERFORMANCE DURING THE YEAR

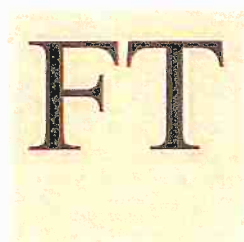
Fundraising and profile-building

The IRC's heartfelt thanks goes to all the dedicated supporters whose generosity has enabled the transformation of the lives of millions of people forced to flee their homes.

In 2015, we received incredible support from many individuals, trusts and foundations, companies and other organisations, who together donated £2.5m to support the IRC's work worldwide. This included our Ebola Emergency Response, the Financial Times (FT) Seasonal Appeal and the European and Middle East Refugee Crisis Appeal. All in all, the scale of this support marks a step change for the IRC in the UK and Europe, and will help many more people survive, recover and gain control of their futures.



Financial Times Seasonal Appeal: Reaching new audiences



FINANCIAL
TIMES

In 2014, the IRC was chosen to be the FT Seasonal Appeal partner, providing FT readers with a unique insight into our humanitarian programmes around the world. Inspired by stories published both in print and online between November 2014 and February 2015, readers helped raise an impressive £2.2 million.

The Appeal highlighted the IRC's work in the Syria region, South Sudan, West Africa, Myanmar and our refugee resettlement programme in the US. Accompanying these stories was a full range of editorials, adverts, blogs and videos.

Highlights included:

- A DFID pound for pound match for UK general public donations through the FT appeal.
- An Online Auction, which raised over £60,000, offered FT readers the opportunity to bid for unique experiences with leaders in politics, business, finance and entertainment.
- An exclusive photography auction at Getty Gallery, to which world-renowned photographers such as Steve McCurry donated prestigious and iconic photographs, raising over £40,000.
- The Asfari Foundation's £150,000 donation towards our work in the Syria region.

Ebola emergency response: From the brink to recovery

Since the Ebola outbreak in 2014, IRC has been at the forefront of the fight to stop the spread of the deadly virus, which killed almost 12,000 people and infected over 28,000. IRC's Ebola Emergency Response (EER) was only possible thanks to the generosity of our supporters, whose gifts enabled us to send health workers to the frontline, offering life-saving assistance to the people in Liberia and Sierra Leone.

ACHIEVEMENTS AND PERFORMANCE DURING THE YEAR (continued)

Fundraising and profile-building (continued)

Highlights included:

- £145,000 from Novartis to prevent the spread of Ebola, to help inform, mobilize and protect Liberian local communities, and also to provide vital care to our staff responding on the ground
- As part of the ongoing IRC and RELX (previously Reed Elsevier) partnership, the company and its staff are close to raising £95,000 for the IRC for education programming in Sierra Leone. The funds raised allowed education to continue whilst schools were closed during the outbreak.



In Sierra Leone, the IRC reached over 160,000 people, supported over 200 health facilities and trained more than 400 government health workers, also initiating an “early warning system” to help detect Ebola. In Liberia, we supported the reopening of Redemption Hospital, the largest public hospital in Montserrado County, trained teachers, principals and community leaders in back-to-school Ebola safety and have been actively working with local communities to prevent Ebola spreading and taking more lives.

Special Thanks

Special thanks goes to DFID for matching pound for pound every donation made by the UK general public towards our FT Seasonal Appeal, and to the Asfari Foundation, Bernard Van Leer Foundation, Comic Relief, Ethical Tea Partnership and UBS Optimus Foundation for their on-going support.

Finally, thanks to our UK Board of Trustees and Development Committee for their guidance and generosity.

Advocacy

In addition to providing direct emergency and long-term support to those affected by conflict and natural disaster, the IRC works to ensure that the global response to particular humanitarian crises, and to emergencies in general, is timely, effective and delivers real change on the ground. Our advocacy is informed by a deep understanding of the countries and contexts in which we operate, as well as our significant technical expertise. The IRC aims to influence and shape the policies of the UK, EU and UN institutions, in order to address the underlying causes of suffering and improve the living conditions of the world's most vulnerable people.

Syria and the European refugee crisis

The humanitarian situation in Syria and conditions confronting Syrian refugees in neighbouring countries continued to deteriorate over the course of 2015, forcing hundreds of thousands to cross the Mediterranean and Aegean seas in a bid to reach the European

ACHIEVEMENTS AND PERFORMANCE DURING THE YEAR (continued)

Advocacy (continued)

Union. Significant IRC-led initiatives aimed at keeping the Syrian humanitarian crisis on the agenda included the

organisation, with urban policy and field colleagues, of an event on the Syrian refugee crisis. This was arranged in the margins of the WHS regional consultation in Amman, which brought experts from the UN, World Bank, INGO community, Jordanian Government, Lebanese local authorities and civil society together to exchange ideas and identify common challenges to the humanitarian response.

In addition to continued lobbying towards cooperation with DFID and the Foreign and Commonwealth Office (FCO) (which saw the UK continue to increase its record allocation of financial support to the Syria relief effort), the policy and advocacy team worked closely with media and communications colleagues to draft and place high-level opinion pieces and long-form essays, authored by David Miliband, in outlets such as TIME Magazine, CNN, the Guardian, the Independent, New York Daily News, Deutsche Welle and Horizons.

The IRC also played an active role in coalition efforts spearheaded by Crisis Action, inputting to the organisation's 2015 and protection of civilian strategies, contributing language and policy asks to joint statements and letters, participating in core group meetings with DFID and FCO to explore initiatives around the humanitarian crisis (e.g. the appointment of humanitarian envoys), and inputting material to a report released to coincide with the G20 Summit in November, calling for a long-term approach to the Syrian refugee crisis that includes cash programming and livelihoods support for displaced people and their hosts.

As more than 50% of refugees arriving in Europe via the Mediterranean and Aegean seas are Syrian, our presence in the Middle East and part of the above work fed into policy and advocacy efforts around the crisis, allowing the IRC to emerge as one of the most thoughtful and consistent voices regarding the influx, in the UK and EU contexts. Our work around this included co-founding (with the British Refugee Council) a refugee crisis working group in London, comprising international humanitarian and human rights organisations and domestic refugee assistances and rights bodies, in order to share policy intelligence and analysis. In addition, the IRC provided written and oral evidence to a UK International Development Committee inquiry on the crisis; produced and distributed briefing notes to key DFID targets, MPs and EU officials and participated in a scoping mission to Italy in spring 2015.

ACHIEVEMENTS AND PERFORMANCE DURING THE YEAR (continued)

Advocacy (continued)

Humanitarian crises in urban settings

More than half of the world's refugees and internally displaced people are sheltering in cities and towns across the globe, rather than in camps. This requires different humanitarian approaches to the delivery of assistance, in order to meet the varied needs of impacted populations and support host cities and towns and their systems in coping.

The IRC is increasingly recognised as a global thought leader on the issue of urban displacement and the impact of humanitarian crises in urban settings. In close cooperation with the DFID, we are working to ensure that donors, policy makers and other practitioners understand and respond effectively to such crises.

Over the past year, the IRC has produced a series of policy papers, presented at global events and organised workshops in the lead-up to the WHS, releasing a comprehensive briefing paper 'Humanitarian Action in a New Urban World' ahead of WHS consultations in Europe and – in cooperation with UK Syria advocacy colleagues – organising a 60-participant event on the Syrian refugee crisis on the margins of WHS regional consultations in Amman. Throughout the year policy makers and UN agencies have actively sought our expertise in formulating internal thinking and approaches to urban displacement.

The IRC has also worked to ensure that the urban dimension of crises and displacement is high on the WHS agenda. We co-convened the Urban Coordination Cell, responsible for the urban track of the WHS, to develop important recommendations for this forum and beyond. We are leading the creation of a Global Alliance for Urban Crises which brings together key stakeholders across humanitarian, development, urban sectors with local authority networks to drive forward the changes needed across the entire system.

Women's protection and empowerment

The IRC continued to play a leading role in advocating for women and girls' safety, protection and empowerment in emergency settings. In partnership with Irish Aid and the Luxembourg Presidency of the EU Council, the IRC launched a report in September 2015 entitled 'Are We There Yet? Progress and challenges in ensuring lifesaving services and reducing risks to violence for women and girls' in emergencies'. The IRC built on the report's findings at a technical workshop in Brussels that month to provide an update on achievements in selected GBV emergency responses (Central African Republic, Iraq, Sierra Leone, and South Sudan), and to highlight existing gaps in humanitarian responses to GBV (including funding and coordination) and the much needed focus on the implementation of high-level commitments. As a result of this advocacy, GBV in emergencies and the IRC's specific recommendations were included in the EU Council Conclusions on the EU Gender Action Plan 2016-2020, which will inform EU policy, programmes and funding affecting women and girls in humanitarian settings.

ACHIEVEMENTS AND PERFORMANCE DURING THE YEAR (continued)

Advocacy (continued)

The IRC continues to lead on the field of women's protection in emergencies in the UK context, where it was invited to brief the UK Parliament Lords Select Committee on Sexual Violence in Conflict on various occasions and provide both oral and written evidence. The IRC's subsequent submissions to the Committee's inquiry focused on the importance of addressing women's and girls' needs in conflict holistically, and pairing sexual violence investigation and monitoring efforts with lifesaving services for survivors. The IRC has succeeded in becoming the 'go to' agency with the ideal expertise and evidence to influence the policy and practice of partners such as DFID, Irish Aid, Sida and a range of NGO networks:

- The IRC provided expert guidance on GBV in the humanitarian system during the Irish Humanitarian Summit in 2015;
- The IRC led joint global advocacy efforts with sister agencies in the UK and Europe through the UK Gender and Development Network and the UK Gender Action for Peace and Security Networks, leading on drafting recommendations to the US Government which were successfully reflected in the final Road Map of the Call to Action on protection from GBV in emergencies, as well as on gender and GBV in the WHS, which will have its own set of recommendations due to this advocacy.

Other crises and contexts

In addition to the above work, the IRC continued to conduct policy and advocacy efforts around several crises and contexts, including:

- Ebola: Co-founded the Ebola working group in the UK, coordinated joint INGO statements, secured IRC participation and presenting core IRC messages at high-level policy events, working to raise awareness of the humanitarian impact of the Ebola crisis, inputting to DFID draft protection policies, producing briefings for MPs
- Nigeria: Conducted an advocacy mission to Nigeria to meet with INGO colleagues, DFID, EU and UN officials, produced a briefing paper for MPs, developed parliamentary questions around the UK's response to the crisis in the north-east of the country, coordinated joint INGO letters to Government and meetings with DFID and FCO
- Yemen: Played an active role in developing Crisis Action's strategy around the Yemen crisis, participating in core group meetings with DFID and the FCO, providing briefing and speaking points for David Miliband's testimony to the US Senate's Foreign Affairs Committee and meeting with key Gulf States and UN officials, drafting letters to UN Security Council members on the crisis, drafting and placing an op-ed on the crisis on Al Jazeera
- Iraq: Founding and chairing a working group of 12 INGOs in the UK, focused on the humanitarian and displacement crisis in Iraq, producing briefing notes for MPs, acting as a focal point for UK Government engagement with the INGO community, both in London and in the field
- BOND Humanitarian Group: As co-chair of the group, coordinated the production, with BOND, of a State of the World's Emergencies paper for new MPs, which provided briefing notes on more than a dozen humanitarian crisis, as well as background notes on the humanitarian system and conflict policy challenges

ACHIEVEMENTS AND PERFORMANCE DURING THE YEAR (continued)

Statutory donor-funded field programmes

Examples of European donor-funded field programmes active during 2015 include:

Syria crisis regional response

With funding from DFID, ECHO and Sida, amounting to £17 million in the year, the IRC has been able to provide support and services to 1.25 million people affected by the conflicts in Syria and Iraq.

In Syria, DFID funding has allowed the IRC and its partner organisations to support around 900,000 by providing:

- access to health services for around 480,000, with an emphasis on supporting primary and reproductive health delivery and structures;
- emergency response to acute needs for further 400,000 people;
- access to immediate protection services with a particular emphasis on the specific needs of children, adolescent girls and women;
- support to cover basic needs in a manner which supports local markets, resilience and dignity;
- access to education for conflict affected children.

ECHO funding has enabled the provision of:

- food assistance and livelihood support to around 17,500 conflict-affected Syrians;
- WASH activities to around 20,500 people.

The IRC also provides direct support to Syrian refugees and vulnerable members of host communities in Syria's neighbouring countries.

In Jordan, funding from DFID has allowed the IRC to support a population of 80,000 Syrian refugee women and girls and GBV survivors, providing access to improved protection services, including responses to counter gender-based violence and prevention services. With funding from ECHO, close to 47,000 people have benefited from an increase in the availability of age and gender appropriate protection and health services, mitigating the risk of GBV and addressing child protection concerns.

In Lebanon, DFID funding has enabled the IRC to provide assistance to 16,500 people, through the provision of access to cash assistance to support self-employment and skills building, and to employment services. Evidence on the progress, performance and impact of the programme will be used to improve the targeting of beneficiaries.

ECHO funding has allowed the IRC to extend access to GBV response services to 19,000 women and adolescent girls, contributing to strengthen the protective environment and reducing the risk of GBV.

ACHIEVEMENTS AND PERFORMANCE DURING THE YEAR (continued)

Statutory donor-funded field programmes (continued)

Support from Sida has helped the IRC to provide protection services to 56,000 women and girls through access to quality case management and psychosocial services, which recognise and respond to the specific needs of adolescent girls and displaced urban populations, reducing vulnerability to violence.

In Iraq, ECHO has helped the IRC provide lifesaving assistance to displaced and conflict-affected Iraqis. Around 8,600 extremely vulnerable internally displaced people have received improved protection and targeted cash assistance.

DFID supplemented these efforts allowing the provision of:

- improved access to information about humanitarian services, rights and entitlements to 7,000 urban internally displaced people;
- cash assistance or winter kits and other essential material items to 6,200 conflict affected people;
- community-based health and hygiene promotion interventions for 25,500 urban internal displaced people and host community residents;
- medicines to 28,500 internally displaced people and host community members.

Sida provided funding for the IRC to support 14,000 displaced Syrians in Iraq through access to quality case management and psychosocial services, focussing on the specific needs of adolescent girls and displaced urban populations. Furthermore, Sida's support allowed the IRC to help around 21,000 displaced Iraqis, with programmes including access to safe water, sanitation and community-based health and hygiene promotion interventions, and access to critical items such as bedding, kitchen sets and dignity kits.

In Turkey, ECHO enabled the IRC to support 3,000 Iraqi refugees with access to essential goods, services and a protective environment for their health and wellbeing through the cold winter months.

Ebola response in Sierra Leone

Grants from European donors with a value of £27m enabled the IRC to quickly mobilise staff and resources to respond to the Ebola Viral Disease (EVD) outbreak in 2015. As the lead agency in the Ebola Response Consortium (ERC), the IRC worked alongside fourteen partner organisations, providing support to health services and ensuring health workers were equipped and trained to keep themselves and their patients safe. The Consortium provided both financial and material support to:

- frontline staff working at checkpoints and in communities nationwide on surveillance
- the national '117' telephone hotline for suspected cases
- ambulances for transport to isolation units, where IRC-supported staff could provide treatment;
- burial teams to bury the dead in a respectful and dignified way, without posing a further infection risk to their communities

ACHIEVEMENTS AND PERFORMANCE DURING THE YEAR (continued)

Statutory donor-funded field programmes (continued)

Throughout the outbreak, the ERC worked with key stakeholders from the government through to National and District Ebola Response Committees, local health structures and communities to ensure that the response was appropriate, targeted and welcomed by the beneficiaries, and to help dispel some of the myths and stigma surrounding EVD.

With the subsequent drop in new cases, the ERC began to transition towards the longer term goal of strengthening the health system to help to prevent and contain future disease outbreaks through ongoing work to provide clean, running water and sanitation facilities to government hospitals and community health posts across the country. In addition, through the DFID-supported Protection Consortium, the IRC and its partners are working with vulnerable people including Ebola survivors and children orphaned by the disease to access the help and support they need as they begin to rebuild their lives.

ECHO provided funding to improve maternal and new born health care service and improved health care for patients who were suspected, probable and confirmed with the EVD. In total, 14,500 patients presented to Bo Government Hospital over the course of the project, and were appropriately screened. All 18 community health centres in the targeted districts have also seen significant improvements in WASH infrastructure, and in training and supporting health care workers to manage WASH facilities.

Funding received from Sida and Irish Aid went towards supporting other types of interventions to tackle EVD containment. The ERC conducted a quality assurance assessment of infection, prevention and control in peripheral health units and supported District Ebola Response Centres to strengthen surveillance activities in their districts, through the donation of vehicles. The early support from Irish Aid built the foundation for the IRC's ability to understand the most important response activities and how to implement them within the changing context. Specifically, the IRC learned about the importance of working with local leaders, partnering with the District Health Management team and ongoing sensitisation.

Yemen crisis

With funding from Sida, the IRC is providing access to life-saving health services and basic non-food items to conflict-affected people in Sana'a and Aden. The project started in September 2015 and aims to reach 16,700 beneficiaries by its end in April 2016. A central component is helping improve the capacity of the Al Sadaqa hospital, the main hospital in Aden, to provide critical antenatal care services for women, and improved access for boys and girls to immunization and other healthcare to reduce preventable diseases such as measles.

The other key component of this project has been to meet the basic needs of the conflict affected population, covering personal comfort, health, dignity and well-being. The IRC is working closely with the community to better understand the plight of women, taking into account the local realities around women's mobility and privacy to identify and assess the needs of the affected population for non-food items, and ensuring women receive this assistance directly

ACHIEVEMENTS AND PERFORMANCE DURING THE YEAR (continued)

Statutory donor-funded field programmes (continued)

Burundi crisis

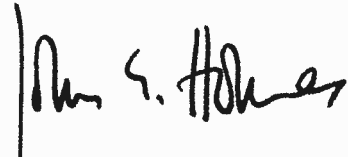
Funding amounting to £1m from Sida and Irish Aid enabled the IRC to respond quickly to the health, hygiene and protection needs of Burundian refugees fleeing political turmoil and violence. Working in Nyarugusu Refugee Camp and Manyovu, Kagunga and Kigoma transit centres in Tanzania, the IRC established three health posts to allow new arrivals access to medical care while in transit, conducted 15,269 health consultations and referred 230 patients. To improve hygiene, the IRC sensitised 15,931 people through hygiene and sanitation activities at the refugee transit centres and 33,650 people through community awareness raising events such as mass campaigns. Community hygiene promoters reached 52,000 people.

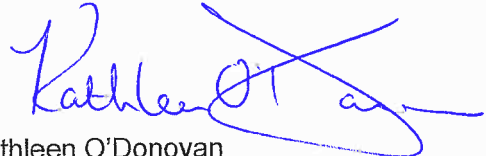
To protect the vulnerable, the IRC has raised awareness in communities on protection issues such as GBV, reaching 1,800 people and 633 survivors of this type of violence. Case management support was provided to 3,268 unaccompanied or separated children; training provided to 200 temporary foster parents to support the children put in their care; and 646 children received counselling. To ensure the hygiene and dignity of women and adolescent girls of reproductive age, the IRC provided 9,899 women and adolescent girls of reproductive age with sanitary kits. We also distributed jerry cans for safe water storage, blankets, cooking utensils, soap and dignity kits to 8,000 vulnerable people. In addition, 2,000 women have participated in women's empowerment activities.

To support people with disabilities, the IRC constructed a community-based rehabilitation centre in Nyarugusu camp and provided 366 people with physiotherapy and functional restoration services and 40 mobility supports to allow refugees to move with ease independently.

It is through these partnerships with European statutory donors that IRC-UK continues to contribute to the IRC's response to increasing crises around the world.

The trustees' report, which also comprises a strategic report and directors' report as per the Companies Act 2006, is approved by and signed on behalf of the trustees:


Sir John Holmes
Chair


Kathleen O'Donovan
Chair of Audit and Governance Committee

Approved by the trustees on:

16th MARCH 2016

Independent auditor's report Year to 30 September 2015

Independent auditor's report to the members of International Rescue Committee, UK

We have audited the financial statements of International Rescue Committee, UK for the year ended 30 September 2015 which comprise the statement of financial activities, the balance sheet, the cash flow statement; the principal accounting policies 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).

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 so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditor

As explained more fully in the Statement of trustees' responsibilities set out in the Trustees' Report, 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.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charitable company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Trustees' Report, including the strategic report, to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material inconsistencies we consider the implications for our report.

Independent auditor's report Year to 30 September 2015

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 30 September 2015 and of its incoming resources and application of resources, including 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.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Trustees' Report, including the Strategic Report, for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

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.

We have nothing to report in respect of these matters.



Edward Finch, Senior Statutory Auditor
for and on behalf of Buzzacott LLP, Statutory Auditor
130 Wood Street
London
EC2V 6DL

31/3/16

Statement of financial activities Year to 30 September 2015

	Notes	Unrestricted funds £'000	Restricted funds £'000	Total 2015 funds £'000	As Restated Total 2014 funds £'000
Income and expenditure					
Incoming resources					
Incoming resources from generated funds					
. Voluntary income	1	570	1,299	1,869	1,473
. Investment Income	1	33	—	33	47
Incoming resources from charitable activities	2	2,693	119,627	122,320	107,226
Total incoming resources		3,296	120,926	124,222	108,746
Resources expended					
Cost of generating funds	4	896	—	896	833
Charitable activities					
. Health		989	56,369	57,358	39,275
. Safety		380	21,617	21,997	17,457
. Education		265	15,084	15,349	9,749
. Income		164	9,362	9,526	7,529
. Power		271	15,449	15,720	25,396
. Other		2	140	142	933
Total charitable activities	5	2,071	118,021	120,092	100,339
Governance costs		84	—	84	52
Total resources expended	3	3,051	118,021	121,072	101,224
Net incoming resources for the year		245	2,905	3,150	7,522
Balances brought forward at 1 October 2014	13	1,852	26,510	28,362	20,840
Balances carried forward at 30 September 2015		2,097	29,415	31,512	28,362

All of the charity's activities derived from continuing operations during the above two financial periods.

The charity's activities have been classified in line with the outcomes as specified in IRC Strategy 2015 – 2020. Financial Year 2014 charitable activities have been restated in line with the new classification.

Income and costs relating to Technical Units have been excluded from the financial statements for the year to 30 September 2015 and prior year income and expenditure has been re-stated for the year to 30 September 2014 for comparative purposes. This treatment has no impact on the reported surplus for either year (see note 20).

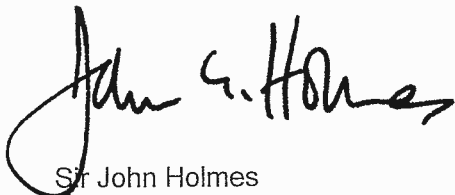
The charity has no recognised gains and losses other than those shown above and therefore no separate statement of total recognised gains and losses has been presented.

The notes on pages 34 to 46 form part of these financial statements.

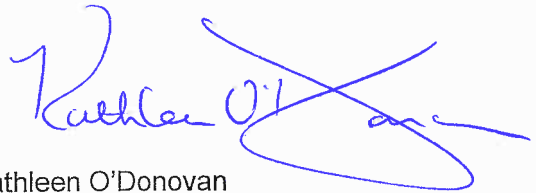
Balance Sheet as at 30 September 2015

	Notes	2015 £'000	2015 £'000	2014 £'000	2014 £'000
Fixed assets					
Tangible assets	9		102		85
Current assets					
Debtors	11	19,963		15,029	
Cash at bank and in hand		23,785		23,722	
		<u>43,748</u>		<u>38,751</u>	
Creditors: amounts falling due within one year	12	<u>(12,338)</u>		<u>(10,474)</u>	
Net current assets			<u>31,410</u>		<u>28,277</u>
Total net assets			<u>31,512</u>		<u>28,362</u>
Represented by:					
Funds and reserves					
Income funds:					
Restricted funds	13		29,415		26,510
Unrestricted funds					
. Designated funds			15		65
. General fund			2,082		1,787
			<u>31,512</u>		<u>28,362</u>

Approved by and signed on behalf of the trustees:



Sir John Holmes
Chair



Kathleen O'Donovan
Chair of Audit and Governance Committee

Approved by the trustees on: 16th MARCH 2016

Company Registration Number: 3458056

Cash flow statement for the year to 30 September 2015

	Notes	2015 £'000	2014 £'000
Cash inflow from operating activities	A	77	6,825
Returns on investments	B	33	47
Capital expenditure and financial investment	B	(47)	(1)
Increase in cash	C	63	6,871

Notes to the cash flow statement for the year to 30 September 2015

A. Adjustment of net (outgoing)/incoming resources before transfers to net cash (outflow)/inflow from operating activities

	2015 £'000	2014 £'000
Net incoming resources before transfers	3,150	7,522
Depreciation charge	30	27
Investment income and interest receivable	(33)	(47)
(Increase) decrease in debtors	(4,934)	714
Increase (decrease) in creditors	1,864	(1,391)
Net cash inflow from operating activities	77	6,825

B. Gross cash flows

	2015 £'000	2014 £'000
Returns on investments		
Investment income and interest received	33	47
Capital expenditure and financial investment		
Payments to acquire tangible fixed assets	(47)	(2)

C. Analysis of changes in net cash

	At 1 October 2014 £'000	Cash flows £'000	At 30 September 2015 £'000
Cash at bank and in hand	23,722	63	23,785

Basis of accounting

The financial statements have been prepared under the historical cost convention and in accordance with the requirements of the Companies Act 2006. Applicable United Kingdom Accounting Standards and the Statement of Recommended Practice "Accounting and Reporting by Charities" (SORP 2005) have been followed in these financial statements.

Basis of consolidation

The results of the charity's subsidiary, IRC-UK Trading Limited, have not been consolidated as it was dormant throughout the year.

Income

Incoming resources are recognised in the period in which the charity is entitled to receipt and the amount can be measured with reasonable certainty. Incoming resources are deferred only where the donor has imposed restrictions on the expenditure of resources, which amount to pre-conditions for use that have not been met at the balance sheet date (e.g. the receipt in advance of a grant for expenditure in a future accounting period).

Where grants are paid in arrears based upon expenditure incurred, income is accrued to the extent that recovery from the funder under a confirmed funding arrangement is considered reasonably certain.

Grants from government and other agencies have been included either as income from activities in furtherance of the charity's objectives where these amount to support for specific activities and services, or as voluntary income where the money is given in response to an appeal although IRC Inc core funding is within income from charitable activities.

Resources expended

Expenditure is included in the statement of financial activities when incurred and includes attributable VAT, which cannot be recovered.

Resources expended comprise the following:

- a. The costs of generating funds represent the salaries, direct costs and overheads associated with generating income.
- b. The costs of charitable activities, which comprise expenditure on the charity's primary charitable purpose, i.e. overseas field operations. These include support costs, which represent the costs incurred by UK based staff providing support for IRC-UK's international programmes. Support costs include management, policy and advocacy work, supervision, and technical support for IRC-UK's emergency and development programmes.

Principal accounting policies Year to 30 September 2015

Resources expended (continued)

- c. Governance costs comprise the costs which are directly attributable to the management of the charity's assets and the necessary legal and organisational procedures for compliance with statutory and governance requirements.

The majority of costs are directly attributable to specific activities. Staff costs are apportioned to the groups of costs listed above on the basis of time spent. Other non-directly attributable costs are allocated on the basis of apportioned staff time.

Where not directly attributable, the cost of support to specific charitable activities is apportioned on the basis of the value of expenditure incurred on the activity during the year.

Staff cost and expenses relating to Technical Units, and their subsequent reimbursement from IRC Inc are not recognised in income or expenditure included on the Statement of Financial Activities as IRC-UK does not have sufficient control over the activities of these staff members, which report directly to IRC Inc. but operate from the offices of IRC-UK for reasons of practicality. This treatment was applied for the first time during the financial year to 30 September 2015. Prior year income, expenditure and staff costs have been re-stated for the year to 30 September 2014 for comparative purposes.

Interest receivable

IRC-UK allocates interest to restricted funds where funds relate to long-term projects and where the interest receivable is significant in relation to the funds held and in accordance with donor regulations.

Foreign currency

Assets and liabilities are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of the transaction.

Foreign currency risk is managed by holding restricted donor funds in the grant reporting currency in both the UK and field.

Restricted exchange gains/losses accumulate due to exchange rate differences arising on the retranslation of project balances into sterling at year end. These differences are temporary and therefore they are not attributed to specific projects until those projects are complete. Once a project is complete, foreign exchange gains and losses are written off to restricted funds.

Leased assets

Rentals applicable to operating leases under which substantially all of the benefits and risks of ownership remain with the lesser are charged on a straight-line basis over the lease term.

Tangible fixed assets

All assets purchased for use in the UK office and costing more than £1,000 are capitalised at cost including incidental expenses of acquisition.

Depreciation is provided at the following annual rates on a straight-line basis in order to write off the cost of each asset over its estimated useful life:

- Equipment, including computer equipment - five years
- Leasehold improvements - over the remaining life of the lease up to a maximum of ten years
- Fixtures and fittings - four years

Items purchased for use in programmes overseas and with a useful life beyond the duration of the programme activities are either:

- charged in full to charitable expenditure when purchased, in accordance with the donor regulations; or
- purchased with IRC unrestricted funds and depreciation charged to the donor funding the specific programme (if allowed).

Unless the donor specifies otherwise, depreciation costs charged to donors are calculated on a straight-line method as above, over its estimated useful life:

- for vehicles and equipment the useful life is always three years
- for land and buildings, and leasehold improvements, the useful life is from three to a maximum of ten years but it cannot exceed the maximum period left on the lease

Fund accounting

The general fund comprises those monies that may be used towards meeting the charitable objectives of the charity and applied at the discretion of the trustees.

Designated funds comprise amounts within the total unrestricted funds of the charity, which the trustees have earmarked for specific purposes. Details of these are provided in note 14.

Restricted funds comprise monies raised for, or their use restricted to, a specific purpose, or contributions subject to donor imposed conditions.

1 Incoming resources from generated funds

	Unrestricted funds £'000	Restricted funds £'000	Total 2015 £'000	Total 2014 £'000
Voluntary income	570	1,299	1,869	1,473
Interest receivable	33	—	33	47
	603	1,299	1,902	1,520

Included within incoming resources from generated funds are donations of £134,001 from IRC-UK trustees (2014: £78,247).

Interest earned and retained amounted to £33,000 (2014 £47,000).

2 Incoming resources from charitable activities

	Unrestricted funds £'000	Restricted funds £'000	Total 2015 £'000	As Restated Total 2014 £'000
Grants				
Christian Blind Mission	—	125	125	32
. Comic Relief	—	134	134	188
. The Danish International Development Agency (DANIDA)	—	1,986	1,986	1,794
. The Dutch Government (Dutch MFA)	—	1,803	1,803	2,509
. European Community (EuropeAid)	—	2,829	2,829	2,633
. European Commission's Humanitarian Aid and Civil Protection department (ECHO)	—	23,376	23,376	26,993
. Ireland – Development Cooperation Division of the Department of Foreign Affairs (Irish Aid)	—	690	690	1,919
. Swedish International Development Cooperation Agency (Sida)	—	7,172	7,172	4,685
. Swiss Agency for Development and Cooperation	—	187	187	259
. UK Department for International Development (DFID)	—	80,822	80,822	62,936
. Other trusts and foundations	—	503	503	846
Total grants	—	119,627	119,627	104,794
Unrestricted income from grants	2,693	—	2,693	2,432
Total	2,693	119,627	122,320	107,226

Income and costs relating to Technical Units have been excluded from the financial statements for the year to 30 September 2015 and prior year income and expenditure has been re-stated for the year to 30 September 2014 for comparative purposes. This treatment has no impact on the reported surplus for either year (see note 20).

2 Incoming resources from charitable activities (continued)

IRC-UK acknowledges funding from the DFID for the following grants:

Contract No.	Programme	Income received £
AG4765	Community Driven Reconstruction in DR Congo "Communities Sowing the Future of Congo"	5,790,961
202909-101	Saving Lives, Saving Futures: Responding to the emergency in Eastern DRC	1,896,143
PO 6186	Support to the delivery of basic services in the Somali Region of Ethiopia	4,773,623
GPAF-IMP-090	Increased access to quality health care for children under five and mothers, in Acholi and Karamoja Regions of Uganda.	1,412,107
AG204007-111	Syria Cross-Border Assistance	11,391,454
203967-110	Creating Access, Creating Hope: Strengthening services for GBV survivors in 5 safe spaces in Jalozai IDP camp and Peshawar	670,796
204060-101	Accountable Grant Arrangement for creating a space, raising a voice.	2,023,961
204813-101	Iraq Rapid Response Facility	1,282,580
PO6256	Violence Against Women and Girls Research and Innovation Fund VAWG in Conflict and Humanitarian Emergencies	1,109,241
203400-101	Thailand Burma Border Consortium	1,627,114
202857-101	Sierra Leone Education Consortium	4,624,443
202994-103	Enhancing Nutrition Preparedness, Surveillance and Resilience in Kenya's Arid and Semi-arid Lands	2,622,520
5097	Valorisation de la Scholiarisation de la Fille (VAS-Y Fille)	6,429,551
203775-109	Sahel Nutrition Response in Chad, Mali, Niger and the needs based assistance for conflict affected children, youth and their communities in North Mali	733,098
204838-106	Rapid Response to Ebola Outbreak in Sierra Leone	11,100,000
206896-102	Ebola Isolation Units in Sierra Leone	3,441,839

2 Incoming resources from charitable activities (continued)

Contract No.	Programme	Income received £
204838-110	Improving Access to Appropriate Health Care for All Ebola Cases in Bo District	738,052
AG 204520	Humanitarian Assistance for those affected by the Syrian conflict in Syria, Lebanon and Jordan (DFID FY 2104-16 Allocation)	4,868,320
204967-105	Strengthening Infection Prevention and Control (IPC) and WASH Infrastructure in Government Hospitals in Sierra Leone	780,660
204967-101	Support to WASH facilities in Community Health Centres (CHCs)	2,220,374

In addition, IRC-UK acknowledges funding from DFID through other mechanisms:

Funding via Crown Agents:	Income Received £
Health Pool Funds Rubkona Country, South Sudan	172,846
Support for Health Service delivery and system strengthening in Unity State, South Sudan	1,969,659
Health Service delivery and system strengthening, Payinjar County, Unity State, South Sudan	557,975

IRC-UK acknowledges funding from Danish International Development Agency (DANIDA) for the following grants:

Contract No.	Programme	Income received £
104.SudSudan.27-200--.6	Promoting Protection and Accountability for Women and Girls in South Sudan	1,448,738
SPEDAH	Support to Primary Education in Distant Areas of Helmand (SPEDAH), Afghanistan	541,381

3 Analysis of resources expended from unrestricted funds

	Cost of generating funds £'000	Charitable activities £'000	Governance costs £'000	Total 2015 £'000	Total 2014 £'000
Direct costs					
Staff costs	481	756	—	1,237	850
Direct costs	65	159	—	224	228
Audit costs	—	—	43	43	33
Total direct costs	546	915	43	1,504	1,111
Support costs					
Staff costs	165	544	17	726	834
General support costs	154	508	22	684	508
Travel, transport and accommodation	31	104	2	137	117
Total support costs	350	1,156	41	1,547	1,459
Total resources expended	896	2,071	84	3,051	
Total resources expended 2014	833	1,685	52		2,570

Support costs include the costs of general administration and management, allocated to cost of generating funds, charitable activities and governance costs on the basis of the proportion of staff time attributable to those categories. Support costs charged to the category of charitable activities are further allocated across individual activities or sectors on basis of proportional direct expenditure incurred on those activities during the year (see note 5).

Staff costs include training and recruitment costs, and exclude any staff costs charged to restricted funds.

4 Cost of generating funds

The cost of generating funds can also be analysed as follows:

	Total 2015 £'000	Total 2014 £'000
Generation of voluntary income and costs of activities for generating funds	103	111
Generation of income from charitable activities	793	722
	896	833

5 Charitable activities

	Support costs £'000	Activities undertaken directly £'000	Total 2015 £'000	As Restated Total 2014 £'000
Health				
Health (includes psychosocial)	810	46,187	46,997	27,996
Environmental health	179	10,182	10,361	11,279
	989	56,369	57,358	39,275
Safety				
Child protection	116	6,638	6,754	7,367
Women's protection and empowerment (GBV)	264	14,979	15,243	10,090
	380	21,617	21,997	17,457
Education				
Education (including Vocational)				
Public Education	265	15,084	15,349	9,749
	265	15,084	15,349	9,749
Income				
Livelihoods	163	9,275	9,438	6,996
Agriculture	1	83	84	533
Economic Development	—	4	4	—
	164	9,362	9,526	7,529
Power				
Protection and Rule of Law	90	5,128	5,218	5,617
Good Governance	96	5,456	5,552	10,148
Community development	80	4,561	4,641	9,584
Civil society	5	304	309	47
	271	15,449	15,720	25,396
Other				
General costs	2	140	142	933
	2	140	142	933
Total	2,071	118,021	120,092	100,339

Support costs are allocated across charitable activities in proportion to activities undertaken directly. Support costs include management, policy and advocacy work, supervision, and technical support for IRC-UK's emergency and development programmes.

Income and costs relating to Technical Units have been excluded from the financial statements for the year to 30 September 2015 and prior year income and expenditure has been re-stated for the year to 30 September 2014 for comparative purposes. This treatment has no impact on the reported surplus for either year (see note 20).

6 Net movement in funds

This is stated after charging:	Total 2015 £'000	Total 2014 £'000
Staff costs (note 7)	2,368	1,945
Statutory auditor's remuneration		
. Current year	31	25
. Prior year	6	5
Non-audit services		
. Current year	16	17
. Prior year	8	4
Other auditor's remuneration	3	3
Depreciation	30	27
Operating lease charges	166	127

7 Staff costs and trustees' remuneration

	2015 £'000	As Restated 2014 £'000
Staff costs for UK based staff during the year were as follows:		
Wages and salaries	2,050	1,683
Social security	210	184
Pension costs	82	78
Severance costs	26	—
	<u>2,368</u>	<u>1,945</u>

Income and costs relating to Technical Units have been excluded from the financial statements for the year to 30 September 2015 and prior year income and expenditure has been re-stated for the year to 30 September 2014 for comparative purposes. This treatment has no impact on the reported surplus for either year (see note 20).

Staff funded by field programmes make up £212,000 of total staff costs 9% (2014 restated - £215,000; 11%). These are charged to the relevant restricted funds.

The number of employees who earned £60,000 per annum or more (including taxable benefits but excluding pension contributions) during the year was as follows:

	2015	2014
£60,001 - £70,000	—	3
£70,001 - £80,000	1	—
£80,001 - £90,000	—	1
£160,001 - £170,000	1	—

No trustee received any remuneration for services as a trustee (2014 - £nil) and travel expenses of £4,147 (2014 - £11,062) relating to Board field visits were paid on behalf of 3 trustees (2014 - 5).

7 Staff costs and trustees' remuneration (continued)

The average number of UK based employees during the year, calculated on an average headcount basis and analysed by function, was as follows:

	2015	As Restated 2014
Fundraising and donor development	9	10
Programme delivery	29	25
Programme support	10	9
Management and administration	1	1
	<u>49</u>	<u>45</u>

The average numbers of UK based employees has been re-stated to reflect a separate line for Technical Unit staff. The Technical Units staff for FY15 was 20 (FY14 - 12).

8 Taxation

IRC-UK is a registered charity and therefore is not liable to income tax or corporation tax on income derived from its charitable activities, as it falls within the exemptions available to registered charities.

9 Tangible fixed assets

	Computer equipment £'000	Furniture, fixtures and equipment £'000	Leasehold improve- ments £'000	Total £'000
Cost				
At 1 October 2014	15	78	41	134
Additions	—	27	20	47
At 30 September 2015	<u>15</u>	<u>105</u>	<u>61</u>	<u>181</u>
Depreciation				
At 1 October 2014	6	36	7	49
Charge for year	3	22	5	30
At 30 September 2015	<u>9</u>	<u>58</u>	<u>12</u>	<u>79</u>
Net book values				
At 30 September 2015	<u>6</u>	<u>47</u>	<u>49</u>	<u>102</u>
At 30 September 2014	<u>9</u>	<u>42</u>	<u>34</u>	<u>85</u>

10 Investments

IRC-UK owns 100% of the issued ordinary shares of IRC-UK Trading Limited, a company incorporated in England and Wales (Company Registration Number 07170021). The principal activities of the subsidiary are to manage the trading activities of IRC-UK, specifically any ticketed events. The company was dormant throughout the year.

Notes to the financial statements Year to 30 September 2015

11 Debtors

	2015 £'000	2014 £'000
Funds held overseas	15,042	10,329
Grants receivable	4,695	4,421
Other debtors and prepayments	226	279
	19,963	15,029

12 Creditors: amounts falling due within one year

	2015 £'000	2014 £'000
Programme creditors	11,959	10,226
Other creditors and accruals	379	248
	12,338	10,474

13 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held to be applied for specific purposes:

	At 1 October 2014 £'000	Incoming resources £'000	Expenditure and transfers £'000	At 30 September 2015 £'000
Afghanistan	340	1,328	(1,414)	254
Burundi	344	1,001	(1,248)	97
Central Africa Republic	215	1,387	(884)	718
Chad	1,122	2,150	(2,544)	728
Democratic Republic of Congo	5,522	14,768	(18,614)	1,676
East Africa Region	5	—	—	5
Ethiopia	2,467	8,486	(5,376)	5,577
Haiti	(12)	(4)	37	21
Iraq	1,309	6,847	(6,769)	1,387
Ivory Coast	1,817	931	(2,219)	529
Japan	18	—	—	18
Jordan & Middle East	2,332	12,519	(14,403)	448
Kenya	664	4,872	(4,096)	1,440
Lebanon	349	4,628	(4,453)	524
Liberia	397	1,806	(1,319)	884
Mali	536	2,674	(2,182)	1,028
Myanmar	490	831	(1,133)	188
Niger	842	2,914	(2,916)	840
Nigeria	18	2,778	(1,578)	1,218
Northern Caucasus	373	—	(216)	157
Pakistan	1,772	3,572	(4,404)	940
Philippines	21	—	(1)	20
Rwanda	99	532	(558)	73
Sierra Leone	1,251	26,643	(20,892)	7,002
Somalia	773	4,383	(4,206)	950
South Sudan	1,774	7,033	(8,622)	185
Tanzania	(42)	1,169	(803)	324
Thailand	279	2,443	(2,707)	15
Ukraine	—	354	(183)	171
Uganda	284	1,369	(1,389)	264
Yemen	—	412	(149)	263
Zimbabwe	17	—	(21)	(4)
Multi-country	1,303	(71)	(8)	1,224
Unrealised restricted exchange (losses) gains accumulated	(1,027)	—	(37)	(1,064)
Technical Grants	858	3,171	(2,714)	1,315
	<u>26,510</u>	<u>120,926</u>	<u>(118,021)</u>	<u>29,415</u>

13 Restricted funds (continued)

Restricted exchange gains accumulated represents exchange rate differences arising on the retranslation of project balances into sterling at the rates prevailing at the balance sheet date. These differences are temporary and are not therefore attributed to specific projects until those projects are complete. As the amounts relate wholly to projects financed by restricted income, the accumulated balance of these differences is shown as part of restricted funds.

Fund balances in deficit relate to ongoing projects only, and have arisen where expenditure exceeds funds received from the donor as a result of the translation of foreign currency transactions into sterling at the rate of exchange ruling at the date of the transaction.

An analysis of the restricted funds by purpose is as follows:

	At 1 October 2014 £'000	Incoming resources £'000	Expenditure and transfers £'000	At 30 September 2015 £'000
Health				
Health (includes psychosocial)	8,261	46,758	(46,187)	8,832
Environmental health (water, sanitation, & shelter)	2,739	13,035	(10,182)	5,592
	<u>11,000</u>	<u>59,793</u>	<u>(56,369)</u>	<u>14,424</u>
Safety				
Child protection	1,415	6,571	(6,638)	1,348
Women's protection & empowerment	3,640	16,518	(14,979)	5,179
	<u>5,055</u>	<u>23,089</u>	<u>(21,617)</u>	<u>6,527</u>
Education				
Education (includes Vocational Education)	3,242	14,612	(15,084)	2,770
	<u>3,242</u>	<u>14,612</u>	<u>(15,084)</u>	<u>2,770</u>
Income				
Livelihoods	1,976	8,922	(9,275)	1,623
Agriculture	—	187	(83)	104
Economic development	10	(4)	(4)	2
	<u>1,986</u>	<u>9,105</u>	<u>(9,362)</u>	<u>1,729</u>
Power				
Protection and Rule of Law	3,673	5,004	(5,128)	3,549
Good Governance	—	5,576	(5,456)	120
Community development	1,438	3,589	(4,561)	466
Civil society	126	81	(304)	(97)
	<u>5,237</u>	<u>14,250</u>	<u>(15,449)</u>	<u>4,038</u>
Other				
General costs (including foreign exchange (gain)/loss)	(10)	77	(140)	(73)
	<u>(10)</u>	<u>77</u>	<u>(140)</u>	<u>(73)</u>
	<u>26,510</u>	<u>120,926</u>	<u>(118,021)</u>	<u>29,415</u>

14 Designated funds

	At 1 October 2014 £'000	New designations £'000	Released £'000	At 30 September 2015 £'000
Premises investment	50	—	(50)	—
Systems investment	5	—	(5)	—
Premises repairs	10	5	—	15
	65	5	(55)	15

Designated funds have been created for the following:

- The lease for premises is a full self-repairing lease (previously IRC-UK had occupied managed properties). The provision of £15,000 is for major repairs.

15 Operating leases

The charity had annual commitments in respect of non-cancellable operating leases of property expiring:

	2015 £'000	2014 £'000
Within two to five years	8	2
Over five years	158	125

16 Connected charities and related parties

IRC-UK is an independent entity governed by its Board of Trustees.

IRC-UK is a member of an international network of agencies referred to collectively as the International Rescue Committee (IRC). IRC-UK is affiliated with the International Rescue Committee Inc, ("IRC Inc") (including the Women's Refugee Commission), a not-for-profit agency based in New York, USA; the International Rescue Committee Belgium ASBL, based in Brussels; and associated agencies and offices worldwide.

The overseas activities of IRC-UK are carried out through the regional and country offices of the IRC, under contract with IRC-UK, and supervised by IRC-UK staff.

During the year, remittances of £4,125,000 (2014 - £3,198,000) were received from IRC Inc, of which £2,693,000 was unrestricted funding from European donor-funded programmes covering IRC-UK's core operating costs (2014 - £2,432,000) (see note 2) and £1,431,000 was reimbursement of the salary and operating costs of UK-based Technical Units (2014 - £766,000) (see note 20).

Income and costs relating to Technical Units have been excluded from the financial statements for the year to 30 September 2015 and prior year income and expenditure has been re-stated for the year to 30 September 2014 for comparative purposes. This treatment has no impact on the reported surplus for either year (see note 20).

16 Connected charities and related parties (continued)

Due to the international nature of the organisations' operations, certain salaries and costs are paid by IRC Inc and then recharged to IRC-UK, and vice versa. At 30 September 2015, £12,000 (2014 - £121,000) was owed by IRC Inc to IRC-UK in relation to such charges.

At the year end, funds held by IRC offices overseas, which related to IRC-UK programmes totalled £15,042,000 (2014 - £10,329,000). Funds owed to IRC overseas offices in relation to monies already disbursed totalled £11,959,000 (2014 - £10,226,000).

IRC Inc has agreed to support the fulfilment of matching fund obligations of projects that have been approved under IRC network procedures, as well as to guarantee any expenditure which is disallowed by donors on these projects. At the year end £93,000 (2014 - £0) was owed by IRC Inc to IRC-UK in relation to disallowable expenditure on grants.

17 Contingent liabilities

As at the year end there were a number of projects on which funds are outstanding from the donor pending finalisation of donor audits. There is a risk that such funds are not wholly recoverable, or may be repayable in the event of adverse audit findings. Amounts disallowed are generally insignificant as a proportion of overall project budgets and would be fully recoverable as they are covered by the IRC Inc support referred to above.

18 Project commitments

As at 30 September 2015, IRC-UK was committed to expenditure on ongoing and future programmes totalling £91m (2014 - £73m). Funding agreements are in place for all of the aforementioned programmes.

Project	Contract Value (£'m)	Funds spent to date (£'m)	Future committed amounts (£'m)
Syria -Response to Syria Crisis	31	9	22
DRC -Education of Girls	22	17	5
DRC-Community Reconstruction	104	102	2
Pakistan - Emergency Response	8	1	7
Pakistan -Vulnerability Assessment	2	-	2
Sierra Leone -Education Consortium	9	8	1
Sierra Leone -Strengthening Prevention	3	1	2
Sierra Leone- WASH Facilities	7	2	5
Sierra Leone-Response to Ebola	4	2	2
Others	114	71	43
Total	304	213	91

19 Analysis of net assets between funds

	Unrestricted funds £'000	Designated funds £'000	Restricted funds £'000	Total 2015 £'000
Fund balances at 30 September 2015				
Are represented by:				
Tangible fixed assets	102	—	—	102
Current assets	2,327	15	41,406	43,748
Creditors: amounts falling due within one year	(347)	—	(11,991)	(12,338)
Total net assets	2,082	15	29,415	31,512

20 Prior year restatement

The accounting policy in relation to the treatment of the Technical Unit income and costs has been amended. The accounting treatment has been re-visited following further consideration of organisational structure and conclusion that IRC-UK does not have sufficient control over the activities of these staff members. The decision was therefore taken to exclude the income and costs relating to these staff members from the financial statements. This has also involved removing the associated income and costs for the comparative year to 30 September 2014. This has no impact on the overall surplus reported for either financial year as the Technical Unit costs are reimbursed in full by IRC Inc. who has control over the activities.