



**Freedom from Torture**



TRUSTEES' ANNUAL REPORT  
AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2016



“After all the pain, I knew there was a place I could go and no one would judge me.”

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# REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY

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**Charity registration number:** 1000340  
**Scottish Charity number:** SC039632  
**Company registration number:** 2398586  
**Registered name:** Medical Foundation for the Care of Victims of Torture (“Freedom from Torture”)

**Names of Trustees**

Prof Francesca Klug (From 1 January 2016, Chair from 16 March 2016, resigned 16 June 2017)  
Dr Frank Margison MD FRCPsych (Chair resigned 15 March 2016)  
Peter Atfield (Vice Chair from 16 March 2016)  
Melanie Essex (Vice Chair from 16 March 2016)  
Gillian Fawcett FCCA (Treasurer)  
Raj Chada  
Serge Eric Yamou  
Michael Johnson MB ChB DPH  
Dr Rebecca Wright  
Susan Berelowitz (From 4 October 2016)  
Fiona Goudie (From 4 October 2016)  
Charles Middleton (From 4 October 2016)  
Sonali Naik (From 4 October 2016)  
Sarah Taylor Peace (From 4 October 2016)  
Dick Oosting (Resigned 14 June 2016)  
Neil Serougi AcSS (Resigned 31 December 2016)  
Lady Kelly (Resigned 11 March 2017)  
Claire-Louise Leyland (Resigned 30 April 2017)

**Chief Executive and Secretary:** Susan Munroe RGN MBA

**Registered office:** 111 Isledon Road, London N7 7JW

**Bankers:** National Westminster Bank plc  
92 High Street, Huntingdon, Cambs PE18 6DT

Co-operative Bank plc  
80 Cornhill, London EC3V 3NJ

CAF Bank Ltd  
25 Kings Hill Avenue Kings Hill West Malling Kent ME19 4TA

**Solicitors:** Howard Kennedy LLP  
1 London Bridge London SE1 9BG

**Auditors:** Kingston Smith LLP  
Devonshire House, 60 Goswell Road, London, EC1M 7AD

**Ethics and Values Committee:**

Prof Francesca Klug (Chair)	Dr Rebecca Wright
Peter Atfield	Melanie Essex
Charles Middleton	Susan Berelowitz

**Finance and Fundraising Committee:**

Gillian Fawcett (Chair)	Sarah Taylor Peace (Vice Chair)
Prof Francesca Klug	Charles Middleton
Peter Atfield	

**Clinical & Legal Governance Committee:**

Susan Berelowitz (Chair)	Fiona Goudie (Vice Chair)
Prof Francesca Klug	Raj Chada
Michael Johnson	

**Policy Committee:**

Melanie Essex (Chair)	Sonali Naik (Vice Chair)
Prof Francesca Klug	Serge Eric Yamou
Dr Rebecca Wright	

# MESSAGE FROM THE CHAIR AND CEO OF FREEDOM FROM TORTURE

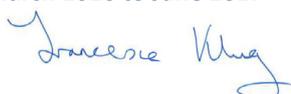
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## **Professor Francesca Klug, OBE, Chair**

2016 was an exciting and challenging year for Freedom from Torture. My first year as Chair has been personally extremely rewarding as I have learnt more about the wonderful work that this charity does and met many inspiring torture survivors who have told me how much they have benefited from our support. The external challenges have been considerable however, including an increased number of people fleeing war, persecution and torture from countries all over the world; Freedom from Torture supported people from 76 different countries in 2016. Changes in the global political landscape have also impacted on us, with President Trump announcing shortly after his election that torture “absolutely” works and a further hardening in public attitudes to refugees and asylum seekers in the UK, post-Brexit, both adding to the vulnerability of our clients and demands for our crucial work. Ongoing debates about potentially replacing the Human Rights Act with a British Bill of Rights, and qualifications to the absolute ban on torture which can only weaken its protection, contribute to this negative environment, with many of our clients depending on these universal measures when applying to remain in the UK. On top of that, public concerns about the way in which charities raise funds leading to changes in the regulations around fundraising, and ongoing financial uncertainty, have contributed to a difficult fundraising environment. Despite all this, or perhaps because of it, Freedom from Torture has had a very successful year, with an increase in donations and growing interest in our work. This has allowed us to support more survivors of torture in 2016 and given us confidence that we are on course to achieve our 10-year strategy of significantly increasing the number of torture survivors we can support to meet growing demand in a turbulent world.



**Francesca Klug**  
Chair of Freedom from Torture  
March 2016 to June 2017



## **Susan Munroe RGN, MBA, CEO**

Despite the challenges that Francesca describes, which strongly impact on our work, Freedom from Torture has had a very positive year. Demand for our services remained high and we still had to turn away two survivors of torture for every one we saw due to insufficient capacity. However, we have worked to develop some new approaches to fundraising and to achieve efficiencies so that income exceeded budget, expenditure came in under budget and we still managed to take on more new clients, working to achieve our strategy to support 600 new clients per year by 2025. Along the way we have had several highlights including the launch of our “Proving Torture” report which has not only received great publicity both in parliament and in the media but is already delivering productive engagement with the Home Office to improve the way in which caseworkers use medical evidence. We also launched our first campaign and took part in the Refugees Welcome march, with very large numbers of our supporters participating. Our Survivors Speak OUT Network has been in great demand and has provided a great platform for survivors of torture to influence policy makers and other audiences about the impact of torture on their lives. Thanks to our wonderful loyal supporters, we are looking forward to 2017 being even more successful and with the help of our clients we are planning to deliver services in new ways that will enable us to see even more survivors of torture who need our support.



**Susan Munroe**  
Chief Executive of Freedom from Torture



We are very grateful to Francesca for the wonderful work she did for Freedom from Torture over the past year, during which time we have seen the charity grow in strength and size. We are very sorry that she has had to step down now due to personal reasons and we commend this report as an accurate description of the charity’s activities over the past year”.

## **Board of Trustees**

# TRUSTEES' REPORT

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**OUR VISION IS A WORLD FREE FROM TORTURE. WHILE IT REMAINS, THE HUMAN RIGHTS OF SURVIVORS ARE RESTORED THROUGH REHABILITATION AND PROTECTION. STATES RESPONSIBLE FOR TORTURE ARE HELD TO ACCOUNT.**



## **Our Purpose and aims**

Every survivor of torture in the UK has a different story, which means their needs are different, too.

That's why we tailor the support we offer to suit each person who comes to us.

We provide counselling, group therapy and ongoing support.

We run groups like gardening, music, creative writing and cookery.

We provide expert medical assessments to support survivors' asylum claims.

And we use our expertise and evidence to protect and promote survivors' rights and hold torturers to account.

## **What we stand for**

Our vision is a world free from torture. While it remains, the human rights of survivors are restored through rehabilitation and protection. States responsible for torture are held to account.

## **Our charitable purposes (in brief) are to:**

- help survivors of torture to realise their right to as full rehabilitation as possible.
- ensure survivors receive effective protection and are not returned to their countries of origin to face the risk of further torture.
- ensure that states responsible for torture are held to account publicly and the human rights of survivors are guaranteed nationally and internationally.

Our purposes are expressed below, more fully, in our Aims and Objectives:

### **Aim One: Rehabilitation**

Survivors of torture in the UK realise their right to as full rehabilitation as possible.

- Individuals and families in the UK with complex psychological, physical and social needs as a result of torture have access to high quality, accessible and appropriate rehabilitation services provided by Freedom from Torture.
- The experiences and voices of survivors of torture inform

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all Freedom from Torture activities and are carried out in collaboration with them.

- Freedom from Torture supports other providers in the UK to develop high quality, accessible and appropriate rehabilitation services for survivors of torture.

#### **Aim Two: Protection**

Survivors of torture in the UK receive effective protection and are not returned to their countries of origin to face the risk of further torture.

- Asylum decision-makers in the UK have timely access to high quality medico-legal reports prepared by Freedom from Torture clinicians according to international standards.
- Freedom from Torture uses the expertise of torture survivors themselves and evidence drawn from Freedom from Torture's work to improve the treatment, protection and conditions of torture survivors in the UK.
- Survivor activism combats negativity towards people seeking protection from torture in the UK and promotes the rights, and improves public perceptions, of survivors of torture.

#### **Aim Three: Accountability**

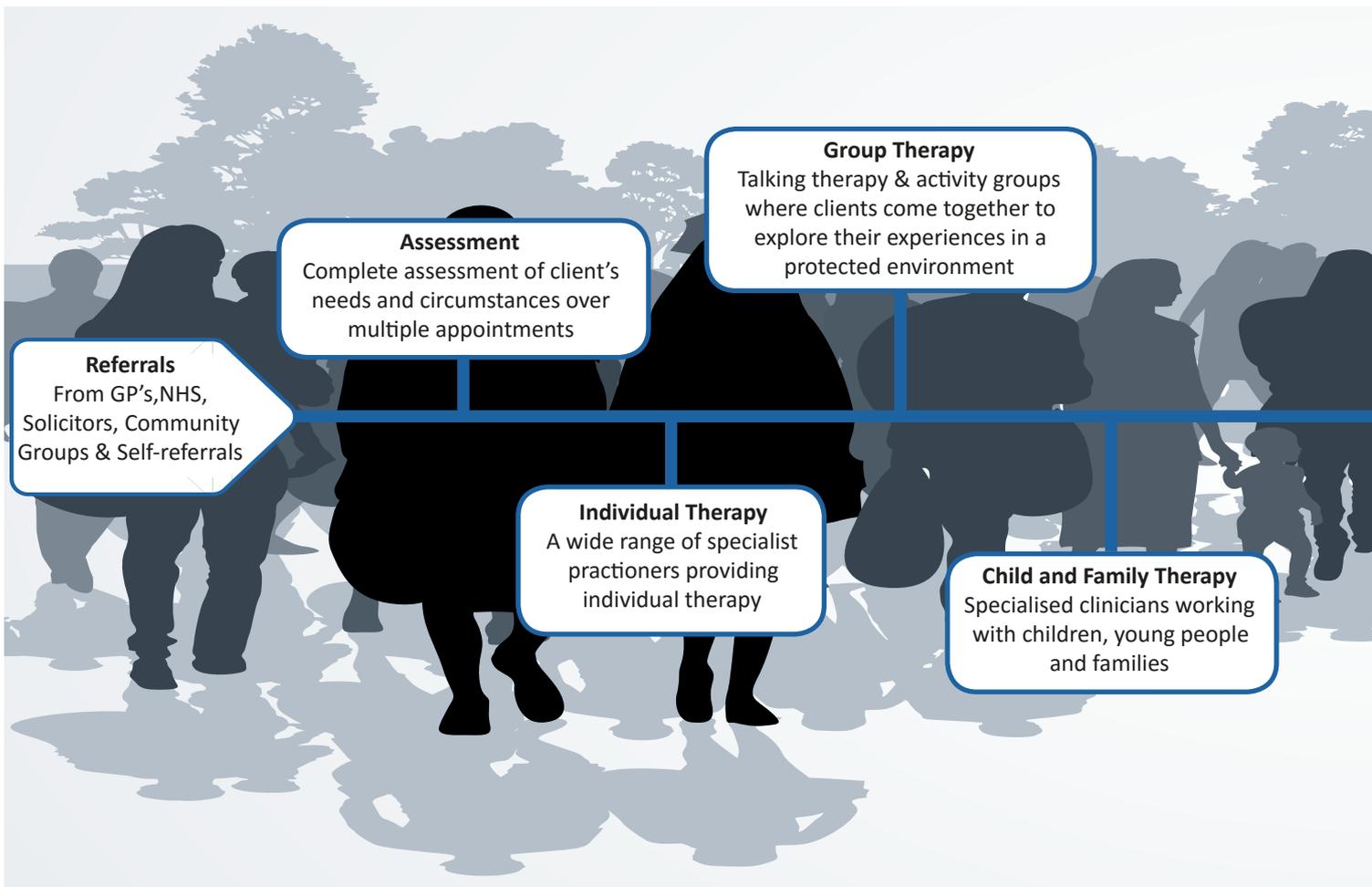
States responsible for torture are held to account publicly and the human rights of survivors are guaranteed nationally and internationally.

- Evidence from Freedom from Torture's work contributes to individual states being held to account for torture.
- The expertise of torture survivors themselves and evidence from Freedom from Torture's work are used with national and international partners to realise fully the human rights of survivors of torture.

These aims are drawn from the legal document that underpins the scope of work which the charity undertakes; namely its Articles of Association, required by law for every UK charitable company, which are lodged with the Charity Commission (for England and Wales), the Office of the Scottish Charity Regulator, and Companies House.

These Articles of Association list our charitable objects, which are laid out on the following pages.

# HOW WE HELP TORTURE SURVIVORS



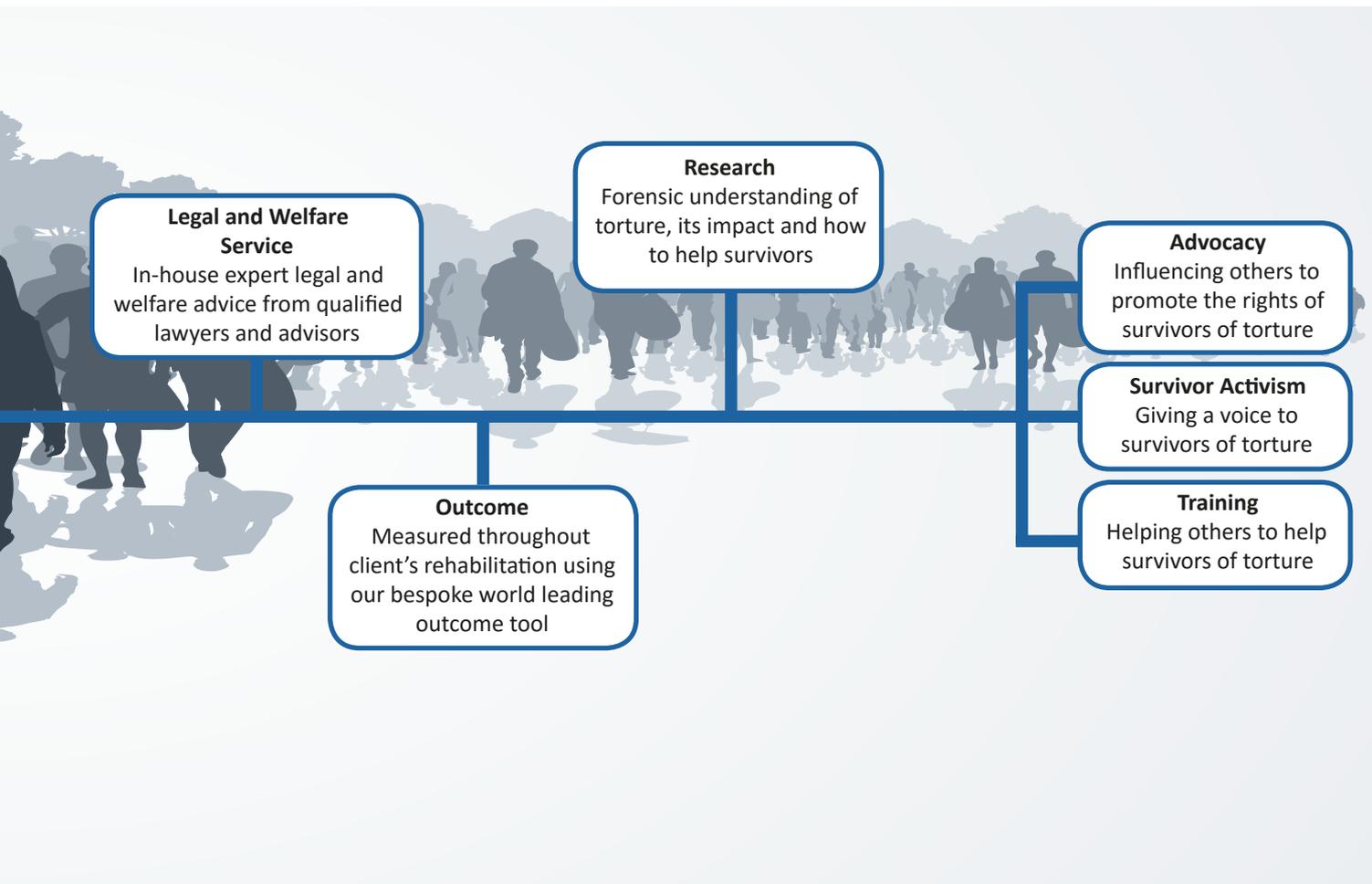
## Objects of the charity

The Objects of the Charity are for the public benefit to:

- a promote the treatment and relief of physical, mental and emotional illness, disorder or disability suffered by any person as a result of that person, or a member of his or her family, having undergone, in any part of the world, physical or psychological torture or ill treatment including by supporting and compiling medical evidence;
- b provide relief for persons who have, or members of their families have, undergone, in any part of the world, physical or psychological torture or ill treatment and who are in conditions of need, sickness, hardship or distress;
- c promote human rights (as set out in the Universal Declaration of Human Rights and subsequent United Nations Conventions and Declarations) throughout the world with the focus on the use of torture or cruel, inhumane or degrading treatment or punishment.

This object will be achieved through casework, advocacy and out reach, by all or any of the following means:

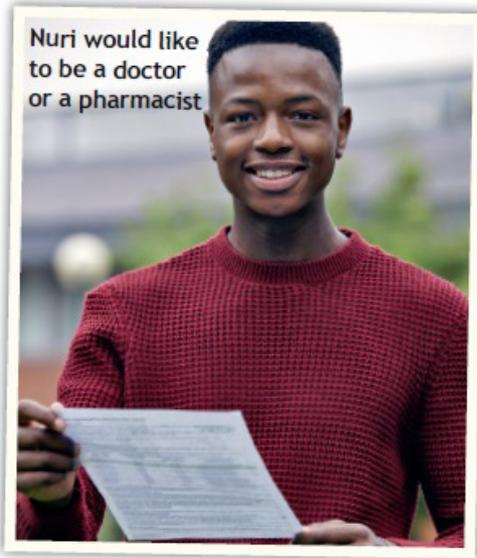
- i. monitoring abuses of human rights
- ii. obtaining redress for the victims of human rights abuse, including providing legal advice, medico-legal reports, legal representation and other assistance
- iii. relieving need among the victims of human rights abuse
- iv. research into human rights issues
- v. educating the public about human rights
- vi. educating and training legal, medical and other professionals who provide assistance to people who have undergone physical or physiological torture or ill treatment
- vii. providing technical advice to government and others on human rights matters, especially those pertaining to the use of torture
- viii. contributing to the sound administration of human rights law
- ix. commenting on proposed human rights legislation
- x. raising awareness of human rights issues
- xi. promoting public support for human rights



- xii. providing respect for human rights amongst individuals and corporations
- xiii. international advocacy of human rights and
- xiv. eliminating infringements of human rights.

Our objectives and plans to achieve these overall aims are set out in the Strategic Plan available from the Chief Executive's office. During 2015 we developed a 10-year vision in which we aim to support 150% more clients in 2025 than we did in 2014. This is because in 2014 we had to turn away two people who needed our services for every one we saw, simply because we did not have the capacity to support them. Activities in 2016 were geared towards achieving this. Key plans and targets for 2017 are noted later in this report.

# NURI'S STORY



When he first arrived, Nuri was petrified and haunted by nightmares. Thankfully we could give him the therapy and care he needed. Now aged 19, he has five GCSEs, three AS Levels and next year he hopes to go to university.

Nuri Said:

“Freedom from Torture has been absolutely essential for me. Coming here was the start of my recovery. I had so much worry and fear I couldn’t concentrate on anything. There was no way I could revise for exams. I used to scream in the night when the memories came back; I couldn’t sleep and I didn’t want to go outside. I thought someone might get me again.”

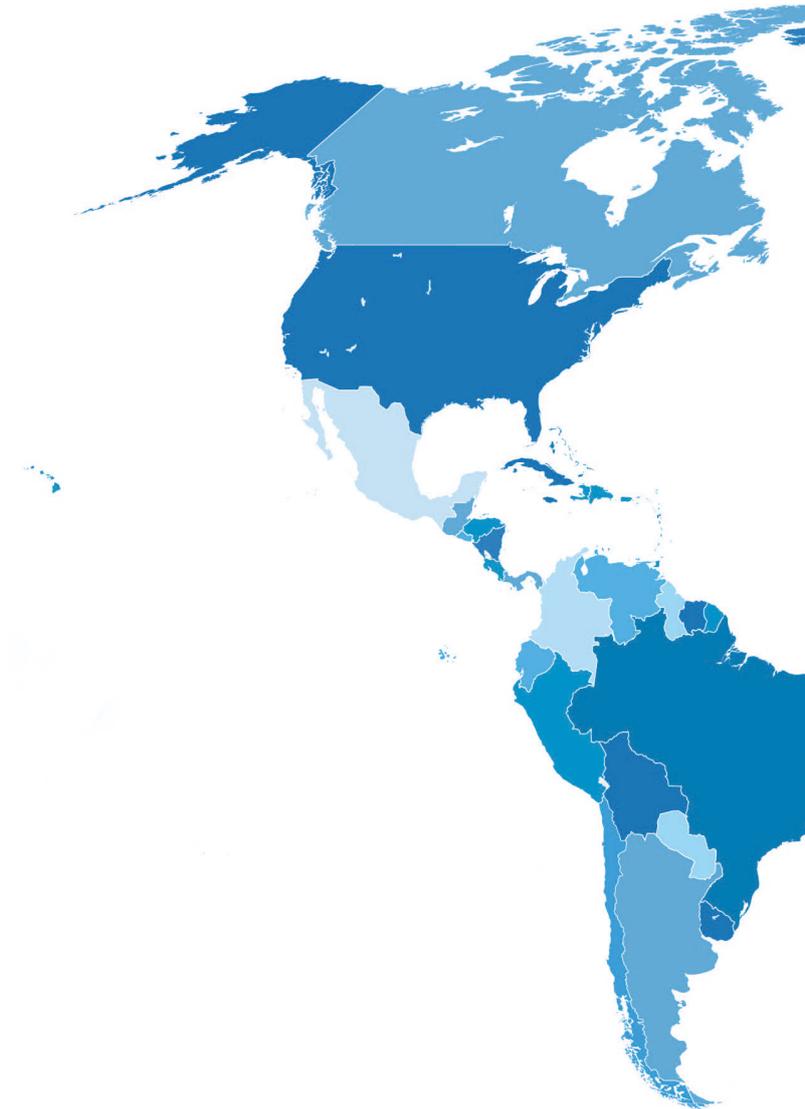
Nuri arrived in the UK in early 2014. He was discovered in the back of a lorry, alone, with no English at all. His uncle had sold all his cattle to scrape together the money to pay an agent to bring him here from Sudan after he was tortured.

Nuri said:

“Where I lived in Sudan young boys like me would be forced into the army, they made you kill your own family. The boys in my village refused so the army took us. I was burnt, beaten, locked up on my own. I still have the scars. I was just crying for my mum every day. I don’t know how long I was in there but I escaped when we were doing forced labour. I walked for days through the rain until I finally hitched a lift back to my village. I was safe again, but not for long. When more boys got taken again from a village nearby, my mum arranged for me to flee the country.”

Nuri wasn’t able to make contact with his mum for a whole year after he arrived but when he finally found a way to speak to her on the phone he was so relieved. He said “We both cried for 10 minutes.”

Nuri is such a positive, kind and bright young man. He has deep admiration and thanks for everyone who’s helped him



including his foster family and therapist, Anne, who worked directly with Nuri’s school to give him more time in exams because of his concentration problems.

Nuri said:

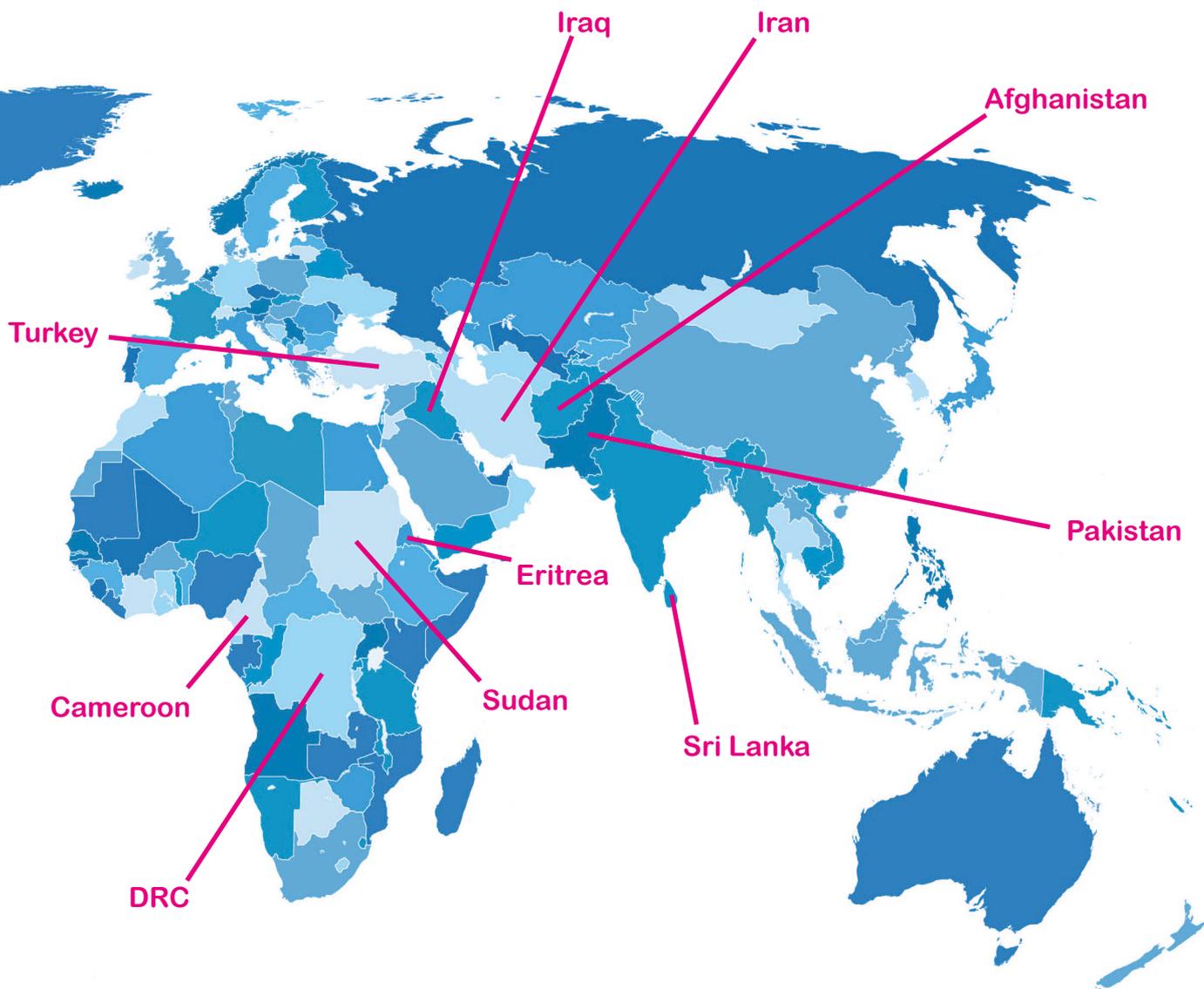
“I’ve seen a lot of people suffering so I’d like to help people, I’d like to be a doctor or a pharmacist. My Grandad had cancer, I’d like to help prevent or treat cancer in some way.”

Despite missing his family enormously, Nuri works really hard to make the most of what he can by studying, volunteering in medical labs, and volunteering twice a week in his local pharmacy.

\* Picture posed by model to protect Nuri’s identity

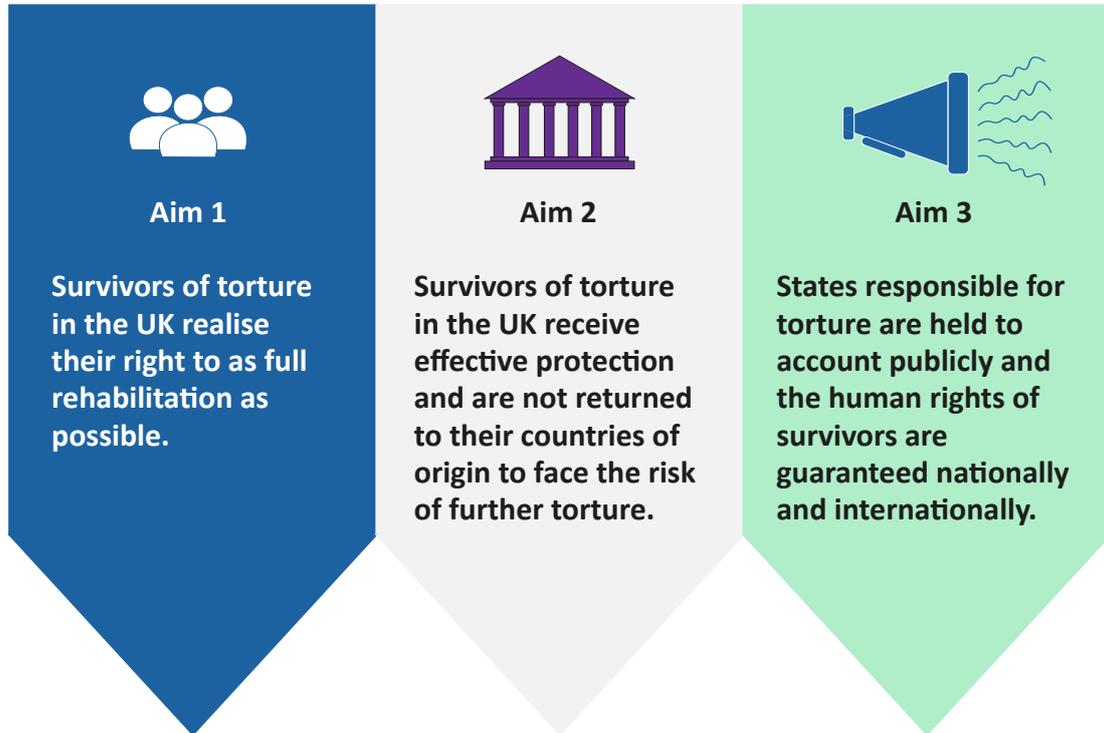
# WHERE DOES TORTURE HAPPEN?

Ten countries with the highest number of referrals to Freedom from Torture in 2016 for psychological therapies or forensic documentation of torture



# STRATEGIC AIMS

Freedom from Torture's overall strategic aims are:



Our strategic plan lays out broad measures of success for the next 10 years (including plans to increase our income and number of clients by 150%) to provide greater levels of support for survivors of torture and includes Key Performance Indicators (KPIs) for the next year. The KPIs are a mix of numerical measures and outcome measures or deliverables. Progress against the KPIs is reported quarterly to the Board of Trustees using a Red/Amber/Green (RAG) rating system. Each department has an operating plan which allows the Director to monitor progress towards achieving the KPIs. The Senior Management Team reviews progress monthly and takes corrective action if required to keep progress on track. The KPIs form the individual objectives for the CEO and Directors and this then forms the basis for objective setting for everybody in the organisation.

In this way each individual understands how their role and work contributes to the strategic success of the organisation.

## Public benefit of our activities

The work outlined above directly relieves physical and mental suffering of people across the UK who have survived torture, through dealing with the effects of trauma as a consequence of torture. As well as the immediate benefit to the lives of those individuals and their families there are wider benefits to societies through enhancing social integration, as many torture survivors move from being unable to engage with work, study or meaningful activities in society to being fully active

in these fields. Freedom from Torture also makes a modest but carefully targeted contribution to the relief of poverty, filling gaps where statutory or other provisions do not meet a need. A further benefit is provided by our work to educate the public about the widespread use of torture and the plight of survivors, about the incidence and effects of torture and about ways to counteract those effects.

The Trustees confirm that they comply with their duty to have regard to the guidance on public benefit published by the Charity Commission in exercising their powers and duties.

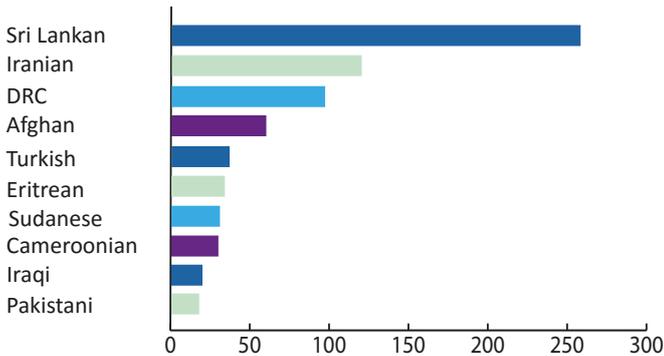
# STRATEGIC REPORT

## Activities in the year 2016

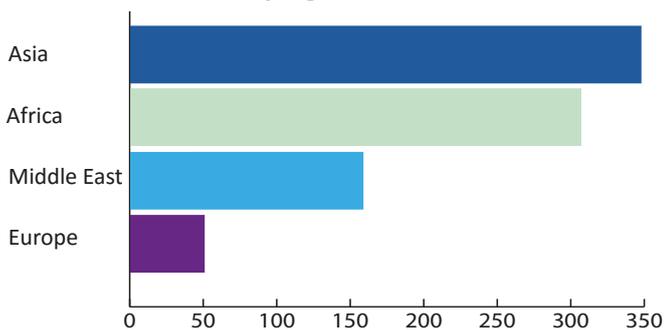
The external environment in the refugee sector during 2016 was challenging with large numbers of refugees arriving in the UK independently and through resettlement programmes. Public opinion oscillated between being very supportive of refugees to being more hostile. Our clients have experienced an increase in racial abuse, making their experience of living in the UK more difficult than previously. The government has a very clear policy to reduce the number of people granted asylum and leave to remain in the UK. Perhaps because of changing public opinion, many existing supporters of Freedom from Torture are more determined to support survivors of torture. Encouraged by many of our clients, we have begun to publicly campaign against torture and for the rights of survivors of torture and in the process have gained more supporters.

During 2016 a number of longer term clients' therapy came to an end. This enabled us to take additional new clients who were more acute in their presentation and therefore seen more frequently. The number of clients seen dropped overall as a result of this but the number of appointments we offered increased from 16,723 to 17,246 compared to the previous year.

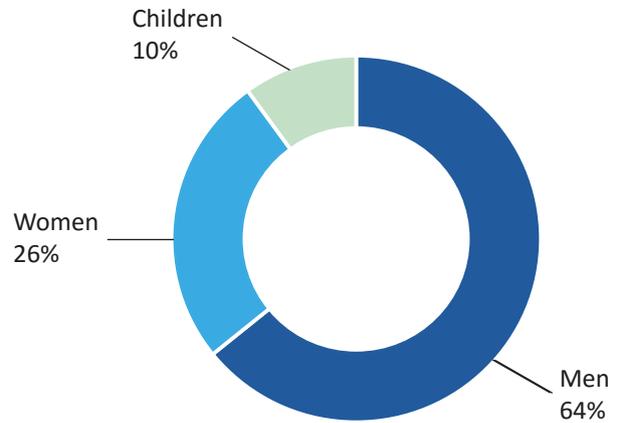
## Rehabilitation clients by nationality (Top 10)



## Rehabilitation clients by region



## Rehabilitation clients



We have continued to develop our Service User Engagement approach with further engagement of service users in planning organisational change and development. We now have well established service expert panels (SEPs) meeting regularly in all five of our centres and representatives from each SEP form a strategic service user group. These groups have developed standards for service user engagement now being implemented across the entire organisation.

Our peer review quality assurance programme was further developed during 2016 with the inclusion of service users in each peer review assessment. Additionally, we have now developed and undertaken an initial review of our medico-legal reports (MLRs) and Legal Advice and Welfare Service (LAWS) as well as our five centres. All five of our centres showed an improvement in 2016 compared with 2015 and all services have an action plan in place to address the deficiencies identified.

# ACHIEVEMENTS AND PERFORMANCE

## Progress made with plans and targets set for 2016

In last year's Strategic Report we set ourselves the following targets which have been monitored throughout the year through our key performance indicator reporting programme. Some of these targets were in place prior to setting the strategic plan and were "business as usual" plans and others were about preparing the organisation for delivering the strategic plan:

Aim	Outcome
We will appoint a digital fundraising and communications specialist; engage with external experts to develop our approach and subscribe to sector benchmarking to measure our profile. We will ensure we have consistent key messages and a clearly understood mission statement to ensure our communications are fully integrated.	We have established a Communications Advisory Group consisting of several journalists from print and TV / radio as well as marketing experts, including a digital marketing expert. We met three times in 2016.
Standards for Service User Engagement will be developed.	Standards have been developed by the Service Expert Panel and signed off by the Board of Trustees.
We will seek funding to enable a scoping project to be undertaken to inform the scale of funds required to provide a volunteer peer mentoring service.	Several pitches have been made for this funding without success. We have decided to fund this project out of core budget.
We will develop new external influencing programmes on prevention and accountability for torture, including two to three multi-year country projects that involve partnerships, and on legal protection for torture survivors in the UK.	The publication of our latest report on Sri Lanka has achieved significant impact. The UN Special Rapporteur on Torture arranged a visit to Sri Lanka as a result of our report and in November the UN Committee Against Torture called on the Sri Lankan government to take greater action to end the use of torture by state security forces and bring those responsible to justice.
We will introduce a six monthly employee pulse check, introduce a Leadership Forum, build on the LEAD 2024 programme & design and implement a management development programme.	All of this has been achieved. All people managers have been through the first management development programme. We have had two pulse checks and we have an established Leadership Forum.
We will hold a round table event to generate evidence to contribute to the NICE review of their guidelines on the treatment of Post-Traumatic Stress Disorder (PTSD).	We held this event with wide external representation and have submitted our evidence to the NICE PTSD review group.
We will build infrastructure to enable us to meet additional demand for resettled Syrian torture survivors.	We continue to engage with the Home Office, NHS and Local Authorities to identify the best mechanisms to enable us to meet the demands of the resettled Syrians.
We will undertake a scoping exercise for the development of e-learning materials to increase the number of service providers who can be reached	Unfortunately, we were unable to secure funding to carry out this project in 2016. We hope to be able to develop this in the future.
We will secure at least two NHS contracts for core activities.	We have been in discussion with Clinical Commissioning Groups but have not yet secured a contract with the NHS.

# FURTHER ACHIEVEMENTS IN 2016

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- The launch of our Proving Torture project and report in the Houses of Parliament on the 21st November. We had over 40 parliamentarians from all parties there and received plenty of positive media coverage.
- Several workshops run by our researcher with Home Office (HO) case workers to establish how they make decisions means that we are confident that we will make progress to improve how our medical evidence is used in the future. This is important for several reasons, not least because our service users tell us that the number one issue they are concerned about is the decision making of the HO.
- We dipped our toe in the water of campaigning with our “I Stand with survivors” campaign. There was a very strong visible Freedom from Torture presence at the Refugees Welcome march on 17th September in London.
- The writers in our Write to Life group prepared and performed their Lost and Found piece in the Roundhouse in London on the 2nd September to a sold out audience.
- We gave evidence to the Home Affairs Select Committee investigation into asylum accommodation, which was undertaken with significant input from clients about their actual experiences. We followed it up with a written submission.
- In December we had members of the team at the International Rehabilitation Council on Torture (IRCT) international symposium in Mexico and presented two papers. We are seen as being world leaders in torture rehabilitation.
- As a result of the Economic and Social Research Council funded project jointly with Essex University we now have a web-based referral process for all referrals to our services, saving 18 minutes per referral. Our clinical services have gone completely paperless with all client data being fed straight into the database, removing the need for double recording and ensuring that all of our data is always up to date.
- 44 of our therapists underwent training in EMDR (Eye Movement Desensitisation and Reprogramming) in the course of the year.
- We have started our Sing for Freedom Choir in London, for clients, staff and volunteers. Our first concert was on 14th December.
- We had our first All Staff Conference in September with over 80 people attending to think about what our organisational values should be and to hear about some of the group therapies we provide across the organisation.
- We have implemented an HR database and a Performance Management Framework so everybody has a mid and end of year review.

# HIGHLIGHTS



## Proving Torture report

Our 'Proving Torture' report reveals how Home Office asylum caseworkers disregard or mistreat expert medical evidence of torture and make clinical judgements about survivors' injuries that they are not qualified to make. This goes against a clear Home Office policy and leaves exceptionally vulnerable people terrified of being returned to face further torture.

The report analysed findings from 50 cases and found that in 76% of those where the final outcome is known, asylum was granted following a successful legal appeal in the courts, compared with an average grant rate for asylum appeals of just 30%. This indicates a serious problem with Home Office handling of asylum claims by torture survivors requiring correction via a judge in a specialist immigration tribunal, at significant cost to UK taxpayers.

The research also found that in 74% of the cases asylum caseworkers, without any clinical qualifications, replace the expert opinion of a medical doctor with their own speculation about clinical matters. This poor practice directly contravenes the Home Office's own policy on how to handle expert medical evidence of torture.

## Helping others to help survivors of torture

Survivors of Torture in Ireland have very few places to turn to for help. One of them SPIRASI, a small NGO, was unable to give specialised help to traumatised refugee families in Ireland who are desperately in need. Freedom from Torture's Training and Capacity Building Team worked with our specialist Family Therapists, who have over 25 years collective experience of helping extremely vulnerable families rebuild their lives, worked with SPIRASI to create a brand new bespoke Family Therapy service specifically for families suffering from the desperate and long-term effects of torture.



With funding from the EC, Spirasi was able to recruit specialist family therapists, who then received training from FfT in torture-specific therapeutic techniques. FfT also offered structured support, including training and consultation. As a result of this collaborative project, Spirasi was able to develop an effective family therapy service for torture survivors in Ireland.



## Increase our income

Our total income for 2016 was 5% higher than the budget we set, an increase on the previous year of almost £550k. Our fundraising performance was very good, with legacy income increasing. We had incredibly successful fundraising events including our Street Feast Festival featuring some of the country's most famous chefs.

## Increase the number of new clients by 10 %

During 2016 we exceeded our target of increasing the number of new clients by 10%. We took on 14% more new clients for treatment than in the previous year. This is in line with our goal to increase the number of new clients by 150% by 2025.



# PLANS FOR FUTURE PERIODS

On the basis that we are currently turning away two clients who meet our remit for every one we see and that we are not expecting demand for support for survivors of torture to reduce, our 10 year strategy is that by 2025 we will be in a position to support 150% more clients. Additionally there is no other service able to pick up the clients. This requires us to generate £20M annual income by 2025 which in turn requires that we generate more individual donors and a wider range of income streams which requires a higher external / public profile. Our 2017 targets are geared towards achieving that.

Our Key Performance Indicators for 2017 are:

Standards of Care	<ul style="list-style-type: none"> <li>• 280 new clients accepted</li> <li>• 80% of clients have a length of stay less than 36 months</li> <li>• 50% of all clients show a reduction in symptoms measured in three month intervals</li> <li>• 100% of appeals rights exhausted (ARE) clients will be referred to LAWs</li> <li>• 100% of service users agree with the statement 'I was treated with dignity and respect'</li> </ul>
SU Engagement	<ul style="list-style-type: none"> <li>• Service user standards implemented</li> <li>• An additional two ex-clients work / volunteer for the organisation</li> </ul>
Legal Protection Programme	<ul style="list-style-type: none"> <li>• Home Office retains the three policy concessions on which Freedom from Torture's clinical services depend.</li> <li>• Agreement reached with the Home Office on solution to the "rising bar" problem for medical evidence of torture.</li> <li>• Agreement with the Home Office on solutions and implementation of remedial action to improve decision making in claims involving medical evidence of torture</li> </ul>
MLR Service	<ul style="list-style-type: none"> <li>• 10% increase on the number of MLRs produced (to 275)</li> <li>• Outcome known for 75% MLRS produced in 2015 measured retrospectively over a 2-year period</li> <li>• 85% of all reports will be produced within five months of acceptance date</li> </ul>
Torture Accountability Programme	<ul style="list-style-type: none"> <li>• Our evidence used to create a report on Iran</li> <li>• Agreement by key targets to increase their focus on torture in Iran based on our research, advocacy and survivor activism</li> </ul>
Campaigns and Comms	<ul style="list-style-type: none"> <li>• An Increase in prompted awareness by 9%</li> <li>• An increase in social media reach to 6,424,845</li> <li>• 60,000 campaign actions taken by supporters</li> <li>• 650 media mentions</li> </ul>
Organisational Health	<ul style="list-style-type: none"> <li>• Pulse survey shows an increase of trust in SMT</li> <li>• Pulse survey shows an increase in the proportion of respondents who would recommend the organisation to others</li> <li>• Retention of new staff</li> <li>• Attracting new people</li> </ul>
Fundraising	<ul style="list-style-type: none"> <li>• Raise £8.15m in 2017</li> <li>• For every £1 raised spend only 23p</li> <li>• Make a targeted investment of £250k in fundraising and communications resources to increase future income</li> </ul>
Finance Management	<ul style="list-style-type: none"> <li>• Maintain a safe level of reserves</li> <li>• Keeping expenditure within budget</li> </ul>

# FINANCIAL REVIEW 2016

## Financial results for 2016

The financial results for the year are set out in the Statement of Financial Activities. Overall 2016 was a strong year financially for Freedom from Torture. Income grew by 7% (£543k) compared to 2015 and we were able to increase charitable expenditure by 6% (£351k).

### Income

Freedom from Torture saw its income from donations and legacies increase during 2016 by over £460k. This was despite the fundraising environment remaining difficult, following the high-profile scandals in the charitable sector in the latter half of 2015. Legacy income was the driver for this growth, increasing by 58% from the previous year. Based on research of our existing donorbase provided by a specialist legacy analysis firm, increasing income from legacies over the medium to long-term is likely to continue.

Some other areas of fundraising were very successful, and in particular our Trust and Grants team, secured three multi-year grants from the Big Lottery Fund towards our rehabilitation work during 2016. The team had two applications submitted in late 2016 approved in 2017. In addition our largest source of income, committed donations, from around 16,000 individuals, remained close to the high levels seen over the last few years.

Other income from charitable activities, including fees charged for medico-legal reports produced as part of our work on protecting survivors of torture, also increased (by 15%) compared to the previous year.

### Other trading activities

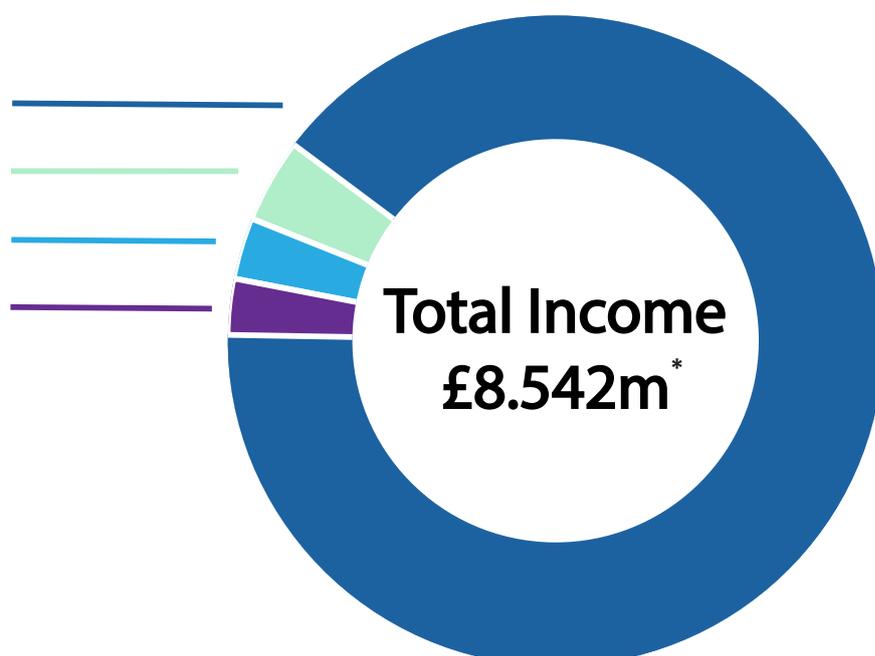
This includes fundraised income, the majority of which comes from raffles and events which remained stable.

Donations & Legacies 90%

Grants - Public Bodies 4%

Fees charged 3%

Trading 3%  
Events, Raffles, Christmas Cards, etc.



These income streams enabled the organisation to support and deliver its services throughout the United Kingdom.

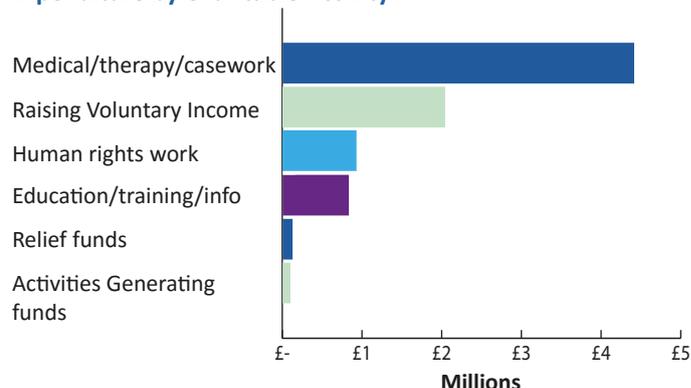
### Investments

Freedom from Torture holds a small number of shares that were kindly donated several years ago. In addition our reserves and a long-term donation are held in interest-bearing deposit accounts. The organisation places these funds into secure short-term accounts with reputable UK banks in order to generate a secure income without risking the capital.

### Expenditure

Charitable expenditure in 2016 totalled £6,242,135 along with expenditure on raising funds of £2,112,091 was split between the following categories:

#### Expenditure by Charitable Activity



\* Excluding investment income

- **Expenditure on raising voluntary income** – Expenditure in this area in 2015 included a one-off investment in cold mailing of £400k. Therefore, expenditure dropped in 2016 compared to the previous year, but was in line with the average over the last few years. From 2017 we will be investing extra in income generation as part of our strategy to achieve growth in the next ten years. Initially the investment will equate to an extra £250k which will be used to develop our brand awareness and Major Donor, Trust and Grants fundraising.
- **Expenditure on charitable activities** – we were able to increase the clinical staff that deliver our rehabilitation, policy and advocacy services during 2016 thanks in part to efficiencies and the surplus during the previous year. Overall we were able to increase charitable expenditure by £351k compared to 2015.

#### Fixed Assets

Total capital expenditure, including intangible assets was £73k in 2016. This was principally spent on replacing computers and office equipment (such as photocopiers), developing our client information system and some fixtures and fittings.

#### Summary

Freedom from Torture had a very good year financially. The organisation was able to increase its services. The fundraising environment remained challenging, but legacies exceeded expectation and this income stream looks likely to keep increasing over the medium-term.

We are actively working on increasing our Fundraised income alongside developing more efficient and effective ways to deliver our services, with a view to bridge the current gap between the demands for our services and the resources we have to deliver them.

#### Reserves Policy

It is the policy of the Trustees to maintain a General Reserve equivalent to 2.3 to 4 months direct charitable expenditure.

The General Reserve serves three main purposes:

- to cover working capital needs
- to make up for any shortfall in budgeted income in a particular year
- to cover any unbudgeted expenditure which may become necessary.

The policy is designed to ensure that Freedom from Torture can meet the latter two eventualities in any financial year without immediately having to cut back services. In the event

of unforeseen loss of budgeted income or increased expenditure, it gives Freedom from Torture a period in which to seek to remedy the situation by securing additional funds and, only if this should not be possible, to plan an orderly reduction of expenditure commitments. The policy is reviewed annually by our Finance Committee.

Freedom from Torture’s main source of income is donations from the general public. While every effort is made to have realistic income forecasts the charity retains adequate levels of reserves to cover potential income shortfalls. The level of reserves is set by identifying the potential risk and level of shortfall for all of our main income streams. This is done by looking at historic fluctuations, type of income and level expected in the financial year. The potential risks for each income stream are added together to make a “worst case” scenario and the reserves level is set to cover this scenario. In addition the level of reserves retained will cover the period during which any major shortfall of income would be identified and the appropriate action required is agreed and implemented.

**Total funds held at the end of 2016 were as follows:**

FUND	TOTAL (£)
Designated Funds	4,884,166
General Reserve	1,955,978
Restricted Funds	544,612
<b>Total Funds</b>	<b>7,384,756</b>

The Trustees have designated funds as detailed in note 14 of the statutory accounts. These include a fixed assets reserve, which represents the extent to which unrestricted funds are tied up in the organisation’s property and other fixed assets. The year-end balance is equal to the book value of the fixed assets less any amount that is funded by loans and restricted funds.

The designated funds held at the end of 2016 by the charity include:

Designated Fund	Description	Use of Fund	Value at Year-end
Fixed Asset Reserve	Property (the London centre) & IT equipment, furniture, fixtures & fittings etc.	The fixed assets owned by the charity will be retained while useful to ensure the charity can continue its activities.	£3,544,954
Long Term Donation	Gift given to the charity. Donor expressed a wish that the donation be invested and the proceeds be used for psychotherapy.	Trustees have authority to use this fund as they see fit, but intend to abide by the donor's wishes to retain the capital received where possible.	£526,812
Recovery Fund	Fund to offset planned deficit between income and expenditure 2017 to allow expected income growth to enable a balanced budget from 2018 onwards.	Fund to be utilised during 2017.	£400,000
Major Building Repairs	Fund to cover any large scale repairs or refurbishments to property owned by the charity. Current policy is to place £40k a year into the fund.	This fund was not used in 2016. Trustees have received professional advice on the likely repairs and replacement costs over the next 25 years for the main building the charity owns. This shows that the current fund, plus current rate of investment should cover expected needs over the medium to long term.	£412,400
<b>Total</b>			<b>£4,884,166</b>

### General Reserve

The organisation ended the year with a General Reserve of £1.96 million, equivalent to approximately 4 months direct charitable expenditure at 2016 levels. Trustees have agreed a budget for 2017 that will see the General Reserve reduced to the equivalent of 2.4 months operating cost. We do not expect reserves to drop below this level in 2017 or 2018.

### Restricted Funds

These relate to income the use of which has been restricted to specific areas of our services. They include donations from trusts and foundations and grants from public bodies towards the costs of projects or specific lines of expenditure. Trustees expect to use the funds held at the end of 2016 during 2017.

### Fundraising regulations

There are many changes coming up with regards to data protection legislation and there has been a notable tightening of rules by regulators such as the ICO and the Fundraising Regulator over the past two years. With this in mind we have been logging any potential risk areas and looking at mitigations organisation-wide.

We are training all staff in data protection principles and introducing an induction programme for all new staff to ensure everyone understands their obligations and that they follow best practice guidelines. We are also running a year long project in the Fundraising Department which is especially affected by these changes. The project deals with data protection, compliance with key regulation and best practice and also the communication preferences of our supporters. We are taking advice from creative agencies, legal partners, sector peers and are attending a number of conferences on the subject to ensure full compliance by May 2018 when the new General Data Protection Regulation legislation comes into effect.

### Investment Policy

The Trustees consider that it is not prudent to invest any of the reserves long term. The investment policy is therefore to manage funds so as to obtain the best rate of interest on them. Rates on Freedom from Torture's accounts are regularly compared with others available in the market place to ensure that they are still competitive.

# RISK MANAGEMENT

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A Risk Register has been compiled which identifies the nature of the risk, its impact and likelihood and the mitigation we already have in place and further actions to minimise risk where necessary. The register is reviewed and updated every month by the SMT and quarterly by the Board. Various actions to reduce risk were implemented during 2016.

Our top five risks have been identified as:

## **Risk 1:**

Unable to demonstrate that all of our services are operating within legal and professional standards.

### **Mitigation:**

Project initiation document agreed to implement proposed changes in clinical services. Pathways implementation plan started in February 2017. British Association for Counselling and Psychotherapy registration and accreditation applied for. All centres are applying for Care Quality Commission / Independent Healthcare Services registration. Major incident response plan in place to manage media enquiries and minimise impact. Quality assurance process and policies in place and peer review inspections undertaken annually. People strategy introduced to improve the management of performance and capability issues.

## **Risk 2:**

Unable to demonstrate compliance with information governance requirements.

### **Mitigation:**

Data protection and record keeping policies updated in 2016. PID to agree and develop an organisational approach to information governance. Implement an information governance policy and agree the responsibilities for IG management, IG champions identified and IG group set up. All staff provided with appropriate training on information governance requirements. Confidentiality code of conduct that provides staff with clear guidance and introduce an information leaflet for clients informing them how their information may be used and their rights. Ensure monitoring and enforcement processes are in place and all systems are controlled, monitored and audited to prevent improper usage.

## **Risk 3:**

Failure to raise adequate funds to enable us to deliver our strategic plans.

### **Mitigation:**

£250k per annum investment approved and action plan in place. Recruitment of new staff under way to begin to increase our ability to target new donors and make more asks. Small additional spend agreed by trustees to be used for advertising and donor acquisition. Researching funding sources to enable further investment.

## **Risk 4:**

The risk of a preventable removal of a client in treatment with protection needs to a country where they were tortured is increased due to increased enforcement operations due to the political environment.

### **Mitigation:**

Removals prevention protocol for clients in therapy and training for clinical staff. Quality improvements in Legal Advice and Welfare Service (LAWS), LAWS surgeries, urgent detention protocol. Serious untoward incident system in place. Training included as part of corporate induction. LAWS module of Daylight (client database) supports identification of people at risk of removal. Review of training logs and ensure all current and future staff are up to date done as part of peer review quality assurance inspection.

## **Risk 5:**

A client harms or kills self or another person or commits a terrorist attack, or other serious crime.

### **Mitigation:**

Risk of violence to others considered in regular risk assessments for all clients. Major incident response plan in place. Clinical risk management policy, child protection policy, safeguarding vulnerable adults (SGVA) and safeguarding vulnerable children & young people. Behaviour at work policy. Prevent strategy reviewed to include radicalisation. Risk management and suicide prevention training provided to all clinical staff as part of their mandatory training. Multi-disciplinary team reviews of all clients identify those at high risk, putting in place robust plans to manage and safeguard risks. Improved inter-disciplinary working with other relevant agencies.

# ORGANISATIONAL STRUCTURE

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## Structure, Governance and Management

Freedom from Torture is legally constituted as a company limited by guarantee, Medical Foundation for the Care of Victims of Torture. Its governing instruments are the memorandum and articles of association. It is registered with both the Charity Commission and the Office of the Scottish Charity Regulator. It adopted the brand name of Freedom from Torture during 2011. Its only subsidiary, Survivors Trading Limited, is dormant and has no significant assets or liabilities.

## Key management remuneration policy

The remuneration of the key management, who consist of the individuals disclosed in 7 to the financial statements on page 38, has been established in accordance with market rates, taking into account the level of expertise, experience and skills required to fulfil the roles successfully. The charity has formed a salary committee which will report to the Ethics and Values committee. The remuneration policy will be developed in due course.

## Organisational structure

The governing body is the Board of Trustees (the Board) which met five times in 2016. The Trustees are also Directors of the company. The following four standing Committees of the Board, each consisting of a number of Trustees (with external co-optees as appropriate) met several times during the year: Governance & Nominations, Finance & Fundraising, Clinical and Legal Governance and Policy.

The Board received reports from the Chief Executive, members of the Senior Management Team and the Board Committees covering the financial situation and the work of all departments, noting significant developments in our work and in the environment in which we operate.

The Board includes senior professionals in key disciplines relevant to the management of the organisation: human rights, medicine, mental health, law, policy, finance, governance, child protection, fundraising, communications, information and technology and human resources – who are able to appreciate and assess the risks in their respective fields. We have internal controls in place to mitigate identified risks in compliance with Charity Commission guidelines.

New Trustees are appointed by the Board when the need arises to replace leavers and strengthen particular core competencies against a skills audit. Recruitment of new Trustees is through an open process with vacancies advertised on various websites and applications are particularly encouraged from former service users with expertise in the fields sought. The term of office is three years, after which a Trustee may be re-appointed for up to a maximum of two terms. In addition, up to two Trustees can be appointed for longer periods in exceptional circumstances. New Trustees receive a comprehensive induction covering the organisation's

mission, activities, strategy and finances and about their own responsibilities. The Board approves the strategy, annual budgets and major investments alongside receiving quarterly management accounts and assessing overall performance. The Senior Management Team has delegated responsibility for operational management of the charity taking day to day decisions in the interest of the charity. Away days are held to review longer term strategic issues. During the last year, two Trustees resigned or retired and two more will retire in 2017. They were replaced with five new Trustees recruited in 2016. Dr Frank Margison also stepped down as Chair having served three terms as Trustee and Chair. Professor Francesca Klug, OBE took over as Chair in March 2016 following an extensive three month induction process. We have two new patrons: Lord Alf Dubs and Professor Philippe Sands QC. Susan Munroe continued to serve as the Chief Executive and Company Secretary. There was a minor reorganisation shifting responsibility for facilities and reception from the Director of Finance to the Director of People & Transformation.

Clinical services (including medical, psychotherapeutic & social work) are provided through our centres in England (London and South East, North West, North East and West Midlands) and Scotland. They deliver one-to-one, group and family rehabilitation to survivors of torture and produce forensic medico-legal reports. The department also provides training and capacity building services to external partners and organisations involved in the welfare of survivors of torture including NGOs and statutory services, the legal sector and immigration judiciary as well as relevant Home Office teams.

We have one Psychological Therapist / Capacity Builder in Yorkshire and Humberside who works in partnership with another charity in the region, BAFRA.

Clinical Services also deliver Outreach work which includes psychotherapy, legal and welfare casework provided in outreach centres.

We employ 157 staff and during the year the organisation was fortunate to have the services of approximately 200 part-time volunteers. Most worked in the area of medical, therapeutic and casework services in all five clinical centres. In addition around 50 supporters acted as volunteer holiday hosts for our clients and their families.

# STATEMENT OF TRUSTEES' RESPONSIBILITIES

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The Trustees (who are also directors of Medical Foundation for the Care of Victims of Torture for the purposes of company law) are responsible for preparing the Trustees' Report, Strategic Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires Trustees to prepare financial statements for each financial year which give a true and fair view of the state of the affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities Statement of Recommended Practice (SORP);
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards including FRS 102 have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The Trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 as amended by the Charities Accounts (Scotland) Amendment (No.2) Regulations 2014. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the Trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

The Trustees are responsible for 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.

The Trustees' Annual Report is approved by the Trustees of the Charity.

The Strategic Report, which forms part of the Annual Report, is approved by the Trustees in their capacity as directors in company law of the charity.

Signed on their behalf by:



**Melanie Essex**  
Vice-chair of Trustees



**Peter Atfield**  
Vice-chair of Trustees

Approved on the 20 June 2017

# INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS AND TRUSTEES OF MEDICAL FOUNDATION FOR THE CARE OF VICTIMS OF TORTURE

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We have audited the financial statements of Medical Foundation for the Care of Victims of Torture for the year ended 31 December 2016 which comprise the Statement of Financial Activities (incorporating Income and Expenditure Account), the Balance Sheet, the Statement of Cash Flows, and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including FRS 102 'The Financial Reporting Standard Applicable in the UK and Ireland'.

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and to the charitable company's Trustees, as a body, in accordance with section 44 (1)(c) of the Charities and Trustee Investment (Scotland) Act 2005. Our audit work has been undertaken so that we might state to the charitable company's members and trustees those matters which we are required to state to them in an auditors' report addressed to them and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to any party other than the charitable company and charitable company's members, as a body, and the Charity's Trustees, 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 Trustees' Responsibilities Statement set out on page 23, 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.

We have been appointed as auditor under section 44 (1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report to you in accordance with regulations made under those Acts. 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 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 directors; and the overall presentation of the financial

statements. In addition, we read all the financial and non-financial information in the trustees annual 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 misstatements or inconsistencies, we consider the implications for our report.

## Opinion on the 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 31 December 2016 and of its incoming resources and application of resources, including the income and expenditure for the year then ended; and
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 (as amended) and Regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

## Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

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

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

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

We have nothing to report in respect of the following matters where the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 (as amended) require us to report to you if, in our opinion:

- the charitable company has not kept adequate accounting records, or returns adequate for our audit have not been received from branches not visited by us; or

- 
- the charitable company's 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.

Kingston Smith LLP

**Luke Holt, Senior Statutory Auditor**

For and on behalf of  
Kingston Smith LLP, Statutory Auditor

Devonshire House  
60 Goswell Road  
London EC1M 7AD

Kingston Smith LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

Approved on the 20<sup>th</sup> June 2017

## Statement of financial activities

### Incorporating Income and Expenditure Account for the year ended 31 December 2016

	Notes	Unrestricted funds £	Restricted funds £	Total funds 2016 £	Total funds 2015 £
<b>Income from:</b>					
Donations and legacies	2	6,981,636	651,199	7,632,835	7,169,594
Charitable activities	4	292,797	343,621	636,418	554,285
Other trading activities (incl. fundraising)	3	272,711	-	272,711	279,047
Investments		18,844	-	18,844	15,375
<b>Total</b>		<b>7,565,988</b>	<b>994,820</b>	<b>8,560,808</b>	<b>8,018,301</b>
<b>Expenditure on:</b>					
Raising funds	5	2,112,091	-	2,112,091	2,652,430
Charitable activities		5,129,177	1,112,958	6,242,135	5,891,588
<b>Total</b>	6	<b>7,241,268</b>	<b>1,112,958</b>	<b>8,354,226</b>	<b>8,544,018</b>
Net (losses)/gains on investments		3,303	-	3,303	(634)
<b>Net (expenditure)/income</b>		<b>328,023</b>	<b>(118,138)</b>	<b>209,885</b>	<b>(526,351)</b>
<b>Net movements in funds</b>		<b>328,023</b>	<b>(118,138)</b>	<b>209,885</b>	<b>(526,351)</b>
<b>Reconciliation of funds:</b>					
Total funds brought forward		6,512,121	662,750	7,174,871	7,701,222
<b>Total funds carried forward</b>		<b>6,840,144</b>	<b>544,612</b>	<b>7,384,756</b>	<b>7,174,871</b>

In the current and previous year the only restricted income was included in Donations and legacies and Charitable activities (see Notes 2 and 4); the only restricted expenditure was included in Charitable activities (see Note 6).

Balance Sheet as at 31 December 2016  
(Company limited by guarantee - registered no. 2398586)

	Notes	2016 £	2015 £
<b>Fixed Assets</b>			
Tangible assets	8	4,556,021	4,674,916
Intangible assets	8	49,392	151,741
Investments	9	14,289	10,986
		<u>4,619,702</u>	<u>4,837,643</u>
<b>Current Assets</b>			
Debtors	10	777,037	703,774
Short-term deposits		1,408,336	1,205,615
Cash at hand and in bank		1,628,070	1,535,573
		<u>3,813,443</u>	<u>3,444,962</u>
<b>Creditors:</b> amounts falling due within one year	11	(442,668)	(402,955)
<b>Net current assets</b>		3,370,775	3,042,007
<b>Total assets less current liabilities</b>		7,990,477	7,879,650
<b>Creditors:</b> amounts falling due after one year	12	(605,721)	(704,779)
<b>Net assets</b>		<u><u>7,384,756</u></u>	<u><u>7,174,871</u></u>
<b>Funds</b>			
14			
Unrestricted funds:			
Designated funds		4,884,166	4,562,191
General reserve		1,955,978	1,949,930
		<u>6,840,144</u>	<u>6,512,121</u>
Restricted income funds:		544,612	662,750
		<u><u>7,384,756</u></u>	<u><u>7,174,871</u></u>

The accompanying notes are an integral part of these accounts.

The accounts were approved and authorised for issue by the Board of Trustees on the 20th June 2017 and signed on its behalf by:

Gillian Fawcett, Trustee



## Cash flow statement for the year ended 31 December 2016

	Notes	2016 £	2015 £
<b>Cash flows from operating activities:</b>			
Net cash provided by/(used in) operating activities		456,520	(299,412)
<b>Cash flows from investing activities:</b>			
Dividends and interest from investments		18,844	15,375
Purchase of property, plant and equipment		(72,604)	(84,684)
Net cash (used in)/provided by investing activities		(53,760)	(69,309)
<b>Cash flows from financing activities:</b>			
Repayments of borrowing		(95,949)	(93,928)
Interest paid		(11,593)	(13,612)
Net cash (used in)/provided by financing activities		(107,542)	(107,540)
<b>Change in cash and cash equivalents in the reporting period</b>		295,218	(476,261)
Cash and cash equivalents at the beginning of the reporting period		2,741,188	3,217,449
<b>Cash and cash equivalents at the end of the reporting period</b>		3,036,406	2,741,188
<b>Reconciliation of net income/ (expenditure) to net cash flow from operating activities</b>			
		<b>2016</b>	<b>2015</b>
		<b>£</b>	<b>£</b>
<b>Net income / (expenditure)</b>		209,885	(526,351)
<b>Adjustments for:</b>			
Depreciation charges		171,500	181,639
Amortisation charges		122,348	118,348
Dividends and interest from investments		(18,844)	(15,375)
Interest paid		11,593	13,612
(Gains)/ losses on investments		(3,303)	634
(Increase)/decrease in debtors		(73,263)	(99,440)
Increase in creditors		36,604	27,521
<b>Net cash provided by/(used in) operating activities</b>		456,520	(299,412)
<b>Analysis of cash and cash equivalents</b>			
Cash in hand		1,628,070	1,535,573
Notice deposits (less than 30 days)		1,408,336	1,205,615
		3,036,406	2,741,188

The accompanying notes are an integral part of these accounts.

# Notes to the financial statements for the year ended 31 December 2016

## 1. ACCOUNTING POLICY

General information and basis of preparation:

Medical Foundation for the Care of Victims of Torture is a charitable company limited by guarantee. In the event of the Foundation being wound up, the liability in respect of the guarantee is limited to £1 per member of the Foundation. The address of the registered office is given in the charity information on page 3 of these financial statements. The nature of the Foundation's operations and principal activities are included in the Trustees' Report.

The functional currency used to prepare the financial statements was Sterling.

The organisation constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014, as updated through Update Bulletin 1 published on 2 February 2016, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 as amended by the Charities Accounts (Scotland) Amendment (No.2) Regulation 2014 and UK Generally Accepted Practice as it applies from 1 January 2015.

The financial statements are prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value.

The financial statements do not consolidate the income, expenditure, assets or liabilities of the trading company as disclosed in note 9 due to their immateriality.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

### Going concern

The Trustees have assessed whether the use of the going concern basis is appropriate and have considered possible events or conditions that might cast significant doubt on the ability of the charitable company to continue as a going concern. The Trustees have made this assessment for a period of at least one year from the date of approval of the financial statements. After making enquiries the Trustees have concluded that there is a reasonable expectation that the charitable company has adequate resources to continue in operational existence for the foreseeable future and there are no material

uncertainties which may cause doubt on the company's ability to continue as a going concern. The charitable company therefore continues to adopt the going concern basis in preparing these financial statements.

### Tangible and intangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently at cost less depreciation and any impairment losses. Depreciation is provided at rates per annum calculated to write off the cost or valuation of each asset over its useful life, as follows:

Freehold Land	0%
Freehold Building	2%
Long Lease Building	2%
Computer Equipment	25%
Database Software	20%
Furniture, Fixing and Fitting	25%

The depreciation rates above reflect the duration that assets retain a value to the organisation.

Intangible assets are amortised over their expected useful life, as follows:

Software	20%
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### Investments

Listed investments are initially measured at cost and subsequently measured at fair value. Changes in fair value and gain and losses arising on disposal of investment are reflected in the Statement of Financial Activities at the balance sheet date. Investments in subsidiaries are stated at cost less any provision for impairment.

### Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less.

### Financial instruments

Basic financial instruments are measured at amortised cost other than investments which are measured at fair value.

### Income recognition

All incoming resources are included in the Statement of Financial Activities (SoFA) when the organisation is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

For donations to be recognised the organisation will have been notified of the amounts and the settlement date in writing. If there are conditions attached to the donation and this requires

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a level of performance before entitlement can be obtained then income is deferred until those conditions are fully met or the fulfilment of those conditions is within the control of the organisation and it is probable that they will be fulfilled.

No amount is included in the financial statements for volunteer time in line with the SORP (FRS 102). Further detail is given in the Trustees' Report.

For legacies, entitlement arises when the charity is aware that probate has been granted. Receipt is normally probable when the executors have established that there are sufficient assets in the estate. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

Income from trading activities includes income earned from fundraising events and trading activities to raise funds for the charity. Income is received in exchange for supplying goods and services in order to raise funds and is recognised when entitlement has occurred.

### Expenditure

Direct charitable expenditure is analysed under four broad activity headings: medical/therapeutic/casework; education, training and information; human rights work; and relief grants for individuals and families. Under each of these headings is included staff costs directly attributed to each activity, interpreting costs where appropriate, specific project costs and an allocation of shared costs such as premises and telephone usage on the basis of the staff time spent on each activity. Cost of generating funds includes direct expenditure incurred in relation to fundraising campaigns and events, staff costs directly attributed to this activity and shared costs which are allocated as above. Support costs represent those functions which are wholly or mainly in support of the above activities including senior management, human resources and financial administration. Governance includes only those costs associated with maintaining the organisation as a legal, rather than an operational entity. See note 6.

Grants payable are payments made to third parties in furtherance of the Charity's objectives. Unconditional grant offers are accrued in full once the recipient has been advised of the grant award and the payment is probable. Where grant awards are subject to performance conditions that are outside of the control of the Charity these are accrued when the recipient has been notified of the grant award.

### Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets

and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation are included in the Statement of Financial Activities for the period.

### Operating leases

The rentals paid on operating leases are charged to expenditure on a straight line basis over the term of the lease.

### Pension cost

The organisation provides a defined contribution pension scheme for its employees and contributions payable for the year are charged to the Statement of Financial Activities.

### Funds

Unrestricted funds are available for use at the discretion of the Trustees, in furtherance of the general charitable objectives of the organisation. Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in note 14. The General Reserve is the balance of unrestricted funds not designated by the Trustees. Restricted funds are funds, the use of which is subject to specific conditions imposed by the donors or as specified in an appeal to donors.

### Critical accounting estimates and areas of judgement

In preparing the financial statements it is necessary to make certain judgements, estimates and assumptions that affect the amounts recognised in the financial statements. In the view of the Trustees, judgements, estimates and assumptions that had the most significant affect included legacy income recognition and depreciation, as per the accounting policies previously disclosed.

## 2. DONATIONS AND LEGACIES

	<b>2016</b>	<b>2016</b>	<b>2016</b>
<b>2016</b>	<b>Unrestricted</b>	<b>Restricted</b>	<b>Total</b>
	<b>funds</b>	<b>funds</b>	<b>funds</b>
	<b>£</b>	<b>£</b>	<b>£</b>
Trusts & foundations	236,686	610,823	847,509
Companies	66,888	-	66,888
Individuals:			
Committed donations (excluding Gift Aid)	2,464,108	-	2,464,108
Major donations (excluding Gift Aid)	341,502	37,000	378,502
Other donations (excluding Gift Aid)	1,440,868	3,376	1,444,244
Gift aid tax claimable	808,223	-	808,223
Legacies	1,623,361	-	1,623,361
<b>Total</b>	<b>6,981,636</b>	<b>651,199</b>	<b>7,632,835</b>

	<b>2015</b>	<b>2015</b>	<b>2015</b>
<b>2015</b>	<b>Unrestricted</b>	<b>Restricted</b>	<b>Total</b>
	<b>funds</b>	<b>funds</b>	<b>funds</b>
	<b>£</b>	<b>£</b>	<b>£</b>
Trusts & foundations	209,109	665,175	874,284
Companies	47,111	2,963	50,074
Individuals:			
Committed donations (excluding Gift Aid)	2,491,500	-	2,491,500
Major donations (excluding Gift Aid)	355,471	27,000	382,471
Other donations (excluding Gift Aid)	1,471,862	61,420	1,533,282
Gift aid tax claimable	807,698	-	807,698
Legacies	1,030,285	-	1,030,285
<b>Total</b>	<b>6,413,036</b>	<b>756,558</b>	<b>7,169,594</b>

Income from trusts and foundations included the following:

<b>Donor</b>	<b>Purpose</b>	<b>£</b>
Breadsticks Foundation	North West Centre: Therapy and Training	150,000
Comic Relief	London Centre: Policy and Human Rights	77,500
Esmée Fairbairn Foundation	Survivors Speak OUT and Policy	40,000
Comic Relief	London Centre: Children and Young Peoples Services	38,322
Open Society Foundation	London Centre: Group work	35,000
BBC Children in Need	London Centre: Childrens Services	28,000
City Bridge Trust	London Centre: Children's Services	26,250

<b>Donor</b>	<b>Purpose</b>	<b>£</b>
Stanley Thomas Johnson Foundation	London Centre: Group work	25,000
The Robertson Trust	Scotland Centre: Therapy Services	20,000
American Jewish Committee	London Centre: Policy and Human Rights	17,185
Alan & Babette Sainsbury Charitable Fund	London Centre: Family therapy Services	10,000
Trust for London	London Centre: Policy and Human Rights	15,000
The DG Charitable Settlement	Scotland Centre: Separated Young Torture Survivors Services	15,000
Philip King Charitable Trust	London Centre: Music Therapy	10,000
The RS Macdonald Charitable Trust	Scotland Centre: Children and Young Peoples Services	10,000
Three Oaks Trust	West Midlands Centre: Client Interpretation	10,000
M & C Trust	London: Children's Therapy Services	8,000
Patrick and Helena Frost Foundation	London Centre: Write to Life	7,500
Beatrice Laing Trust	London Centre: Child Psychotherapy & Family Therapy	5,000
Persula Foundation	London Centre: Write to Life	5,000
Goshen Trust	Newcastle Centre: Outreach therapy services	4,000
Zephyr Charitable Trust	London Centre: Training and Capacity Building	3,300
Austin & Hope Pilkington Trust	London Centre: Write to Life	3,000
Ashla Trust	London Centre: Write to Life	3,000
Eleanor Rathbone Charitable Trust	North West Centre: Training and Capacity Building	2,500
Miss KM Harbinson's Charitable Trust	Scotland Centre: Therapy Service	2,400
Manchester Guardian Society Chart. Trust	North West Centre: Core support	2,000
Mickel Fund	Scotland Centre: Children and Young Peoples Services	2,000
Barbara Saunders Trust	London Centre: Child Psychotherapy & Family Therapy	2,000
The Eveson Charitable Trust	West Midlands Centre: Children and Young Peoples Services	2,000
Homeland Charitable Trust	London Centre: Children's Therapy Services	2,000
The Joe Strummer Foundation	North West Centre: Music Therapy	1,733
London Churches Refugee Fund	London Centre: Client relief	1,500
The Westcroft Trust	West Midlands Centre: Core Support	1,500
Netherdale Trust	Scotland Centre: Therapeutic Support	1,375
Kenneth Barge Memorial Trust	Scotland Centre: Client Travel	1,000
JTH Charitable Trust	Scotland Centre: Core Support	1,000
Madeline Mabey Trust	North West centre: Children and Young People Therapy	1,000
The Casey Trust	London Centre: Children and Young Peoples Services	1,000
Sutasoma Trust	London Centre: Horticultural Therapy	1,000

At the end of 2016 there were nine open residuary legacies with an estimated total value of £303,000 which had not met the conditions for recognition as income during the year (2015 - 23 legacies total value £810,000). In addition, there are three estates with an estimated total value of £33,000 which will be released on the expiration of life trusts. We received no new legacies in 2016 subject to trust restrictions.

### 3. OTHER TRADING ACTIVITIES (INCL. FUNDRAISING)

	<b>2016</b>	<b>2015</b>
	<b>£</b>	<b>£</b>
Raffles	110,124	123,772
Fundraising events	138,885	114,533
Christmas cards	13,527	8,576
Sundry	10,175	32,166
	<u>272,711</u>	<u>279,047</u>

### 4. INCOME FROM CHARITABLE ACTIVITIES

<b>2016</b>	<b>2016</b>	<b>2016</b>	<b>2016</b>
	<b>Unrestricted</b>	<b>Restricted</b>	<b>Total</b>
	<b>funds</b>	<b>funds</b>	<b>funds</b>
	<b>£</b>	<b>£</b>	<b>£</b>
Grants from government and public bodies:			
United Nations Voluntary Fund for Victims of Torture	-	13,660	13,660
European Commission (see breakdown below)	-	14,892	14,892
Big Lottery Fund (see below)	-	237,068	237,068
Scottish Executive	-	5,000	5,000
Others		73,001	73,001
Sub-total government and public bodies	-	343,621	343,621
Fees for medico-legal reports	249,756	-	249,756
Training fees	40,901	-	40,901
Publications sales and room hire	2,140	-	2,140
Total	<u>292,797</u>	<u>343,621</u>	<u>636,418</u>

<b>2015</b>	<b>2015</b>	<b>2015</b>	<b>2015</b>
	<b>Unrestricted</b>	<b>Restricted</b>	<b>Total</b>
	<b>funds</b>	<b>funds</b>	<b>funds</b>
	<b>£</b>	<b>£</b>	<b>£</b>
Grants from government and public bodies:			
United Nations Voluntary Fund for Victims of Torture	-	12,861	12,861
European Commission (see breakdown below)	-	155,955	155,955
Big Lottery Fund (see below)	-	107,819	107,819
Scottish Executive	-	31,500	31,500
Sub-total government and public bodies	-	308,135	308,135
Fees for medico-legal reports	204,995	-	204,995
Training fees	40,515	-	40,515
Publications sales and room hire	640	-	640
Total	<u>246,150</u>	<u>308,135</u>	<u>554,285</u>

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There are no known unfulfilled conditions, or contingencies attached to the income recognised in respect of government grants.

The grant from the United Nations Voluntary Fund was used for clinicians' salaries in the areas of medico-legal reports, adult psychotherapy, counselling, clinical psychology and relief.

The income shown above is comprised of the total funds received as adjusted for the movement in debtors.

The Medical Foundation was grateful to receive a grant from the European Commission in 2016 as follows:

	<b>Restricted Funds</b>
	<b>£</b>
European Commission funds	
Rehabilitation services and exploration of best practices for adult torture survivors and their families in the UK and Ireland HOME/2014/PAVT/AG/6538	99,261
	<u>99,261</u>

HOME/2014/PAVT/AG/6538 grant contributes to Psychological Therapy for adult survivors of torture in London and the development of a Family Therapy service for survivors of torture run by our project partner SPIRASI in Dublin, Republic of Ireland.

As the senior partner in the grant above (HOME/2014/PAVT/AG/6538) the organisation has received and is holding the portion of the grant payable to our project partner SPIRASI. These funds are being disbursed to SPIRASI upon completion of milestones and project reports. At the end of the year the Sterling GBP £ equivalent of the funds held by Medical Foundation was £11,557

The Medical Foundation was grateful to receive three grants from the Big Lottery fund in 2016 as follows:

	<b>Restricted Funds</b>
	<b>£</b>
Helping Torture Survivor Families Recover to Rebuild their Lives IID/1/010459375 Big Lottery Scotland	68,907
Holistic support for torture survivors Reaching Communities: reference 31023924	79,858
Helping Adult Torture Survivors Recover to Rebuild Their Lives: reference 10259774	80,633
	<u>229,398</u>

The grants above contributed to family therapy in Scotland, adult therapy in London and adult therapy in the North West of England for survivors of torture.

These funds are included as part of the relevant restricted funds in Note 14.

## 5. COST OF RAISING FUND

	2016	2015
	£	£
Direct Marketing	1,155,107	1,597,033
Legacies	63,526	58,159
Trusts and Corporate	239,450	175,415
Events	105,835	112,123
Local Groups	68,655	73,451
Community & National Fundraising	100,169	199,210
Major Donors	158,282	147,166
Grants	137,835	123,123
Cost of raising voluntary income	2,028,859	2,485,680
Cost of activities for generating funds	83,232	166,750
Total cost of raising funds	<u>2,112,091</u>	<u>2,652,430</u>

## 6. ANALYSIS OF TOTAL EXPENDITURE

2016	Staff costs £	Other direct costs £	Support costs £	Total 2016 £
Raising funds:				
Voluntary income	706,456	973,565	348,839	2,028,859
Generating funds	40,792	18,941	23,500	83,232
	<u>747,247</u>	<u>992,505</u>	<u>372,339</u>	<u>2,112,091</u>
Charitable expenditure:				
Activities in furtherance of our objects:				
Medical/therapy/casework	3,043,507	246,088	1,107,764	4,397,359
Education/training/info.	533,971	43,097	240,808	817,876
Human rights work	585,184	97,859	231,355	914,399
Relief grants	8,366	100,760	3,374	112,501
	<u>4,171,029</u>	<u>487,805</u>	<u>1,583,301</u>	<u>6,242,135</u>
Support costs	631,508	1,324,132	(1,955,640)	-
Total expenditure	<u>5,549,784</u>	<u>2,804,442</u>	<u>-</u>	<u>8,354,226</u>

<b>2015</b>	<b>Staff costs £</b>	<b>Other direct costs £</b>	<b>Support costs £</b>	<b>Total 2015 £</b>
Raising funds:				
Voluntary income	718,137	1,375,914	391,630	2,485,681
Generating funds	59,803	73,196	33,750	166,749
	<u>777,940</u>	<u>1,449,110</u>	<u>425,380</u>	<u>2,652,430</u>
Charitable expenditure:				
Activities in furtherance of our objects:				
Medical/therapy/casework	2,888,502	154,575	1,107,490	4,150,567
Education/training/info.	503,666	26,423	266,454	796,543
Human rights work	495,292	78,999	256,484	830,775
Relief grants	13,203	94,599	5,901	113,703
	<u>3,900,663</u>	<u>354,596</u>	<u>1,636,329</u>	<u>5,891,588</u>
Support costs	726,403	1,335,306	(2,061,709)	-
Total expenditure	<u>5,405,006</u>	<u>3,139,012</u>	<u>-</u>	<u>8,544,018</u>

All expenditure on raising funds was unrestricted (2015 – the same); of the charitable activities expenditure £5,129,551 was unrestricted (2015 - £4,908,920) and £1,112,958 was restricted (2015 - £982,668).

Relief grants include £100,760 (2015 - £94,599) given to individuals and families. Of this, £68,913 provided approximately 7,600 small grants to pay clients' fares in order that they could attend sessions at our clinical centres and £31,847 provided approximately 950 larger grants, mainly in respect of subsistence to clients unable to access state support, rehabilitation and holidays hosted by supporters of Freedom from Torture.

Net incoming resources are stated after charging:

	<b>Total 2016 £</b>	<b>Total 2015 £</b>
Auditors' remuneration:		
Audit fee - statutory accounts	10,445	10,140
Audit fee - non audit services	2,911	2,765
Operating lease rentals - Land and buildings	<u>121,024</u>	<u>106,115</u>

Support costs represent premises and other overhead costs which cannot be directly attributed to departments and projects. The allocation of non-direct costs in the above table is as follows:

2016	Premises phone/post furniture £	Gover- nance £	Financial adminis- tration £	Senior manage- ment £	HR & staff training £	2016 Total allocated £
<b>Raising funds:</b>						
Voluntary income	178,418	3,840	75,317	35,225	56,039	348,839
Activities for generating funds	12,019	259	5,074	2,373	3,775	23,500
	190,437	4,099	80,391	37,598	59,814	372,339
<b>Charitable expenditure:</b>						
Activities in furtherance of our objects:						
Medical/therapy/casework	566,580	12,194	239,174	111,860	177,956	1,107,764
Education/training/info.	123,166	2,651	51,991	24,315	38,685	240,808
Human rights work	118,329	2,547	49,951	23,362	37,166	231,355
Relief grants	1,727	36	729	340	542	3,374
	809,802	17,428	341,845	159,877	254,349	1,583,301
<b>Total</b>	1,000,239	21,527	422,236	197,475	314,163	1,955,640
2015	Premises phone/post furniture £	Gover- nance £	Financial adminis- tration £	Senior manage- ment £	HR & staff training £	2015 Total allocated £
<b>Raising funds:</b>						
Voluntary income	175,900	3,730	77,978	54,065	79,957	391,630
Activities for generating funds	15,159	321	6,720	4,659	6,891	33,750
	191,059	4,051	84,698	58,724	86,848	425,380
<b>Charitable expenditure:</b>						
Activities in furtherance of our objects:						
Medical/therapy/casework	497,426	10,547	220,515	152,890	226,112	1,107,490
Education/training/info.	119,677	2,538	53,054	36,784	54,401	266,454
Human rights work	115,199	2,443	51,069	35,408	52,365	256,484
Relief grants	2,650	56	1,175	815	1,205	5,901
	734,952	15,584	325,813	225,897	334,083	1,636,329
<b>Total</b>	926,011	19,635	410,511	284,621	420,931	2,061,709

The basis of allocation of costs in all cases is the proportion of direct staff time spent on each function. Senior management includes the Chief Executive's office.

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## 7. STAFF COSTS AND TRANSACTIONS WITH TRUSTEES

	<b>2016</b>	<b>2015</b>
	<b>£</b>	<b>£</b>
Salaries (including temporary staff)	4,588,265	4,431,579
Interpreters	319,715	337,473
Social security	369,218	372,597
Pension contributions	251,616	246,503
Life assurance contributions	20,970	16,854
	<u>5,549,784</u>	<u>5,405,006</u>

The Foundation contributes at the rate of 6% of gross salary to a money purchase pension scheme for staff with more than three months' service who have not opted out of the scheme.

The year-end creditors includes an amount of £34,444 (2015 - £403) for accrued pension costs.

The number of employees whose emoluments as defined for taxation purposes amounted to over £60,000 in the year was as follows:

	<b>2016</b>	<b>2015</b>
£60,001 - £70,000	2	2
£70,001 - £80,000	-	-
£80,001 - £90,000	2	1

Key management personnel comprises of the Trustees and Senior Management Team (listed below):

Chief Executive Officer  
Director of Clinical Services  
Director of Finance and Central Services  
Director of Fundraising and Communications  
Director of People and Transformation  
Director of Policy and Advocacy

Total remuneration for these posts amounted to £442,172 (2015 - £318,635)

All the employees in the above categories participated in the pension scheme. Contributions made for them amounted to £26,958 (2015 - £24,105).

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The Trustees act in a voluntary capacity and received no remuneration. 4 (2015-2) Trustees received reimbursement of expenses totalling £1,344 during the year (2015 - £1,619). There were no other related parts transactions in the year (2015 - £nil).

Staff costs included ex-gratia, redundancy and payment in lieu of notice costs of £107,876 (2015 - £205,153).

The average number of paid employees and self-employed interpreters (full-time equivalent) over the year by function was:

	<b>2016</b>	<b>2015</b>
Medical, therapeutic and casework	64	59
Interpreters services including admin	9	4
Education, training and information	11	11
Human rights work	11	10
Support	14	14
Fundraising	17	19
Total full-time equivalent (salaried staff)	<u>126</u>	<u>117</u>
Interpreters self employed	4	6
Total full time equivalent (all staff)	<u>130</u>	<u>123</u>
Total on payroll, full time and part time	<u>157</u>	<u>153</u>

During the year the organisation was fortunate also to have the services of around 169 (2015 - 198) part-time volunteers. Most of them worked in the medical, therapeutic and casework area.

## 8. TANGIBLE AND INTANGIBLE FIXED ASSETS

	Tangible Fixed Assets				2016 Total £
	Freehold land and building £	Long Leasehold building £	Computer hardware/ Office equipment £	Furniture/ Fixtures & fittings £	
<b>Cost:</b>					
At 01.01.16	5,419,752	435,331	763,158	446,587	7,064,828
Additions	-	-	45,631	6,974	52,605
At 31.12.16	5,419,752	435,331	808,789	453,561	7,117,433
<b>Depreciation:</b>					
At 01.01.16	1,199,096	71,867	701,479	417,470	2,389,912
Charge for the year	105,158	7,269	44,764	14,309	171,500
At 31.12.16	1,304,254	79,136	746,243	431,779	2,561,412
<b>Net book values:</b>					
At 31.12.15	4,220,656	363,464	61,679	29,117	4,674,916
At 31.12.16	4,115,498	356,195	62,546	21,782	4,556,021
				<b>Intangible Fixed Assets £</b>	
<b>Database software</b>					
<b>Cost:</b>					
At 01.01.16					591,742
Additions					19,999
At 31.12.16					611,741
<b>Amortisation:</b>					
At 01.01.16					440,001
Charge for the year					122,348
At 31.12.16					562,349
<b>Net book values:</b>					
At 31.12.15					151,741
At 31.12.16					49,392

The freehold land and building comprised the Foundation's main premises in Finsbury Park, London. The Long leasehold building, being the Newcastle centre is held under a 295 years lease running from 2006.

## 9. INVESTMENTS

At the end of 2016 the charity held listed investments comprising of shares valued at £14,289 (2015 - £10,986) which had been donated by supporters. The main holding is Scottish Investment Trust Plc £13,496 (2015 - £10,425).

	<b>2016</b>	<b>2015</b>
	<b>£</b>	<b>£</b>
Market value at beginning of year	10,986	11,620
Unrealised investment gain/(loss)	3,303	(634)
Market value at end of year	<u>14,289</u>	<u>10,986</u>

In addition to the investments described above the Foundation retained the shares comprising its £100 (2015-£100) investment in its trading subsidiary company, Survivors Trading Limited. Survivors Trading has been dormant since 2011 and therefore there was no turnover income or expenditure. Net assets amounted to £8 at the year-end (2015-£8). The income, expenditure, assets and liabilities of the trading company are not consolidated in this financial statements due to their immateriality. Copies of Survivors Trading's financial statements are available from 111 Isledon Road, London, N7 7JW.

## 10. DEBTORS

	<b>2016</b>	<b>2015</b>
	<b>£</b>	<b>£</b>
Trade debtors (medico-legal report fees)	184,870	143,750
Bad debts provision	(18,249)	(22,930)
Tax recoverable on Gift Aid donations	143,033	67,547
Sundry debtors	418,782	460,868
Prepayments	48,601	54,539
	<u>777,037</u>	<u>703,774</u>

## 11. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	<b>2016</b>	<b>2015</b>
	<b>£</b>	<b>£</b>
Bank loan repayable within one year	98,544	95,435
Trade creditors	139,021	103,063
Inland Revenue: PAYE and NI contributions	112,647	113,141
Staff salaries and pensions	34,444	403
Other accruals	58,012	90,913
	<u>442,668</u>	<u>402,955</u>

See details of bank loan below in note 12.

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## 12. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	<b>2016</b>	<b>2015</b>
	<b>£</b>	<b>£</b>
Between one and two years	98,544	96,973
Between two and five years	305,266	300,398
More than five years	201,911	307,408
	<u>605,721</u>	<u>704,779</u>

The above loan from the Co-operative Bank is secured against our freehold property at 111 Isledon Road, London N7 with interest charged at 1.10% above LIBOR. It is repayable in monthly instalments over 14 years from December 2009.

## 13. LEASE COMMITMENTS

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

	<b>2016</b>	<b>2015</b>
	<b>£</b>	<b>£</b>
Up to one year	79,134	79,134
Between one and five years	151,500	111,620
Later than five years	-	-
	<u>230,634</u>	<u>190,754</u>

The Foundation had commitments under non-cancellable leases for land buildings which relate to clinical centres in Manchester, Birmingham and Glasgow.

## 14. MOVEMENTS IN FUNDS

Opening and closing balances and movements in funds were as follows:

2016	Brought forward at end 2015 £	Incoming during 2016 £	Outgoing during 2016 £	Transfers & investm. gains 2016 £	Carried forward at end 2016 £
<b>Restricted funds:</b>					
Medico-legal work	-	6,147	(6,147)	-	-
Psychological therapy - Adults	102,678	107,714	(190,832)	-	19,560
Psychological therapy - CYPF	-	120,572	(104,725)	-	15,847
Group work - Adults	3,333	45,311	(8,644)	-	40,000
Group work - CYPF	-	26,000	(17,700)	-	8,300
North West centre	40,917	246,070	(278,197)	-	8,790
Scotland centre	34,887	144,666	(152,947)	-	26,606
North East centre	35,411	5,960	(41,034)	-	337
West Midlands centre	21,334	35,846	(48,678)	-	8,502
Yorkshire and Humberside	-	8,000	(6,000)	-	2,000
Survivors writing group - Write 2 Life project	-	18,500	(9,875)	-	8,625
Training & capacity building	-	3,300	(3,300)	-	-
Research	-	58,501	(58,501)	-	-
Human rights work	17,459	149,685	(155,811)	-	11,333
Relief grants	-	18,548	(17,798)	-	750
Memorial lectures in memory of A. Wetherfield	43,268	-	(5,500)	-	37,768
North East centre Fixed Assets reserve	363,463	-	(7,269)	-	356,194
	662,750	994,820	(1,112,958)	-	544,612
<b>Designated funds:</b>					
Fixed assets reserve	3,662,979	-	-	(118,025)	3,544,954
Recovery fund	-	-	-	400,000	400,000
Long term donation	526,812	13,170	(13,170)	-	526,812
Major building repairs	372,400	-	-	40,000	412,400
	4,562,191	13,170	(13,170)	321,975	4,884,166
General reserve (unrestricted fund)	1,949,930	7,552,818	(7,228,098)	(318,672)	1,955,978
Sub-total: Charity funds	7,174,871	8,560,808	(8,354,226)	3,303	7,384,756

2015	<i>Brought forward at end 2014</i>	<i>Incoming during 2015</i>	<i>Outgoing during 2015</i>	<i>Transfers &amp; investm. &amp; gains 2015</i>	<i>Carried forward at end 2015</i>
	£	£	£	£	£
<b>Restricted funds:</b>					
Medico-legal work	-	5,788	(5,788)	-	-
Psychiatric care	-	1,286	(1,286)	-	-
Psychological assessment	-	-	-	-	-
Adult psychotherapy	-	207,528	(104,850)	-	102,678
Adult group work	-	5,000	(1,667)	-	3,333
Child psychotherapy	31,568	60,500	(92,068)	-	-
Family therapy	-	17,250	(17,250)	-	-
Horticultural therapy - Natural Growth Project	-	3,391	(3,391)	-	-
Physical therapies	-	643	(643)	-	-
Counselling	-	1,286	(1,286)	-	-
North West centre	40,000	243,765	(242,848)	-	40,917
Scotland centre	30,972	192,615	(188,700)	-	34,887
North East centre	31,676	100,000	(96,265)	-	35,411
West Midlands centre	2,917	82,803	(64,386)	-	21,334
Survivors writing group - Write 2 Life project	6,875	14,515	(21,390)	-	-
Training & capacity building	-	2,800	(2,800)	-	-
Human rights work	17,153	117,500	(117,194)	-	17,459
Relief grants	-	8,023	(8,023)	-	-
Memorial lectures in memory of A. Wetherfield	48,683	-	(5,415)	-	43,268
North East centre Fixed Assets reserve	370,881	-	(7,418)	-	363,463
	<b>580,725</b>	<b>1,064,693</b>	<b>(982,668)</b>	<b>-</b>	<b>662,750</b>
<b>Designated funds:</b>					
Fixed assets reserve	3,776,936	-	-	(113,957)	3,662,979
Recovery fund	400,000	-	-	(400,000)	-
Long term donation	526,812	-	-	-	526,812
Major building repairs	340,000	-	(7,600)	40,000	372,400
	<b>5,043,748</b>	<b>-</b>	<b>-7,600</b>	<b>(473,957)</b>	<b>4,562,191</b>
General reserve (unrestricted fund)	2,076,749	6,953,608	(7,553,750)	473,323	1,949,930
Sub-total: Charity funds	<b>7,701,222</b>	<b>8,018,301</b>	<b>(8,544,018)</b>	<b>(634)</b>	<b>7,174,871</b>

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The capitalised expenditure on the North East centre (North East Centre fixed assets reserve) is considered restricted as the grant provided towards these costs, imposes specific condition that the building should continue to be used for the purpose of the Medical Foundation. The £7,269 outgoing resources represents the depreciation on the building.

The Fixed assets reserve is an unrestricted fund designated by the Trustees. Its purpose is to reflect funds tied up in the Foundation's fixed assets (other than the North East centre held in restricted funds as above) after taking into account the bank loans which are part-financing them. When additional fixed assets are required, further funding will be sought if necessary.

The Recovery fund has been established to meet the planned deficit in 2017 arising from implementation of an investment in Fundraising as part of a 10 year growth strategy.

The Long term donation is a fund set-up in response to a donor's wish that the £500k they gave be invested and any interest gained be used to help fund psychotherapy services over a sustained period. The intention of the donor was to provide long-term assistance but the Trustees have discretion to draw on it at times of great need. The charity plans to borrow these funds in the next 18 months to support fundraising with the view to increasing clinical capacity as a result.

The Foundation is putting aside £40,000 p.a. into a Major building repairs reserve to fund major repairs to its freehold property in London and its leasehold property in Newcastle. Due to the nature of the costs covered it is not possible to anticipate the timing of the expenditure.

## 15. ANALYSIS OF ASSETS AND LIABILITIES BETWEEN FUNDS

	Unrestricted Funds			2016 Total £
	Restricted Funds	Designated Funds	General Reserve	
	£	£	£	
Tangible and intangible fixed assets	356,194	4,249,219	-	4,605,413
Investments	-	-	14,289	14,289
Net current assets	188,418	1,240,668	1,941,689	3,370,775
Long term loan	-	(605,721)	-	(605,721)
	<u>544,612</u>	<u>4,884,166</u>	<u>1,955,978</u>	<u>7,384,756</u>

	Unrestricted Funds			2015 Total £
	Restricted Funds	Designated Funds	General Reserve	
	£	£	£	
Tangible and intangible fixed assets	363,463	4,463,193	-	4,826,656
Investments	-	-	10,986	10,986
Net current assets	299,287	803,777	1,938,944	3,042,008
Long term loan	-	(704,779)	-	(704,779)
	<u>662,750</u>	<u>4,562,191</u>	<u>1,949,930</u>	<u>7,174,871</u>

## 16. TAXATION

The Medical Foundation is a registered charity and as such its income and gains are exempt from corporation tax to the extent that they are applied to its charitable objectives.

## 17. FINANCIAL INSTRUMENTS

	2016 £	2015 £
Carrying amount of financial assets		
Instruments measured at fair value through profit or loss	14,289	10,986
Debt instruments measured at amortised cost	<u>218,581</u>	<u>147,315</u>
Carrying amount of financial liabilities		
Measured at amortised cost	<u>935,742</u>	<u>994,593</u>



Natural Growth Project at Freedom from Torture's London centre

Freedom from Torture  
111 Isledon Road  
London N7 7JW

T: 0207 697 7777

For more information about the work we do and how to get involved:

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