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**Trustees'
Report &
Accounts
2020**

Foreword

David Bernstein, Chair



1.5 million

In the UK, we reached close to 1.5 million people last year – in one act of kindness after another.



I am so proud to have been part of the British Red Cross during 2020. As the coronavirus pandemic plunged us all into danger and uncertainty, our teams went to unprecedented lengths to help people facing illness, isolation and poverty.

While 2020 marked the start of our ambitious new ten-year strategy, overcoming the challenges presented to us by the pandemic has helped accelerate our transformation into a more sustainable organisation. It pushed us to find new ways to be agile and effective, and bring our unique combination of skill and care to those who most urgently need it.

In the UK, we reached close to 1.5 million people last year. In one act of kindness after another, we supported NHS teams, took people to and from hospital, delivered food and medicine, provided wheelchairs and helped struggling families put food on the table.

As I write, we are supporting the roll-out of the Covid-19 vaccine, the largest vaccination programme in our country's history, focusing on those who may be hard to reach. It's a huge national endeavour that we hope will save lives and change the course of the pandemic. At this historic moment, I feel privileged and grateful that we have the people, expertise and capacity to step up and help.

Worldwide, the Red Cross and Red Crescent Movement reached one in 30 people during the year. This is an astounding achievement. It demonstrates not only the unique breadth of our global organisation, but also just how much we are capable of when faced with a worldwide crisis.

As well as Covid-19, the year brought other emergencies. When devastating bushfires broke out in Australia, Red Cross volunteers helped those who had to evacuate their homes. And in August, on the afternoon of our 150th anniversary, we launched a rapid response to a catastrophic explosion at the Port of Beirut in Lebanon. We supported the Lebanese Red Cross to deliver lifesaving first

aid and organise blood donations. The incredible response to our emergency appeal meant we were able to help more than 285,000 people across Beirut.

Looking ahead, it's more important than ever that we focus our resources where they will have most impact. The temporary closures of our shops and disruptions to Red Cross Training due to Covid-19 have affected our income, but we have raised significant funds this year thanks to the generosity of our supporters. We have managed our resources with care and finished 2020 in a healthy financial position. At a time of real volatility and uncertainty, it is vitally important we continue to build firm foundations for a sustainable future.

I'm enormously grateful to the board for its support in 2020, and of course thank everyone on our committees and sub-committees for their hard work and dedication. In particular, I'd like to thank outgoing board members Hilary Douglas and Gill Moffat for their fantastic contributions. I am also delighted to welcome Katie Igras, Anna Prag and Kirsty Robeson as new trustees. I look forward to achieving great things together with this excellent team.

I'd also like to pay tribute to our fantastic volunteers and staff for their outstanding and tireless contribution during these uniquely challenging times.

Whatever 2021 brings, we will be ready to respond.

Welcome Mike Adamson, CEO

We talk a lot about kindness at the British Red Cross – it inspires everything we do. And in 2020, we witnessed the power of kindness like never before.

Our 150th anniversary year started with the launch of Strategy 2030 – our new ten-year strategy to transform how we help people in crisis. As the now sadly familiar events of 2020 unfolded and Covid-19 gripped the world, we were soon at the forefront of supporting some of the most vulnerable people in the UK and overseas, during the largest ongoing health crisis of the century.

Confronted with an extraordinary set of complex challenges on our doorstep and a nation plunged into isolation, we launched new services to reach new levels of unmet need. A free Coronavirus Support Line for those feeling lonely, a Hardship Fund in partnership with Aviva for those struggling to make ends meet, and doorstep support to deliver vital food and medicine to those shielding.

We have partnered with the NHS since it was founded and our support during Covid-19 has never been more vital. We helped free up beds and ease pressure in A&E departments, gave exhausted health workers a space to share their feelings, and provided practical support to patients and their families. We are now working hard to support the national Covid-19 vaccination programme.

In 2020 we reached close to 1.5 million people across the UK, and as a global movement we reached millions more around the world.

Faced with the coronavirus pandemic, our volunteers, staff and supporters responded with true courage and compassion to be there for patients, families, communities and our NHS.

The generosity our people and supporters showed to those in need, despite their own fears, pressures and worries, was a scale of humanitarianism I feel privileged to have been part of. Thank you.

Internationally, the Red Cross and Red Crescent Movement is playing a significant role in the global response to the pandemic by supporting hygiene promotion and testing programmes, transporting those who are sick, running health clinics and providing emotional support to the most vulnerable communities. In the UK, we've supported other National Societies remotely, and provided funding and delegates where the need has been greatest.

2020 was a year that showed how small acts of kindness can keep us together. One British Red Cross volunteer, Bridget, told me how she helped a man leave his house to go for a walk. Tears rolled down his cheeks as he felt the rain on his face for the first time in months after being stuck indoors. Another volunteer, Sandi, on our Coronavirus Support Line, summed up everything we stand for when she told me about how she had spoken with a woman with dementia who was confused about where her husband and daughter were. She said: "I was able to put a bit of hope in her mind."

It was a year that showed us just what we can do when we act together. The Voluntary and Community Sector Emergencies Partnership, a group of 30-40 national and close to 200 local organisations working together to ensure a more co-ordinated response in an emergency, grew significantly during the pandemic. Every new relationship enables a better understanding of the needs of some of the most vulnerable people among us and ensures that they are not overlooked.

Our essential services continued supporting people in crisis throughout the pandemic – from those coping with flooding and house fires to survivors of human trafficking and slavery. And as the largest provider of services for refugees and people seeking asylum in the UK, we kept our drop-in support available where we could and moved our family reunion services online. We also kept a strong voice on issues affecting people seeking asylum – speaking out when families tragically died trying to cross the Channel in the autumn and calling for the restart of the UK Resettlement Scheme and the protection of family reunion routes.

Looking to the future, we have so much important work ahead of us. Strategy 2030 will transform how the British Red Cross helps people in crisis. We will focus on people in the most need, where there is the greatest vulnerability to crisis, and empower people to act with us.

Helping people and communities adapt to the changes in climate, and supporting them to become more resilient both in the UK and overseas, will be a critical part of our work moving forwards and we have an organisational target to reduce our own overall carbon emissions to net zero by 2030.

We want to build a British Red Cross where everyone feels energised and empowered to thrive. The events of 2020 and the Black Lives Matter movement have rightly accelerated much-needed change. I would like to thank our B.A.M.E.* network for their tireless and productive work – a Zoom call with over 700 colleagues discussing dismantling racism was one of the most powerful moments of the year. I am proud that we are creating a programme to tackle racial inequality in all areas.



Our volunteers, staff and supporters are at the heart of everything we do. We are all part of one Red Cross team. Throughout 2020, your kindness enabled us to go beyond what we ever thought possible. The devastating reality of this pandemic is that we have lost so many people, including some of our very own volunteers and colleagues. Our thoughts are very much with their loved ones.

Finally, I want to say a heartfelt thank you to each one of you – volunteers, colleagues and supporters. While there are undoubtedly challenges ahead, I know we'll face them together with strength, courage and kindness.

*Whilst we acknowledge that some terms are no longer sufficient, we are in the process of updating our terminology to better reflect our people.



Who we are



We strive towards a world where everyone gets the help they need in a crisis

It is our role as the British Red Cross to connect people's kindness with those in crisis. This is how, for the last 150 years, we have mobilised the power of humanity so that individuals and communities can prepare for, respond to and recover from crises – both at home and around the world.

We believe that every crisis is personal, which is why we provide impartial support to people based on their need and nothing else. Our offer includes emergency response, refugee support, independent living services, first aid education and the development of the capacities of sister National Societies and communities overseas.

We are an organisation made possible by everyday acts of kindness. We are powered by over 14,000 volunteers in the UK and nearly 4,000 staff. It is their determination to support others, along with the generosity of our supporters, that allows us to help people in crisis when they need it most.

We are part of the world's largest humanitarian network, the International Red Cross and Red Crescent Movement, which has 17 million volunteers across 192 countries. This gives us a unique ability to respond to humanitarian crises around the world – with a local presence in almost every country and a global network, we can coordinate exceptional responses to emergencies.

The British Red Cross plays a significant role within the wider Movement, which consists of National Red Cross and Red Crescent Societies around the world, the International Federation of Red Cross and Red Crescent Societies (IFRC) and the International Committee of the Red Cross (ICRC). We have been on the board of the IFRC for six years and we are very proud of the part we are playing in its ongoing development.

We are guided by the seven fundamental principles of the Movement: humanity, impartiality, neutrality, independence, voluntary service, unity and universality. These commit us to putting people first in everything we do.

1870



150 years
of the
British
Red Cross



Play

1954



2020

The year in numbers



3,700 UK emergencies responded to

22 new and ongoing international emergencies responded to, as well as our Covid-19 response

186,900 people helped in a UK emergency

45 people deployed to support the global Red Cross and Red Crescent Movement

1.3 million people reached with our online education resources

82,200 people supported to live independently at home

29,900 people supported through refugee services



28,000 mobility aids issued

32,800 patient journeys



8,200 people seeking asylum supported through destitution



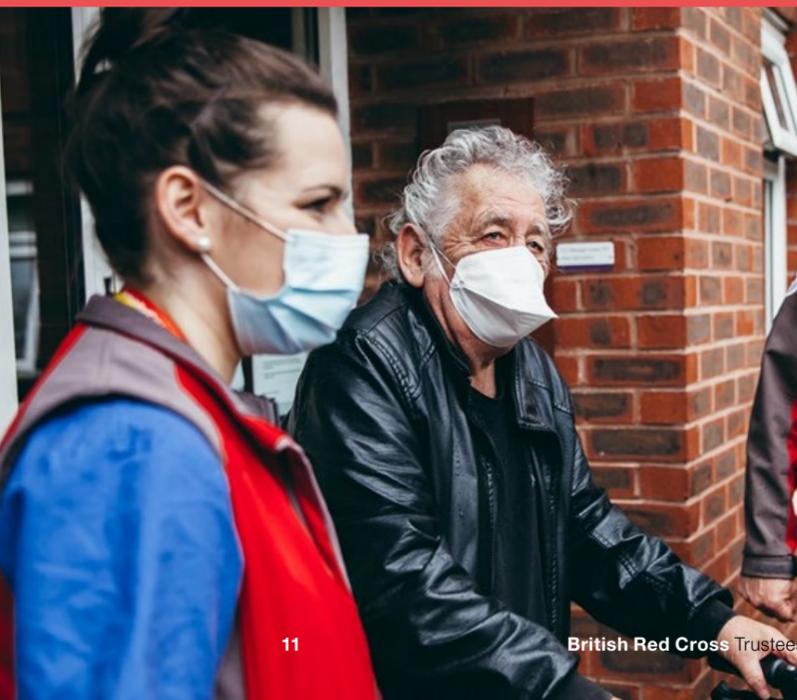
243 families reunited

71,000 deliveries made by our community equipment service to people in need

8,400 people helped to look for, find or keep in touch with missing relatives

Our response to the pandemic

The Covid-19 pandemic was the biggest crisis in a generation. In the UK and around the world we responded swiftly, supporting health services and delivering essential help to those who needed it most.



We provided 333,400 meals to food banks

We gave cash grants totalling £2.1 million to over 9,000 people

We made 97,100 food deliveries and 13,800 medicine drop-offs

We reached close to 1.5 million people across the UK

We supported pandemic responses in 36 countries across Africa, Asia and the Middle East

We issued 600 mobility aids to people with Covid-19 to support their recovery

We helped at the start of the vaccination programme – delivering over 21,700 vaccinations – before going on to help deliver thousands more in 2021

We reached over 1.1 million people with our Covid-19 education resources

Coronavirus Support Line

Our volunteers took over 18,000 calls, offering advice, practical help and a listening ear



Covid-19 support for people seeking asylum

We made sure over 4,400 refugees and people seeking asylum had safe places to stay



We provided over 10,800 food parcels and over 1,800 cash cards

Disasters and emergencies

We provide life-changing support to people in crisis and make sure that those who are most vulnerable get the help they need. In 2020, we responded to the coronavirus pandemic, one of the greatest challenges in our history.



Highlights from 2020

Our Covid-19 response has been the catalyst for some big changes in the way that we work. The vast scale of the pandemic brought the organisation together to deliver in new ways by sharing learning, working alongside others and designing new ways to target our help directly to the most vulnerable people.

Our movement reached 1 in 30 people worldwide

Our UK coronavirus response

At times of crisis in the UK, the British Red Cross plays a vital role. Powered by kindness, we go the extra mile to give the most vulnerable people comfort, dignity and hope at the toughest moments. On average, we respond to an emergency every four hours.

In 2020, the coronavirus pandemic meant we were needed more than ever before. We assisted the emergency services, supported the NHS, and delivered food, medicine and practical help to people who urgently needed it.

In total, we reached close to 1.5 million people across the UK, focusing our resources on where they would have the most impact. Our volunteers and staff made 97,100 food deliveries and 13,800 medicine drop-offs. We helped people whose finances were hit hard by the crisis. And we created resources to support people's mental and physical health.

Our teams made 97,100 food deliveries and 13,800 medicine drop-offs

Flooding in the UK

In February, Storm Dennis brought heavy rainfall to parts of the UK. Flood defences were overwhelmed and drains overflowed onto the streets. We supported families who had to be evacuated from their homes and provided them with food, water, medicines and emotional support. When northern England was deluged by a month's worth of rain in an hour in November, we helped out at rest centres for flood-hit communities, offered emotional and practical support, and checked on vulnerable residents.

Community reserve volunteers

The speed and scale of our response to the pandemic was possible because of the thousands of incredible people who stepped up to help. Our network of **community reserve volunteers** grew from around 9,000 to over 88,000. Each one was ready to be called upon if their help was needed in their local area, for tasks such as doing a neighbour's shopping or checking in by phone with someone who was isolating.

[Read more](#)



Working together

2020 was the first year the new **Voluntary and Community Sector Emergencies Partnership (VCSEP)** was truly tested. The VCSEP is a group of local and national organisations working together to ensure a more coordinated response to emergencies.

The collaborative nature of the VCSEP enabled us to provide a way in to the sector for the government on a range of issues – from how to engage with people about vaccinations to how to meet the needs of stranded and hungry lorry drivers in Kent.

We have also developed a vulnerability index to help prioritise and target the VCSEP's response. It identifies vulnerable groups such as people with underlying health conditions, those with social vulnerabilities such as a poor living environment, people with health inequalities and those who are excluded digitally.

[Read more](#)



Our Hardship Fund

The Covid-19 lockdowns and restrictions pushed many people into dire financial situations. So, in partnership with Aviva, we launched the **British Red Cross Hardship Fund** to support those in greatest need. Together, we gave cash grants totalling £2.1 million to over 9,000 people, many of them facing homelessness, seeking asylum or fleeing domestic violence.

[Read more](#)

“I felt so alone and helpless. Your help bought me things I desperately needed... and lifted my spirits greatly”

Someone helped by our hardship fund

Our hardship fund supported over 9,000 people

First aid training

Coronavirus restrictions meant we had to scale back our training activities in 2020. But we continued to run **essential first aid courses** following Covid-19 safety guidance. Over 62,700 people attended in-person training on first aid at work, and health and safety courses. Our digital **first aid, fire marshal** and **mental wellbeing** training sessions were completed by over 8,400 people. We also taught over 69,000 children and educators how to save a life through our new **First Aid Champions** website, which is available to schools for free.

[First aid courses](#)

[Mental health and wellbeing](#)

[First aid champs](#)



“It’s a lot of responsibility but it always makes me feel very positive, even if dealing with very sad situations. It just keeps me going, and I’m very grateful for that”

A volunteer on our support line



“The British Red Cross is a fantastic institution and I was so grateful for the support I was given when I needed it most. Thank you all so much. I had no one else to turn to”

A caller to our support line

Coronavirus Support Line

In April, we launched our **Coronavirus Support Line**. It’s a free and confidential phone line for anyone feeling lonely or worried, or needing food or medicine during the pandemic. In 2020, volunteers took over 18,000 calls, offering advice, practical help and a listening ear. Translators were on hand to provide support in more than 200 languages.



[Read more](#)

**7 days a week
18,000 calls
200 languages**

No of calls peaked in July with over

3,000

calls coming in over the month

67.9%

of people said they felt less anxious after calling us

Over

13,000

people received help

63.3%

of people said they felt less lonely after calling us



The majority of callers needed food, medication or financial help

73.3%

of people said the support line helped them shield, self-isolate or distance at home successfully

“I felt supported and reassured during a worrying time in my life”

A caller to our support line



Around the world

Beirut Emergency Appeal

In August, a devastating explosion destroyed the Port of Beirut, tragically killing more than 200 people and leaving 300,000 homeless. The Lebanese Red Cross launched **a lifesaving response**, rapidly coordinating teams to search for survivors, deliver first aid, transport people to hospital and organise blood donations. We supported its work with **an emergency appeal** that raised over £7 million. This helped fund urgent medical assistance, food, shelter and mental health care, as well as a helpline for people affected by the blast. In the long term, it will continue to help families and communities to rebuild their lives.

Lifesaving
response

Emergency
appeal

Australian bushfires

In early 2020 Australia was hit by catastrophic bushfires. They burned millions of acres of land, killed people and animals, and destroyed homes and communities. We raised over £780,000 to help the Australian Red Cross distribute food, water and hygiene items, fund evacuation and recovery centres, and provide emotional support to those who were affected.



Emergencies in Zimbabwe

In the wake of Cyclone Idai, a series of crises hit Zimbabwe hard again in 2020. Prolonged droughts, flash flooding, failed harvests and coronavirus threatened people's health, lives and livelihoods. We helped the most vulnerable to afford food, medicines and shelter by distributing cash grants to 10,000 people.

Global coronavirus response

Red Cross and Red Crescent National Societies worldwide are on the frontline of the fight against Covid-19. In 2020, we supported pandemic responses in 36 countries across Africa, Asia and the Middle East. Thanks to the Foreign, Commonwealth and Development Office and other donors we were able to contribute over £43 million of funding to help people in the toughest circumstances stay safe and cope with the impact of coronavirus.

We also adapted our existing international programmes so we could keep providing a lifeline to exceptionally vulnerable people through the pandemic. We prioritised providing lifesaving help, including food, cash assistance, and information on how to stay safe. We also helped our partners scale up their health work, including running health clinics, supporting coronavirus testing, transporting people to hospitals and providing psychosocial support.

We contributed over £43 million of funding to help people in the toughest circumstances stay safe and cope with the impact of coronavirus

Floods and locusts in East Africa

East Africa was hit by two devastating emergencies during 2020, as well as the pandemic. In the spring, heavy rainfall caused widespread flooding. Overflowing rivers and mudslides killed 200 people and destroyed thousands of homes, with Kenya particularly affected. And throughout the year, horrific swarms of billions of locusts, the worst in 70 years, devoured millions of acres of crops in Kenya, Somalia and Ethiopia. We are supporting the International Federation of the Red Cross and Red Crescent Societies (IFRC) to provide food, water and health care to hundreds of thousands of people who are struggling to feed their families.



Building a kinder future

Vaccinating the UK

Much of our work in 2020 laid the foundations for bigger things in 2021 and beyond. In the UK, we supported the NHS to administer flu jabs to vulnerable people, and helped deliver over 21,700 coronavirus vaccinations. Now we're working with St John Ambulance to support the national roll-out of the **Covid-19 vaccination programme**. We're proud and privileged to be playing a role in rapidly scaling up this work to protect people from coronavirus.

[Read more](#)

Food in emergencies

While food insecurity in the UK existed before the Covid-19 crisis, increased poverty and isolation have exacerbated the issue. Our research, **Access to Food in Emergencies**, explores food insecurity during the pandemic in the UK. It has helped to inform national and local emergency food provision and broker new government relationships.

[Read more](#)

It Starts With Her

In disaster-prone Barishal, Bangladesh, slum communities live with the constant threat of cyclones, flooding and disease outbreaks. When disasters like these happen, women and girls are worst affected because of their lower social and economic status. So, we launched a campaign to empower women and give them the tools, training and support they need to earn an income. Our **It Starts With Her** appeal raised over £4 million, including £2 million of matched funding from the UK government. This will support women's groups and help build thriving communities that are better able to cope with disasters, including the coronavirus pandemic.



[Read more](#)

Our appeal raised over £4 million to empower women in Bangladesh and help communities cope with crises

Our cash assistance programme

Giving people cash grants is a proven, powerful and effective way to provide rapid support through tough times. It preserves their dignity, supports local economies and enables people to buy precisely what they need. In 2020, we trained 80 Red Cross and Red Crescent colleagues to run cash assistance programmes in Burkina Faso, Chad, Niger, Mali, Mauritania, Syria and Zimbabwe. As part of their Covid-19 responses, 75 National Societies are planning to use cash and voucher assistance.



Burkina Faso
Chad
Niger
Mali
Mauritania
Syria
Zimbabwe

Displacement and migration

We help people forced from their homes to build new lives by protecting them at every stage in their journey, and supporting those who seek safety in the UK.

Highlights from 2020

In the UK

We are the largest independent provider of refugee services in the UK. In 2020, we helped support over 29,900 people, with 231,000 individual actions to keep them safe, and ran services in 58 towns and cities. Many refugees, people seeking asylum and migrants are destitute or living on benefits of just £5.66 a day. We give them food, clothing and toiletries, help them find somewhere to stay, and enable them to meet others and form connections. Our teams also help people to register with a doctor or dentist, access counselling services, claim benefits and ensure they receive everything they are entitled to.

In February, we published recommendations in our report **Costs of Destitution** that would reduce the homelessness and poverty experienced by refugees and save the taxpayer several million pounds a year.

Coronavirus support

With many drop-in centres for refugees and people seeking asylum having to close due to Covid-19, we ramped up our support. We convened a cross-sector group to share knowledge and insight about the challenges people are facing with the government, so they could extend and adapt services. We provided over 10,800 food parcels and distributed over 1,800 emergency cash cards. We made sure over 4,400 vulnerable refugees and people seeking asylum had safe places to stay and supplied phones and data to help people keep in touch with loved ones. Crucially, we also worked with Doctors of the World and others to translate coronavirus health advice into **60 different languages**.

[Read more](#)

Reuniting families

When families are forced to flee their homes, they often end up separated. We help bring people back together. During 2020, we helped over 8,400 people from 112 countries to look for, find or keep in touch with loved ones. But although being physically reunited with family is a legal right, restrictive policies and procedures, and high costs, can make it impossible for many people. Our travel assistance programme enabled 243 families to physically be together. And through our **Families Together programme** we're working with a coalition of organisations including Amnesty International, UNHCR, Refugee Council and Oxfam to bring down barriers to reunion, and give families the support they need to build new lives together in the UK.

In November, we published research in **The Long Road to Reunion** that found people are having to take unnecessarily dangerous journeys just to submit an application. Our recommendations would make the process much safer and easier for separated families. We also co-chaired the first family reunion stakeholder meeting with the Home Office.

[Read more](#)

Contingency accommodation

People seeking asylum in the UK deserve to be safe and supported, but hundreds of men are living in dangerous conditions in army barracks in Kent and Wales.

We've been supporting 100 people at Penally barracks. After interviewing them about their experiences, we prepared a report that detailed substantial concerns. We've called for these sites to be closed immediately, and highlighted the mental health risks of housing people who have fled torture, persecution and war in military accommodation.

Anti-trafficking

Our teams continued to support survivors of trafficking throughout the pandemic. We worked with 347 survivors, providing specialist support and advice. We also continued to help National Societies build their trafficking responses, including developing a global training e-module on trafficking for all National Societies and the IFRC.

We also published new research on the experiences of survivors of trafficking in police-led reception centres. Working closely with statutory agencies, our report **First Steps to Safety** highlighted key ways to make the centres more welcoming and supportive for survivors.

[Read more](#)



Bangladesh

More than 740,000 people who fled Myanmar are now living in tough conditions in makeshift camps in Cox's Bazar, Bangladesh. Through our **Myanmar Appeal**, we provide support in partnership with the Bangladesh Red Crescent. So far, we've delivered emergency aid, including food, clean water and medical care, to more than 245,000 people. In 2020, we also allocated over £1.2 million to **tackle the coronavirus pandemic** in and around the camps. The funding helped give thousands of people food, clean water and better sanitation to limit the spread of the virus, and supported two Covid-19 field hospitals.

Myanmar Appeal

Covid-19 response

Syria

Our **Syria Crisis Appeal** provides food, mattresses, blankets and essential services for displaced people. With more than six million people still internally displaced, we're **working with the Syrian Arab Red Crescent** to raise awareness of Covid-19, and provide clean water and healthcare.

Syria Appeal

Covid-19 response



Helping people worldwide

As part of the Red Cross and Red Crescent movement, we help people around the world who have been forced to flee their homes. Working with other National Societies, we protect people while they're living in camps or on the move, help them to stay safe as they travel between countries and support them to build new futures.



Yemen

Yemen is in the grip of the world's worst humanitarian crisis. In Hajjah governorate, where fighting has forced 377,000 people from their homes, we're supporting the Yemen Red Crescent to run a health centre that's become a lifeline to thousands of people as the health system has been destroyed by conflict. Open 24 hours a day, it offers inpatient and outpatient care, and surgery, free of charge. We're also helping to fund the emergency obstetrics unit and keep mothers and their babies safe during pregnancy and birth. In Aden, southern Yemen, we're supporting a coronavirus field hospital.

West, East and North Africa

Through the Action for Migrants Route-based Assistance (AMiRA) programme, we're supporting people along migratory routes in West, East and North Africa. Working with other Red Cross and Red Crescent National Societies, we provide medical care, food, other practical items and psychosocial help to people at critical points on their journeys. We also enable people to keep in touch with family, stay safe, and get specialist support if they're being abused or exploited. Last year, as borders closed because of the pandemic, many migrants were left stranded. As a result, the programme recorded 123,000 instances of support, far exceeding its target of 75,000.

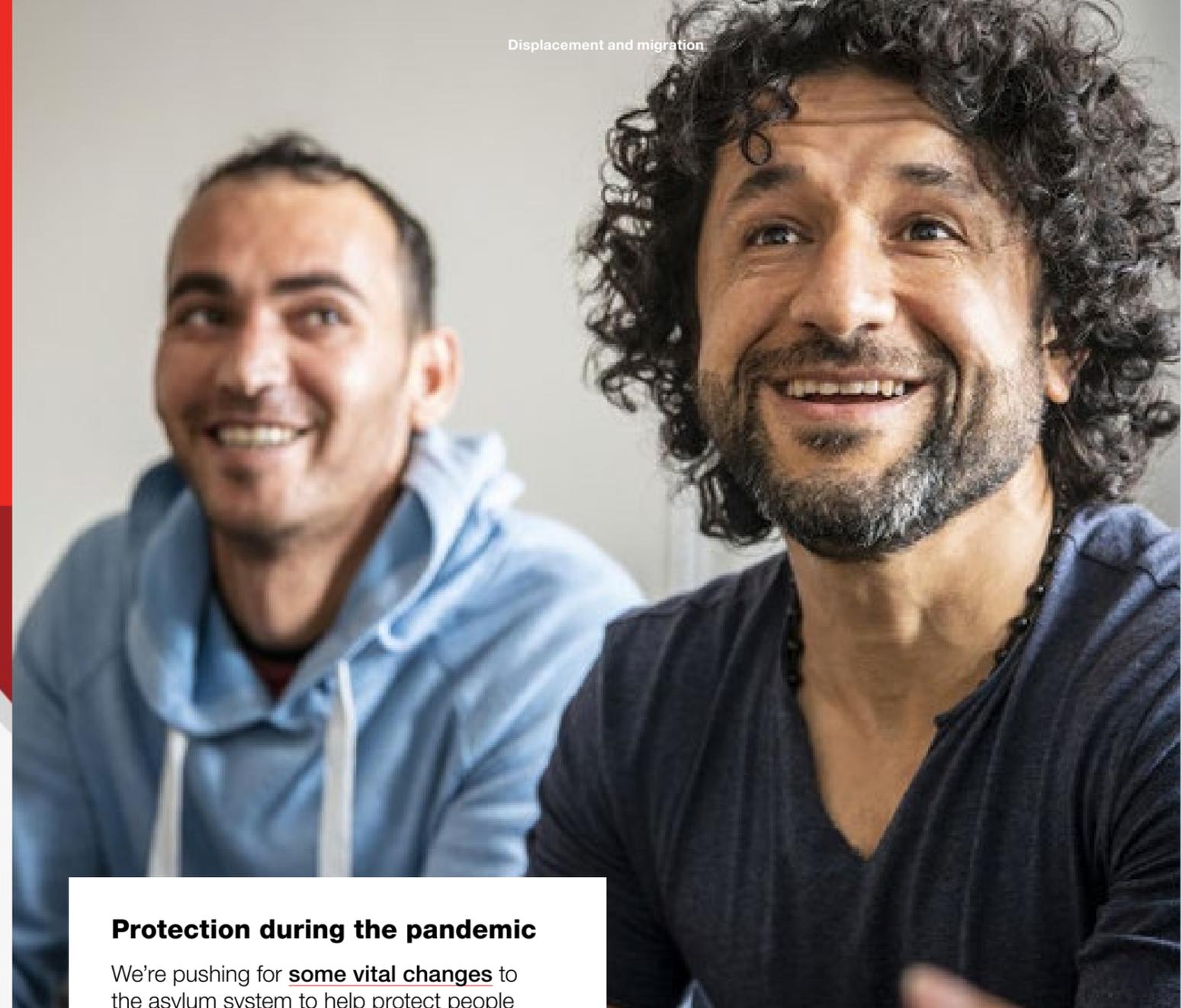




Building a kinder future

Asylum Reform Initiative

Throughout 2020 we continued our work with the Asylum Reform Initiative, in partnership with five other sector-leading organisations. Together, we're building a long-term influencing strategy to push for wide-ranging reform of the UK asylum landscape. We want to create a fair, humane and effective asylum and refugee system that respects the needs and dignity of those who use it.



Protection during the pandemic

We're pushing for **some vital changes** to the asylum system to help protect people seeking asylum during the pandemic. We want the Home Office to suspend data sharing with the NHS so that people can get a coronavirus test without fearing that they will be detained. With medical care for Covid-19 already exempt from fees for people seeking asylum, we've called for all other NHS charges to be suspended to help people stay healthy. We've also highlighted worries about crowded accommodation and called for more financial support for people in the asylum system.

[Read more](#)

Safe passage to the UK

We're determined to make sure refugees and people seeking asylum are not forced to make dangerous journeys to reach the UK. Tragically, a number of people died trying to cross the English Channel in 2020. To keep people safe, we're pushing for protection of family reunion routes, and a restart to the resettlement programme.

Health inequalities in the UK

We work hard to tackle health inequalities in the UK and the social isolation and loneliness that can worsen health crises. In close partnership with the NHS and social care partners, we provide patient transport and ambulance support, helping people avoid hospital admission and minimising their stay, and we support tens of thousands of vulnerable people in their homes.

Highlights from 2020

Home from hospital

Our hospital and community-based services supported over 82,200 people to live independently at home in 2020. Often, elderly or vulnerable patients are ready to leave hospital, but **need extra support** in their first few days and weeks at home. Our teams enabled over 58,600 people to be discharged from around 100 hospitals across the UK. We drove them home, supported them to settle back in, and kept in touch to make sure they were coping. As well as helping people stay safe and well, this made more hospital beds available at a time when they were urgently needed. We also worked with NHS commissioners and providers to identify and address unmet social needs that may have been exacerbating physical or mental health issues and causing people to access health care more than expected. We are the largest provider of this specialist service in the UK.

We **provided wheelchairs** for people leaving hospital, and hired out toilet aids and specialist equipment. In total we issued over 28,000 pieces of mobility equipment in 2020. This included lending wheelchairs to the Nightingale hospitals.

Home support

Mobility aids

Supporting the NHS

We played a critical role in supporting the NHS **through the coronavirus crisis in 2020**. As increasing numbers of people were admitted to hospital, we prevented vital services from becoming overwhelmed by scaling up our hospital discharge service to help free up bed space and prevent hospital readmission.

Red Cross ambulances and crews are always on hand to assist the NHS during surges in demand, such as those during winter flu outbreaks. As part of our pandemic response, we transported around 64,000 people to or from hospital during 2020.

We also delivered pulse oximeters so that patients with coronavirus could monitor their oxygen levels at home instead of needing to go to hospital.

Read more

Our teams helped 82,200 people to live independently at home

Testing for Covid-19

Our volunteers and staff helped the NHS administer coronavirus tests at key UK hospitals and mobile locations. Red Cross ambulance teams carried out tests for hospital staff, patients and visitors, and we delivered and collected testing kits.



Building a kinder future

Hospital discharge policy

If people's needs aren't assessed when they leave hospital, they're unlikely to receive the support they need to live independently, which can lead to further ill health, isolation and a return to hospital.

When the government introduced a new hospital discharge policy, we partnered with HealthWatch England to ask over 500 patients and carers how the changes affected them. 82% of patients said that they had missed out on a vital needs assessment after leaving hospital, and almost one in five of these reported an unmet care need. In October, we **published these findings** and called on the government and NHS to improve the discharge process. NHS England has now said it will incorporate our recommendations into national policy, and we have fed into the related practical guidance.

Read more



Emotional support

Our teams were on hand throughout the year to give one-to-one support to patients, their families and hospital staff. We helped them share their stresses, emotions and experiences, and discuss issues such as grief, loss and delivering difficult news. Through our Resilient Responders programme, our trained mental health teams supported emergency first responders and Red Cross volunteers and staff as they returned to work to give their all day after day, in incredibly difficult circumstances.

Connecting communities

Living in connected communities helps people cope when crises hit. That's because they're supported by neighbours, friends and local people who truly understand their unique needs and how to help.

We want to make sure people can get the support they need locally in emergencies, both in the UK and overseas. We do this by strengthening connections and helping people and communities build resilience. These aims are at the heart of all our work.

Over the last year, we've provided coordinated support to link people with organisations and charities in their communities as part of the **Voluntary and Community Sector Emergencies Partnership (VCSEP)**. Our support line has helped people find the right local help for their needs, and our work on loneliness has enabled those feeling isolated to make precious connections with others.

Read more

Tackling loneliness

With coronavirus restrictions increasing the risk of isolation, we built an online hub featuring **information, advice and tools** to help people feel less alone. Funded by the Department for Digital, Culture, Media and Sport (DCMS), the hub houses 47 different resources including podcasts, films, animations, a Spotify playlist and wellbeing cards translated into six languages. We also distributed 32,000 printed wellbeing packs for people with no internet at home.

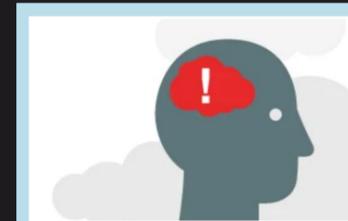
Our Sport England partnership funded six Connecting Communities services last year, supporting people aged over 55 who were experiencing or at risk of loneliness. It helps them build relationships in their community through exercise, virtual meetings and activities. We also ran three similar schemes with DCMS and another three local services. In total we reached over 100,000 people with loneliness support through the year.

Read more

Wellbeing resources

As many of us transitioned to working and learning from home, the British Red Cross developed digital mental health resources to help people cope with change and adversity. We also invested in online resources to help people understand coronavirus symptoms and how to stay safe.

Our online education resources reached over 1.3 million people in 2020



Organisations and their staff

Discover more



free teaching and learning materials

Discover more



Information, advice and tools

Play video



Listen to podcast



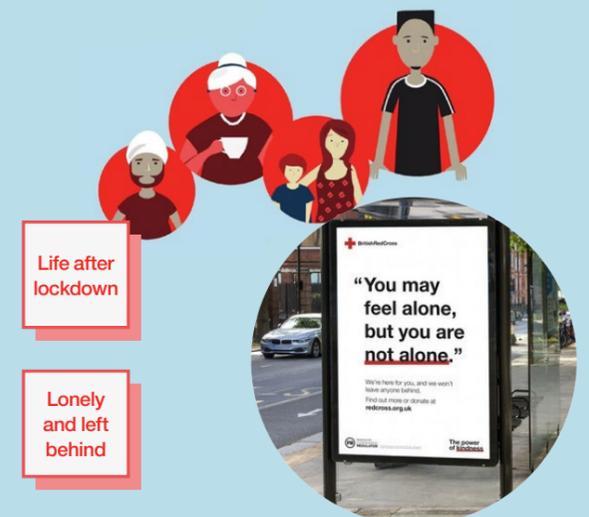
How to stay safe
Read more

Loneliness after lockdown

We published two major reports on loneliness last year: **Life after Lockdown** and **Lonely and Left Behind**. Our research after the first lockdown found that 41% of adults felt lonelier than they had previously, and 31% felt they had no one to turn to.

We made the case for a renewed government commitment to tackle loneliness during and after the pandemic. This included calling on governments across the UK to launch plans to reduce isolation over the winter, ensure those most at risk of loneliness are able to access mental health and emotional support, roll out social prescribing, and build tackling loneliness into Covid-19 recovery plans.

Our reports have had a significant impact. The UK government launched a £7.5 million fund to tackle loneliness over the winter, and increased its public campaign work in this area. It has also announced a new cross-government ministerial group to address the mental health impacts of the pandemic, including loneliness. The Scottish government has announced an investment of nearly £6 million towards tackling loneliness and isolation, and reiterated its commitment to including loneliness as part of its mental health campaign. We're now working with a wide range of partners to make all of our proposals a reality.



Life after lockdown

Lonely and left behind

41% of adults felt lonelier during the pandemic

31% felt they had no one to turn to

The Snowman™ AND THE SNOWDOG

LEARN ABOUT KINDNESS THIS DECEMBER

Digital education

With most children learning online during the lockdown, our digital education became more important than ever. We provided resources for parents who were home schooling and teachers who were delivering remote education.

Our **Kindness curriculum** helped children deal with loneliness, change and uncertainty, and learn about the benefits of being kind to themselves and others.

In September, when children and young people returned to school after months at home, we launched a **Back to Better** range of free teaching and learning materials to help them manage their wellbeing and build resilience.

[Read more](#)



Anti-racism resources

We're hugely proud of the work we've done around anti-racism over the year. We released two resources in 2020: one that discusses and encourages reflection on the **Black Lives Matter** movement and one aimed at parents and teachers to help them discuss race and racism with young people.

During Black History Month we also created a resource about the work of **Black humanitarians**, helping people to challenge stereotypes and explore prejudice while reflecting on the qualities of a humanitarian.

[Read more](#)

[Read more](#)



Celebrating our Black History

Black people have made huge contributions to the British Red Cross' lifesaving work, both in the UK and overseas, since we were founded in 1870. In 2020, we launched an online exhibition celebrating some of their achievements.

[Click to view the exhibition](#)

Above and right: Dr John Alcindor and Mary Seacole whose stories are featured in our online exhibition.



Building a movement

We're building a movement of kindness in the UK. In 2020, thousands took action as part of the British Red Cross to help people in crisis. Through our integrated communications and marketing activities, our messages about how to give help and get help reached millions more.

Highlights from 2020

Our supporters

The Red Cross movement is powered by the kindness of millions of supporters around the world. Through our work in the UK, our supporters change lives on a daily basis by helping people through their toughest times.

We want to empower people to play their part in the way that works for them, whether that's by donating money, buying products, volunteering their time and skills, or sharing information with others. In 2020,

although the pandemic created huge challenges and kept many of us apart, it brought us together in ways that helped to strengthen our movement too.

We made sure our supporters felt valued by taking time to thank them with phone calls during our week-long thank-a-thon, and via thank you emails and videos during our Supporter Celebration Week. We also prepared 150 Books of Kindness for our most loyal and engaged supporters.

We invited people to join our movement through two big campaigns during the year – Kindness Will Keep Us Together and I Have The Power. They raised over £8.6 million, saw more than 4,800 new people sign up to volunteer with us and took our community reserve volunteers up to 88,000.

We also formed over 300 new partnerships with businesses and organisations, and strengthened existing relationships with partners such as Aviva and Tesco, inspiring their staff and customers to support us too.

150 years of the British Red Cross

We celebrated our 150th anniversary on 4 August by recognising the **incredible people** who built our movement one act of kindness at a time. We were honoured that HRH The Queen, HRH The Prince of Wales, Princess Alexandra and the Duchess of Cambridge all helped us to celebrate the day. And the Royal Mint created a **commemorative £5 coin** to mark the occasion.

We sent anniversary messages out to 150,000 supporters, and reached 6.5 million people through TV and radio coverage on shows including *BBC Breakfast*, BBC Radio 4's *Today Programme* and ITV's *Good Morning Britain*. Online, we **showcased people** who were trailblazers, change-makers and lifesavers from 1870 to 2020. And our **150 Voices exhibition** told the stories behind fascinating objects from our museum and archives collection.



150 years of the British Red Cross



Play animation

£5 coin

Trailblazers

150 Voices



Miles for Refugees

In September, our amazing supporters raised over £2 million by walking, running, cycling and swimming as part of the Miles for Refugees challenge. Each person chose a distance that reflected part of a route people may take to reach safety, such as the 108-mile journey from Calais to London. In total, they travelled over 500,000 miles, raising crucial funds for our work with refugees, people seeking asylum and vulnerable migrants in the UK.

Team GB

We're proud to be Team GB's first ever charity partner. In 2020, the British Olympic team joined us to inspire acts of kindness and show that when people work together, we can achieve amazing things. Through the #IsolationGames we challenged people to find creative ways to recreate Olympic sports in their living rooms, while raising money for our coronavirus response. The campaign was the second biggest trend on TikTok in 2020, inspiring 270,000 pieces of content and 446 million views.

Kindness Will Keep Us Together

In March, as coronavirus restrictions kept people apart, we launched the **Kindness Will Keep Us Together campaign**. We produced the campaign's TV advert in record time and secured high-profile viewing slots. As well as raising over £4.2 million to support our Covid-19 response, the campaign helped bring people together at a time of isolation and further build the momentum of our kindness movement. On social media, our K.I.N.D. messaging, which adapted government guidelines to fit around a theme of kindness, was our most popular content of the year. The kindness pages on our website were viewed by over 287,000 people, and we created a range of Red Cross merchandise with designs by 11 artists featuring the slogan 'Kindness will keep us together'.

[Read more](#)



Our shops

Lockdowns in 2020 meant our shops had to close temporarily for periods throughout the year. Despite this, when our shops re-opened after the first lockdown, they received an influx of pre-loved items from generous supporters, which we could sell in a Covid-19-safe environment to raise money for our cause. Alongside this, we developed our online marketplace offer, selling quality preloved designer and vintage items **on eBay and ASOS Marketplace**. And we continued to sell a range of gifts, calendars and greetings cards through our **online gift shop**. We also launched two merchandise collections to sit alongside our two big brand campaigns. These included limited-edition prints, t-shirts and other items featuring bold and brilliant designs by artists and illustrators. And we continued to sell first aid supplies and assisted living products through the **British Red Cross Store**.

[Click to view our online gift shop](#)



In April, we were found to be the charity most associated with responding to the Covid-19 pandemic

Source: YouGov CharityIndex



In April, there was an increase in people reporting that they believed in our cause

Source: YouGov CharityIndex

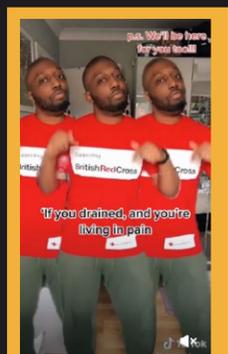
A social media movement

On social media, our reach and impressions increased by 79% in 2020, adding an extra 13.6 million people on Facebook alone. In total, we raised over £257,000 through these channels. We had huge success growing our movement among young people on TikTok, racking up 146 million views and over 300,000 followers within a week while promoting how to stay safe and protect yourself from coronavirus.

We were the first charity to fundraise on TikTok, raising over £90,000 through our donation sticker campaign, and we partnered with TeamGB to create the #IsolationGames challenge. It was the second most trending hashtag on the platform in 2020. The Drum Social Media Awards recognised our success with a Best Use of TikTok award.



Play TikTok



Play TikTok

Building a kinder future

Our 2030 strategy

In 2020, we launched our new **ten-year strategy**. Over the next decade, we'll build a truly sustainable organisation powered by a movement of kindness. We're focusing on three urgent humanitarian issues where we can make a real difference: disasters and emergencies, health inequalities, and displacement and migration. We'll prioritise the most vulnerable people in the UK and overseas, and use our resources where they have the most impact for people in crisis.

Last year, we got off to a strong start. Globally, we were part of a coronavirus emergency response that reached one in 30 people. We supported the NHS so that people in the UK could access healthcare during an unprecedented crisis. And we were a lifeline for refugees and displaced people here and around the world. This was all made possible by our amazing supporters who donated, volunteered and shared messages of kindness with friends and family.

Fit for the Future

Strategy 2030 has sharpened our focus on the humanitarian causes of our time and given us an exciting vision for the future. Business as usual will not deliver this vision. Every part of our organisation needs to work in bold and innovative new ways to be Fit for the Future.

In July 2020, we launched our Fit for the Future programme. It looks at how we need to change the way we work to become a sustainable organisation capable of delivering the new strategy. For the first time we're looking at the organisation holistically – from our processes, systems and services, to our workplace culture – so we can make improvements in a joined-up way that make sense for our staff, our organisation and our cause as a whole.

We want to change our structure to focus our resources on our frontline services. We want to create an environment that enables our people to thrive. And we want to become a sustainable organisation with sector-leading income generation that ensures all spending has the maximum impact on those we want for help.

We will begin to see changes in 2021. While we transform, we will stay true to our 150 years of history by building on our strengths, values and fundamental principles.

Our planet

The changing climate is harming people and communities. We play an important part in tackling this, but we need to grow this work and reduce our own impact on the environment. Through our new strategy, we've committed to cutting our carbon emissions to net zero by 2030 and transforming the way we work.

Highlights from 2020

Last year, a report by the International Federation of the Red Cross and Red Crescent Societies found that 83% of all global disasters since 2010 were caused by extreme weather and climate-related events like floods, storms and heatwaves. In 2020 we began shifting our focus towards a cause-based approach to ensure that:

- the impact of climate change on people and livelihoods in the UK and globally is understood widely, and those at risk are supported to adapt, respond and recover
- people can bring their own voice and involvement to local action, and learn to thrive in the face of the climate crisis
- we minimise our own impact on the environment.



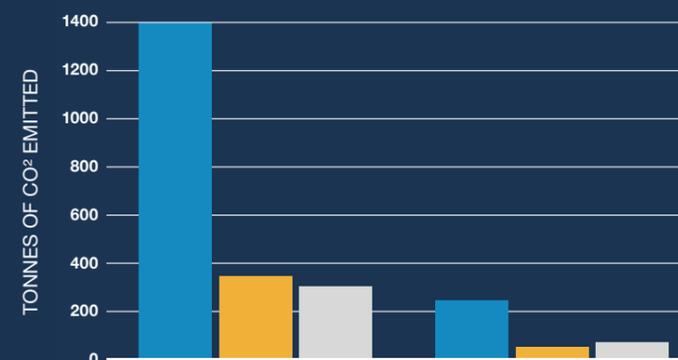
Our green goals

For several years we've worked to reduce our carbon footprint. Now we're making bolder commitments in our green strategy. We want to:

- be a net zero carbon emitter by 2030
- reduce our emissions from travel by 30% by 2025
- make our buildings net zero by 2025
- send no waste to landfill by 2030
- put new environmental standards in place for our suppliers
- provide a working environment that enables volunteers and staff to behave in climate-conscious ways by 2025.

Building a kinder future

Covid-19 reduced our travel, our new travel policy will help us keep it low



KEY TRAVEL MODES 2019-2020

2019	2020
International air	International air
UK air	UK air
UK rail	UK rail

How we lived our green strategy in 2020

- Our move to green gas in 2020 means that our full energy portfolio is now supplied from 100% renewable sources
- We moved to home working as a result of the coronavirus pandemic, significantly reducing our travel and CO2 footprint and showing that we can work together effectively without needing to be face-to-face. This insight will now inform our travel policies.
- Similarly, we learned to become a largely paperless, and entirely recycled paper, office. Our procurement policies and new behaviours will strengthen this within our culture.
- In September, we played a major part in the IFRC Climate: Red Summit, opened by HRH the Prince of Wales. This 30-hour event ran across all time zones, bringing 8,000 people together globally to discuss the humanitarian impact of the climate crisis.

In 2021 we will create a roadmap against our strategy. It will include clear milestones and targets for achieving our environmental ambitions over the next ten years. It will build on existing work underway across the organisation and inspire everyone to be part of making our green strategy a reality.

Global engagement

Since 2020 we have worked with others across the Red Cross and Red Crescent Movement, IFRC, ICRC, Climate Change Centre and with the Met Office to prepare for the UN Climate Conference, COP26, which will be hosted by the UK government in Glasgow in November 2021. Young volunteers will contribute digitally to Youth COP in Italy in September. The lead up to COP26 is critical for securing commitments on climate adaptation, resilience, and anticipatory financing to support the most vulnerable communities.



Our people

We're proud of our staff and volunteers and we want them to feel valued and supported. In 2020, we embarked on a new ten-year strategy, worked towards becoming a diverse organisation and navigated the challenges of the pandemic together.

Highlights from 2020

The impact of the British Red Cross depends on our people. We want all of our volunteers and staff to feel supported, energised and inspired in their work to help people in crisis. We're committed to putting wellbeing and flexibility first, and creating a workplace where everyone knows they're valued for who they are and the unique skills they bring.

In 2020, our teams were forced to quickly adapt and transform how we work. Across the organisation, our volunteers and staff responded with extraordinary creativity, courage and kindness. At the same time, we began to implement our 2030 strategy. We made important progress in our work on equality, diversity and tackling racism, and were prompted by the pandemic to accelerate our transition to new ways of working.



Adapting to Covid-19

As the pandemic escalated, we worked in new and flexible ways to ensure we could continue our vital work. This saw many of our staff rapidly adapting to working from home, while those on the frontline continued to make a vital difference to people in crisis.

With the situation changing from moment to moment, we introduced daily email updates and held regular video calls for our volunteers, staff and leadership team. These critical communications ensured that everyone understood the latest policies and procedures, that they felt safe, secure and looked after – and that they understood the impact the British Red Cross was making, throughout the four home nations and internationally.

Building a kinder future

Virtual working

As many of our staff switched to remote working, we quickly began to realise our ambition to embrace new technologies to make working from home easier. We invested in digital systems, services and equipment so that our people could work safely and effectively. We also launched Assemble, a new platform for volunteers, months ahead of schedule to help manage our Covid-19 response. It enables people to communicate with their team, share their availability, take on tasks and record their activities – all in one place. Our Virtual Assemblies, a week of learning and discussion events for volunteers and staff, were staged online for the first time. They saw a 58% increase in participation, with 91% of participants giving positive feedback.

A diverse and inclusive organisation

We are always trying to improve how we work and to be more inclusive and equal. Our diversity networks are involved in different parts of our work and add unique perspectives and challenges to the organisation.

During 2020 we created an inclusive toolkit for our coronavirus response and a mechanism to track-live the equality impact of our response decisions. We also produced a disability report into the experiences of our staff, an action plan to address the disproportionate impact of Covid-19 on people of colour and we researched the barriers to inclusive volunteering.

We also put together an anti-racism programme. We want to make sure anyone who experiences or witnesses racism feels safe and confident to report it, and knows that appropriate action will be taken.

Our anti-racism programme is focused on creating meaningful change throughout the whole of our organisation. It looks to impact all of our processes and programmes, fundamentally evolving the way we are run and supporting our people to develop to move us towards becoming a fully anti-racist organisation.



Our priorities for 2021



We are responding to coronavirus in the UK by:

- providing practical and emotional support through our national support line, staffed by skilled and trained volunteers
- delivering food parcels, medicine and doorstep support through a national network of emergency response volunteers
- providing rapid cash assistance to those facing economic hardship and those with no recourse to public funds
- helping people return home safely and quickly from hospital
- securing accommodation for those in the asylum system
- providing a range of tailored online education resources and digital learning opportunities
- supporting easy access to local vaccination centres for high-risk groups
- working through the Voluntary and Community Sector Emergencies Partnership to help communities identify and respond to local crisis needs
- shedding light on the human impact of the pandemic, and influencing the national response to ensure people are safe and don't fall through gaps in support
- supporting local targeted test-and-trace services at scale
- helping people to stay connected with loved ones.

Responding to a global pandemic

As the world moves into the second year of the coronavirus pandemic, the British Red Cross remains focused on responding to Covid-19 and the impact of lockdown measures on people's lives and livelihoods, both in the UK and internationally.

The pandemic has shown just how relevant our work is across the three priority areas of our 2030 strategy: disasters and emergencies, health inequalities, and migration and displacement. A global emergency, Covid-19 most affects communities that have the worst health outcomes, and on marginalised groups such as displaced people and those seeking asylum. Our response is harnessing the power of kindness to support the people whose needs are greatest.

The pandemic has shown just how relevant our work is across the three priority areas of our 2030 strategy

Our UK Covid-19 response

Here in the UK, as we plan for recovery and a return to business as usual, we will continue to respond alongside others to new needs as they arise. We will focus on those who are most at risk and people in areas where health inequalities are highest.

Using our 2020 baseline data, we will ensure we can reach more people in the most vulnerable circumstances, providing responsive support to deliver the best possible outcomes. This data-driven approach will enable our face-to-face delivery, telephone support and online help to be carefully targeted. And it will underpin our work as we continue to advocate for urgent policy and system change by allowing us to amplify the voices of all those who need these changes most.

It's also important that we're able to mobilise all of our capabilities where they are needed. That includes our volunteers, as part of a coordinated voluntary and community sector emergency response, both nationally and locally. We will build a more nuanced approach to how we deploy our capabilities across all four nations of the UK, so we are better placed to respond to shifting needs over time.





Our international Covid-19 response

Through the Red Cross and Red Crescent Movement, we'll continue to support the global response to Covid-19. We will help our sister National Societies in Africa, Asia and the Middle East build their capacity for pandemic response, tackling food insecurity, delivering cash assistance and carrying out community engagement activities.

We are supporting the global coronavirus response by:

- adapting our food security and livelihoods programmes in other countries so that people have greater resilience in the face of the pandemic
- supporting online platforms that provide National Societies with technical expertise and advice on cash distribution, food and livelihoods security, community-based approaches and monitoring and evaluation
- providing technical experts on cash assistance, logistics, community engagement, and monitoring and evaluation
- raising funds to support the International Federation of the Red Cross and Red Crescent Societies' response
- keeping people connected with loved ones.



Mobilising the power of kindness

Last year, kindness kept communities together. We saw an unprecedented wave of voluntary action as people donated money, delivered food and medicines, answered calls on our support line and signed up to be new volunteers.

In 2021, we will:

- reinvigorate our 'Power of Kindness' campaign to enable the public to continue to support our response
- work with donors to ensure the sustainability of core parts of our response, such as the hardship fund and the support line.

Beyond the Covid-19 pandemic

Being fit for the future

As we continue to respond to the pandemic, we face a sector-wide challenge of sustainability. The third sector has been affected by both the UK's departure from the EU and the socio-economic consequences of Covid-19. As threats to funding and pressures on our income have increased, so has the need for our support.

Last year, we began a programme of work that looked at how the whole organisation is structured and operates, and how resources are used. In 2021, we will begin to implement the recommended changes to ensure our resources are fully aligned with our 2030 strategy, and that we make an impact in an effective and sustainable way.

We will make our organisation fit for the future in the following ways:

Realising our strategic ambition: We will invest in our disaster response by embedding new products developed through our experience with Covid-19 – such as cash assistance in the UK and our support line – into our ongoing work. We will also focus on helping the most vulnerable communities build resilience, responding to the impact of climate change, becoming a green organisation and responding to sexual and gender-based violence.

Data and systems: By prioritising data collection and improving our use of evidence, we will ensure we have the insight and information we need to operate in a way that is relevant, impactful, transparent and accountable.

Our people: We will begin to deliver our new people strategy. We will make sure everyone has the right tools and systems, help our people grow their skills and capabilities, ensure they feel valued and rewarded, and build our strong and authentic leadership. We will also deliver against our new diversity action plans as part of our anti-racism agenda, and ensure we have a diverse and inclusive organisation.

Green organisation: we will develop our roadmap to becoming a greener organisation and reduce our environmental impact, learning from the changes we have made to our ways of working during the Covid-19 pandemic. 2021 is the year of COP26 in Glasgow. It will be a major focus of our advocacy work to shed light on the humanitarian impact of climate change.

Risks

Risk management framework

The British Red Cross is exposed to a range of risks through both the work we do to deliver our mission and the nature of our operational environment, particularly in the context of our work overseas. We have a risk management framework in place to ensure risks are identified, assessed, managed and actively monitored. This is supported by a risk register in each of our directorates and an overarching corporate risk register which includes our top risks. Risk management also forms part of our strategic and business planning processes.

The trustees have considered risk through their review of our strategic objectives in response to the Covid-19 pandemic. They have defined the risk appetite of the organisation and reviewed the corporate risk register regularly during 2020. Committees of the board, along

with other internal steering groups, provide regular in-year oversight of specific risks. In addition to the trustees' review, the corporate risk register is reviewed quarterly to the board's finance and audit committee, and risk and assurance committee.

The 'Going concern' section of the finance review describes how key risks are incorporated in the going concern assessment undertaken by trustees. This includes the latest financial impact of the coronavirus pandemic on our resources.

The pandemic significantly impacted the risk register in early 2020 (including crisis response, capacity, wellbeing, IT capability, data protection, and Covid-19 health and safety protocols), then quickly stabilised as the new ways of working safely and remotely were established.

Principal risks and uncertainties faced by the British Red Cross and how we are managing them

We have summarised our principal risks in four main categories: strategic, financial, operational and compliance. The coronavirus pandemic has intensified our principal risks.

Risk theme	Risk	Mitigating action
Strategic	<p>We are unable to attract, develop, and retain the volunteers and staff we need in order to deliver our strategy and services.</p> <p>Our strategy and operations are not fully aligned, and we are unable to deliver change effectively.</p>	<ul style="list-style-type: none"> - Implementing a new people strategy. - Working to continuously improve the volunteer journey. - Responding to engagement surveys and staff turnover. - Developing a new operating model. - Applying portfolio management. - Delivering change governed through a Strategic Change Programme Board. - Independent assurance of key change programmes.

Risk theme	Risk	Mitigating action
Financial	<p>We do not have the funding we need to deliver our strategy and protect our future.</p> <p>Theft, fraud, bribery, corruption or inadequate control diverts funds from charitable purposes.</p>	<ul style="list-style-type: none"> - Refreshed fundraising and supporter engagement strategy in response to Covid-19. - Ongoing programme to diversify income and deliver new and sustainable funding streams. - Ongoing programme to realise efficiencies in our cost base. - Active budgeting and continuous monitoring of financial performance. - Managing the short- and long-term impacts of Covid-19 (see details below). - Counter-fraud framework in place. - Independent concern-raising (whistleblowing) system in place. - Clear organisational code of conduct. - Independent internal audit programme. - Due diligence process for international partners. - Capacity building programmes with partner Red Cross and Red Crescent National Societies.
Operational	<p>The Covid-19 pandemic causes major business disruption compromising capacity and/or capability to function, damaging our reputation and brand.</p> <p>Incidents that negatively impact operations (including cyber security, health, safety and security, and safeguarding) and/or cause harm to people, and/or damage reputation.</p>	<ul style="list-style-type: none"> - Incident response structure to stabilise the organisation. - Protecting our people and service users. - Responding to the crisis. - Ensuring organisational resilience and wellbeing. - Scenario planning, stress testing and mitigations. - Ensuring adequate cash and limiting impact on income. - Harnessing kindness and mobilising the sector. - Supporting the international effort. - Policies and procedures framework. - Regular training and awareness-raising campaigns. - Regular risk assessments. - Independent concern-raising (whistleblowing) system in place. - Clear organisational code of conduct. - Specialist assurance functions. - Compliance monitoring, e.g. health and safety inspections, IT penetration testing. - Incident management processes. - Business continuity plans.
Compliance	<p>Changes in regulation (e.g. the UK's exit from the EU) or charity sector guidance (e.g. GDPR, Fundraising Code) negatively impact on our strategy and activities.</p>	<ul style="list-style-type: none"> - Close monitoring, scenario planning, and engagement on potential impact of EU exit and regulatory change. - Information governance framework in place, including policy, procedure and awareness training.

Safeguarding



We take our responsibility for keeping every child and every adult who comes into contact with the British Red Cross safe extremely seriously.

As part of our organisational redesign work ('Fit for the Future'), we are working towards the recruitment of a director of safeguarding. They will be responsible for continuing to develop and oversee the British Red Cross' safeguarding work, both in the UK and overseas.

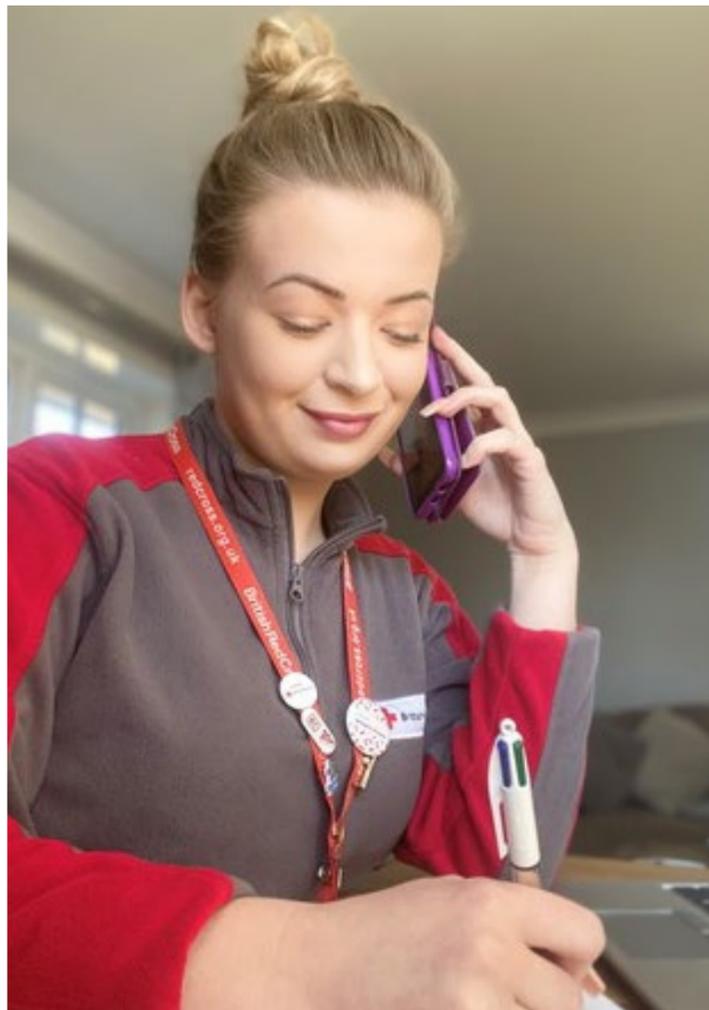
Over the past 12 months we have continued to strengthen our safeguarding provision:

- We expanded the capacity of the Safeguarding Assurance Team (established at the end of 2018). The team consists of safeguarding specialists who help our people respond to concerns regarding children and adults across all services and functions. We have set up a single-point-of-contact safeguarding phone line (including out of hours) to ensure our volunteers and staff can rapidly access advice and support.
- Where there are concerns that our volunteers, staff or partners may have been the perpetrators of abuse, we have shared these with the relevant authorities and bodies including the Charity Commission, Disclosure and Barring Service, police, Local Authority Designated Officers (LADOs) and leads for allegations against people in positions of trust.
- All safeguarding concerns across our work at the British Red Cross are recorded on Datix (our internal incident reporting tool). In 2020, 1,523 safeguarding incidents were reported on Datix relating to concerns we have come across in the course of our work. This figure was a 3% increase on 2019, demonstrating that safeguarding concerns were still recognised, reported, recorded and responded to across the organisation despite the significant impact

of Covid-19 on our operational ways of working. Of these 1,523 cases, 15 were incidents which met our serious incident criteria and were reported appropriately to the relevant external bodies as required. The team quality assures all safeguarding cases reported through Datix to ensure concerns have been correctly responded to and actions have been clearly evidenced and documented.

- In December 2020 we completed a comprehensive update to our safeguarding policy and related procedures for adults and children. Work is now underway to update the international safeguarding procedure.
- We continue to work with directorates and senior leadership teams to ensure everyone has completed their online safeguarding awareness training so that our people know how to recognise, respond to and report safeguarding concerns.
- We finalised our safeguarding learning and development strategy which supports a tailored approach to safeguarding depending on the role and contexts our volunteers and staff are operating in. In line with the strategy, we started work on a new 'core' safeguarding course for those in direct contact with those we support. We also produced tools and guidance for teams to promote on-the-job learning. These included children and adult scenario banks, toolkits, guidance documents and 'light bites', designed to be delivered and explored in forums such as team meetings and one-to-ones.
- As part of our Covid-19 response, we produced additional safeguarding learning and development resources and guidance, particularly aimed at those involved in short-term, light-touch volunteering roles.

Charities (Protection and Social Investment) Act 2016 Statement



Fundraising approach

2020 saw a significant drop in the number of fundraising approaches we could employ due to the Covid-19 pandemic. This led to a withdrawal of fundraising in public spaces, both face-to-face and through our shops and community events. However, we were very grateful for the overwhelming support we received from our supporters through other channels like TV, direct mail, and online, and from our philanthropists, corporate partnerships, and trusts and foundations. This allowed us to continue to deliver our services during a very tough year.

Fundraising standards

We are members of the Chartered Institute of Fundraising (IOF) and the Fundraising Regulator, and as such abide by the Code of Fundraising Practice. We abide by the Fundraising Regulator's Fundraising Promise, and strive to ensure our fundraising is open, honest, legal and respectful. In line with our undertaking signed with the Information Commissioner's Office (ICO), we operate an 'opt-in' model of freely given, specific, informed, unambiguous consent for live telephone marketing calls, refreshed every 24 months.

Fundraising on our behalf

We engage members of the public both face-to-face and over the telephone by discussing ways in which they can support us, appropriately and proportionately. We require any professional fundraising agencies working on our behalf to adhere to our fundraising standards and this is enshrined in our contracts with them.

We work with a number of strategic corporate partners who support our work through financial and non-financial donations, as well as employee and customer fundraising. We also receive one-off support from companies, particularly as part of our emergency appeals. Some of our corporate partners sell goods or services and donate a proportion of the sale price to us. These arrangements are governed by legal agreements in line with current consumer and charitable law. Our corporate partnerships are also subject to our ethical policy.

Monitoring of fundraising activities and protecting people in vulnerable circumstances

We have a set of standards and principles that we require all professional fundraisers working on our behalf to adhere to when delivering fundraising campaigns face-to-face or over the telephone. These standards are enshrined in our dialogue fundraising policy, which is endorsed by the ethical fundraising and quality assurance committee of the board of trustees. They are underpinned by a robust quality assurance programme that seeks to ensure these campaigns adhere to all relevant sector legislation and regulation, and that conversations with the public strive to leave them feeling informed, valued and inspired.

The British Red Cross does not tolerate the use of language or behaviours that intentionally mislead or seek to unduly influence people, or the use of subterfuge or misrepresentation. We are committed to making sure all fundraising engagements adhere to the guiding principles of the Code of Fundraising Practice in being legal, open, honest and respectful.



We are committed to ensuring that we treat the public sensitively and respectfully at all times, taking special care to protect people who may find themselves in vulnerable circumstances. Our fundraiser training contains a section dedicated to making fundraisers aware of the signs of potential vulnerability in anyone they speak to on our behalf, as well as the steps we expect them to take on the rare occasions when they do have concerns.

This approach has been developed in consultation with British Red Cross safeguarding staff and is in line with the requirements of the Charities (Protection and Social Investment) Act 2016, the Mental Capacity Act 2005, as well as with the IOF's Treating Donors Fairly guidance, and the Direct Marketing Association's Guidelines for Dealing with Vulnerable Consumers.

Complaints

We're always sorry to receive complaints relating to our fundraising, as we're keen for all our supporters to have a positive experience engaging with us. We understand, of course, that some of our activity may invite expressions of dissatisfaction, which we will always record in order to improve our fundraising. Complaints, however, will only be recorded when there's been a potential or actual breach of the fundraising code, a lapse in our high standards, or a concern raised where an investigation has been instigated. In 2020, we received 27 (2019: 145) such complaints, of which none (2019: 1) had to be reported to the Fundraising Regulator. This is a proportionate decrease on the year before due to a scaling back of fundraising during lockdown.

Finance review



Overview

Overall net income for the year was £16.9m (2019: £5.1m), comprising restricted funds net income of £10.8m (2019: £1.0m) and general funds net income of £6.1m (2019: £4.1m).

Total income for the year was £305.9m (2019: £244.9m), which included an increase in restricted income of £79.9m to £146.4m, mainly associated with the coronavirus response. This was partially offset by a £18.9m reduction in general funds income to £159.5m, largely due to our retail shops and Red Cross Training operations being closed during lockdown for significant periods of the year.

Net income was boosted by a £5.3m (2019: £6.6m) gain on our investments. Free reserves at the year end stood at £51.9m (2019: £56.7m), after designating £17.1m of free reserves.

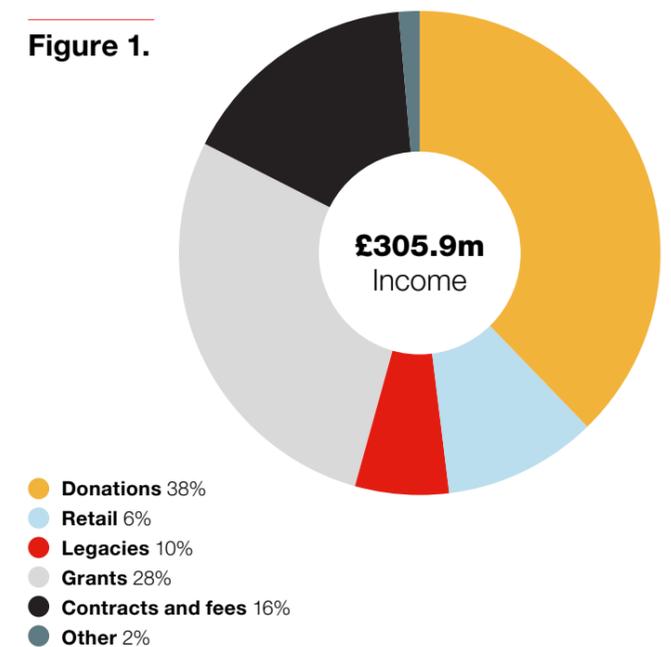
The British Red Cross remains in a stable financial position at the year end despite sustained economic and regulatory challenges and the ongoing challenge of the coronavirus pandemic.

The financial and non-financial impact of the coronavirus pandemic on our activities has been significant, and this is likely to continue for the foreseeable future. We have taken, and will continue to take, mitigating actions in the light of the unprecedented circumstances of the pandemic to ensure the British Red Cross remains a viable going concern.

Our ten-year strategy was launched early in 2020. As referred to elsewhere in the trustees report, in July 2020 we launched our Fit for the Future programme, which will look at how we need to change the way we work to become a sustainable organisation to deliver the ten-year 2030 strategy.

Income

Figure 1.



The sources of total income for the year of £305.9m are shown at figure 1.

Income from donations and legacies in 2020 was £147.2m, up £32.4m from £114.8m in 2019. This was mainly due to an increase of £38.4m in restricted income from regular giving, public donations and appeals, compared with £17.9m in 2019. This increase was due to the coronavirus response. Unrestricted income from the same sources was £45.6m, down £2.6m on 2019. Income from legacies held up well at £31.6m for the year, down £1.5m on 2019.

Income from charitable activities in 2020 was £135.0m (2019: £95.9m), an increase of £39.1m, mainly due to an increase of £38.4m in restricted income in respect of international emergency response, related to the international covid response. Unrestricted charitable income held up well at £53.3m, down £2.5m on 2019, mainly due to reduced income from the Red Cross Training service, which was suspended for large parts of the year.

In line with the retail sector generally, our retail shops were closed for large parts of the year, with income of £18.8m down £10.6m on the 2019 figure.

Expenditure

Figure 2.

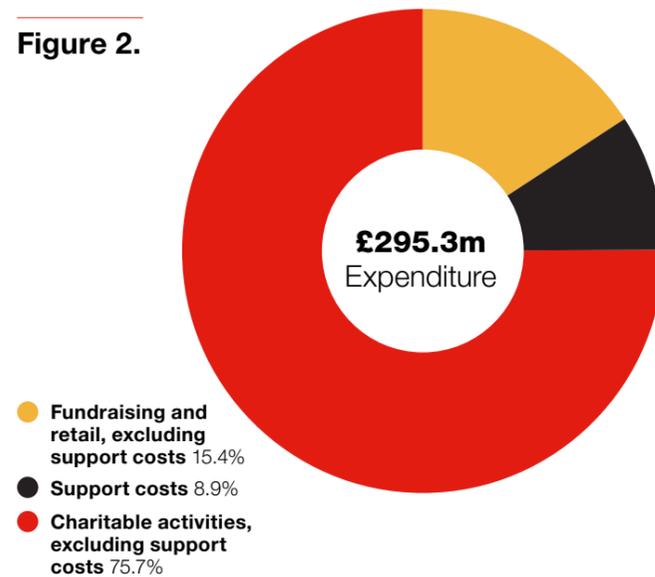
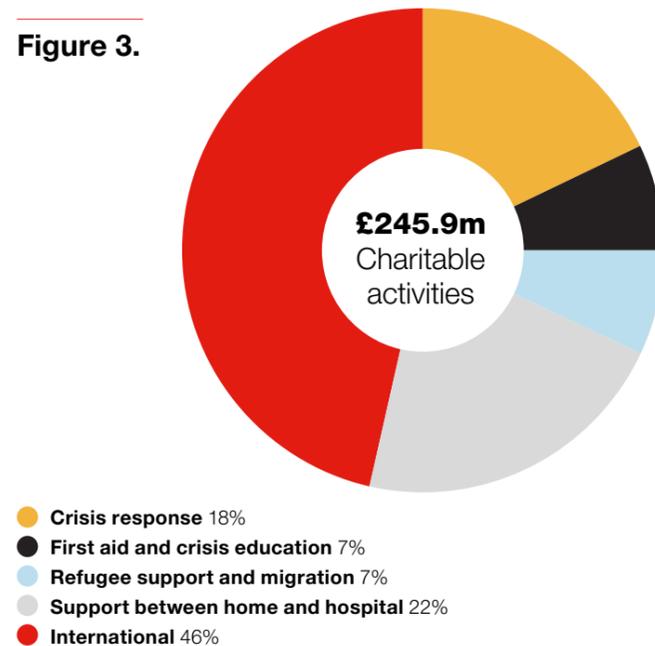


Figure 3.



Total expenditure for the year of £295.3m is shown at figure 2. This comprises £245.9m spend on charitable activities (shown at figure 3) and £49.4m expenditure on the cost of raising funds.

Charitable expenditure of £245.9m was up £48.4m on 2019. This was due to an increase of £61.8m spent on UK and international crisis and emergency response, due to the Covid-19 response. This was balanced by a £12.3m decrease in refugee support and support between home and hospital.

Reserves

Our reserves policy ensures our work is protected from the risk of disruption at short notice due to a lack of funds, whilst at the same time ensuring we do not retain income for longer than required. The reserves policy is kept under regular review and target levels are adjusted as assessments of risk and other factors develop or change.

The current free reserves range approved by the board of trustees is £40m-£50m, which is reviewed each year to take into account any relevant changes in risk factors and strategic plans.

The reserves range recognises the current risk, particularly around our income streams, as well as the uncertainty in the wider economic environment. Key areas considered by the trustees in determining reserves levels include the financial impact of risks, inflationary pressures on our cost base and required levels of working capital.

Our free available reserves at the year-end were £51.9m (2019: £56.7m). This represents four months' worth of general funds expenditure and is slightly above the approved range, mainly due to the improved position against budget for general funds net income as a result of the coronavirus response.

The trustees designated £17.1m of free reserves in 2020. These funds will be spent on a number of projects, including property upgrades and refurbishment, and investment in the Fit for the Future programme. Notwithstanding the impact of the coronavirus pandemic, these initiatives will still need to be delivered over the next three years, so the trustees remain comfortable with designating the relevant funds.

Financial projections indicate that general reserves are forecast to remain within the agreed policy range for the next year.

The trustees are satisfied with this position.

Investments

If funds are not immediately required, we invest them in longer- and medium-term low-risk funds and short-term deposits. Our overall investment objective is to generate a positive return, whilst maintaining the capital value of investments in real terms over the long term.

The British Red Cross does not directly or indirectly invest in companies with a significant interest in trading in and manufacture of arms or in the manufacture of tobacco products.

An investment sub-committee of the finance and audit committee regularly reviews our investment portfolio and investment policy. Our investments are divided into long-, medium- and short-term investment pools.

The long- and medium-term investments in our fixed and current asset investment portfolios are spread over a number of funds with Aegon Asset Management and Royal London Asset Management. All the funds aim to outperform agreed benchmark indices over the medium and longer term.

The net gain on our investments in the year was £5.3m (2019: £6.6m). Our fixed asset investment portfolio generated a percentage annual gain for the year of 8.6% (2019: 11.8%).

The investment sub-committee is satisfied with the performance of the investment portfolio during the year with regard to the overall investment objective described above and also against agreed performance benchmarks which applied during the year.

Going concern

The board of trustees has reviewed the British Red Cross' financial position and consequently believes there are sufficient resources to manage any reasonably foreseeable operational or financial risks.

The going concern assessment undertaken by the board involves analysing key current and future risks and controls, resulting in a clear picture of the risk profile across the organisation. The principal risks and uncertainties, including specific operational risks such as the impact of the coronavirus pandemic, together with risk management actions, are summarised in the 'Risks' section in the trustees' report.

Financial and cashflow projections have taken into account the estimated impact of the coronavirus pandemic on our resources. The uncertain nature of the circumstances related to the pandemic means it is difficult to forecast that impact with accuracy. However, the board of trustees is satisfied that reasonable financial assumptions have been incorporated in financial projections, reflecting the impact of the pandemic and compensating actions taken by the organisation.

Our reserves policy states that reserves are held to ensure our work is protected from the risk of disruption at short notice. We will continue to monitor all relevant factors, including the impact of the pandemic, and manage finances accordingly.

Based on the financial review and assessment undertaken, the board confirms it has a reasonable expectation that the British Red Cross will be able to continue in operation and meet its liabilities as they fall due.

In forming this conclusion, the board has reviewed budgets and forecasts and has satisfied itself that there is a reasonable expectation that the British Red Cross has adequate resources to continue in operational existence for at least a year from the date of signing this Trustees' Report and Accounts, and for the foreseeable future.

For this reason, the board of trustees continues to adopt the going concern basis of accounting in preparing the accounts.

Governance

Introduction

The British Red Cross was founded in 1870 and incorporated by Royal Charter in 1908. A supplemental Royal Charter took effect on 1 January 1998, which was revised by Her Majesty the Queen in Council on 17 July 2003.

The governing instruments under which we operate comprise this revised charter, the standing orders which set out our rules of governance, and policies agreed from time to time by the board of trustees.

Our charitable objectives are to provide assistance to victims of armed conflict and to work for the improvement of health, the prevention of disease and the prevention and alleviation of human suffering in the UK and throughout the world.

The British Red Cross Society is registered as a charity with respective regulators in England and Wales, Scotland and the Isle of Man.

Our board of trustees

The British Red Cross is governed by the board of trustees. The board's role and functions are laid out in our Royal Charter, supplemented by standing orders which set out our rules of governance.

The board of trustees has ultimate legal responsibility for our organisation and works to ensure good governance, with the help of its committees. It is responsible for agreeing our overall

strategic direction and is our highest decision-making body. The board ensures that as an organisation we are effective in working towards achieving our vision, using our resources to maximum effect and upholding our fundamental principles and values.

The board can comprise up to seven elected members (chosen from our active volunteer base), and up to six co-opted members appointed by the board (which include the roles of chair and treasurer). Members can serve up to two terms of four years each, and they are all unpaid volunteers.

The board meets at least four times a year. Trustee attendance at board meetings in 2020 was:

April: 70%
June: 100%
October: 92%
December: 100%

The board of trustees is committed to ensuring that governance arrangements are effective and relevant, as well as ensuring that the board members reflect the communities in which we operate. A governance and nominations committee oversees trustee recruitment, induction and development for elected and co-opted trustees. Trustees undertake a range of development activities during the year to ensure their skills are relevant and up to date.

The board can delegate responsibilities to various committees which are authorised to make decisions on its behalf, providing it with assurance that detailed attention and scrutiny are being afforded to important strategic issues. They can also make recommendations to the board for approval. Although decision-making may be delegated to committees, the board collectively retains ultimate responsibility for all decisions taken. The chair, therefore, periodically reviews the structure and composition of board committees to ensure they remain fit for purpose.

As part of our commitment to continuous improvement and following best practice, every three years the British Red Cross has an external review of our governance structure and committees. This was last conducted in 2018 and an action plan has since been completed.

The 2018 governance review also confirmed that governance arrangements in the British Red Cross met the requirements of the Charity Governance Code in all important matters. We continue to use developments in governance good practice, including the Charity Governance Code and the Code of Ethics, as tools to improve and drive ongoing change in the governance arrangements of the charity.

Terms of reference for **our committees** and **key corporate policies** are published on our website in the interests of transparency and accountability.

The board works closely with the executive leadership team, which is responsible for implementing policy and for the management of the day-to-day running of the organisation. The executive leadership team meets at least monthly. During 2020 it had an intensive meeting schedule to support rapid decision-making and enable the organisation's Covid-19 response.

Our
committees

Corporate
policies

Structure

The British Red Cross operates in nine British overseas territories. Included in the British Red Cross group accounts are the accounts of the three overseas entities that are locally incorporated: the Bermuda Red Cross, the Cayman Islands Red Cross and the Turks and Caicos Islands Red Cross, and one related trust, the Bermuda Red Cross Charitable Trust. These are accounted for as subsidiaries, in accordance with the Statement of Recommended Practice (SORP).¹ The Anguilla Red Cross, the British Virgin Islands Red Cross, the Falklands Islands Red Cross, the Gibraltar Red Cross, the Montserrat Red Cross and the St Helena Red Cross are accounted for as branches, in line with the SORP.

Also included in the group accounts are the accounts of Britcross Limited, a wholly owned trading subsidiary which donates its trading profits to the British Red Cross.

The British Red Cross is a prominent member of the International Red Cross and Red Crescent Movement, with volunteers and staff contributing to a number of initiatives within the International Federation of the Red Cross and Red Crescent Societies, the International Committee of the Red Cross, and 192 Red Cross and Red Crescent member societies.

The British Red Cross is also a member of the Disasters Emergency Committee (DEC), an umbrella organisation that brings together 14 leading UK aid charities in times of crisis. With the support of media and corporate partners, the DEC forms a unique collaborative hub that is able to quickly and effectively launch appeals and raise funds to tackle some of the world's most devastating crises.

¹Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

Trustees' responsibilities

The trustees are responsible for preparing the trustees' annual report and financial statements in accordance with 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 Republic of Ireland.

The law applicable to charities in England, Wales and Scotland requires the trustees to prepare financial statements for each financial year that give a true and fair view of the state of affairs of the charity, and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently
- observe the methods and principles in the charities SORP
- make judgments and estimates that are reasonable and prudent
- state whether applicable accounting standards have been followed; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended) and the provisions of the Royal Charter. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps to prevent and detect fraud and other irregularities.

Financial statements are published on the organisation's website at [redcross.org.uk](https://www.redcross.org.uk), in accordance with legislation in the UK governing the preparation and dissemination of financial

statements, which may vary from legislation in other jurisdictions. The trustees' responsibilities also extend to the ongoing integrity of the financial statements.

The trustees have applied the Charity Commission guidance regarding connections to a non-charity and confirm that they have addressed the risks of any connection. They regularly monitor the connections to non-charities to ensure that the charity's resources are not applied to advance any non-charitable interest.

Modern slavery

As a humanitarian organisation, our aim is to always prevent and alleviate human suffering in the UK and throughout the world, to protect life and health, and to ensure respect and dignity for all people.

We are committed to the prevention of modern slavery or human trafficking in our supply chains. Our ambition for our continuous improvement plan is to completely eradicate modern slavery in any part of our operations.

In accordance with the requirements of the Modern Slavery Act, we publish an annual slavery and human trafficking statement. The statement sets out the steps we have taken to ensure modern slavery does not take place in any part of our business or supply chain, and is available at [redcross.org.uk](https://www.redcross.org.uk).

Gender pay reporting

Organisations with 250 or more staff are required to publish data about their gender pay gap and update it annually. As at April 2020, we had a mean difference of 11.3% between the average hourly pay of women and men across the organisation. This represents a small increase on the equivalent figure of 11.1% at April 2019. An action plan to achieve a sustainable reduction in the gap has been developed and this will be integral to our new People Strategy. More information on how we are seeking to reduce the gender pay gap is available at [redcross.org.uk](https://www.redcross.org.uk).

The remuneration committee has actively considered and maintains a watching brief on progress of action plans on equalities to monitor and reduce gaps covering characteristics including gender, race and disability.

Remuneration policy

The British Red Cross has an annual income of over £300m and employs almost 4,000 people working in the UK and overseas. The aim of our remuneration policy, which applies to all employees, is to offer remuneration that is fair and appropriate for the roles they perform and the responsibilities they undertake to deliver our charitable aim of refusing to ignore people in crisis. We employ people whose skills and competences are in demand in a variety of sectors including the health service, local government and other charities. They require the same levels of professional and occupational qualifications and experience as staff working in these sectors.

In setting remuneration levels we have regard to pay in organisations that employ individuals with similar skills, competences and qualifications. The British Red Cross generally expects to pay at a level comparable to that in the not-for-profit and charity sectors. In senior positions this can result in remuneration levels that are below those for similar-sized organisations in the private sector and some areas of the public sector. Information on the grading structure, maximum and minimum remuneration levels for each grade, and all benefits (including pension) are available to all employees.

The levels of salary available, together with other benefits such as annual leave and pensions, are generally reviewed annually. Inputs to the review include the financial performance of the British Red Cross, information on staff turnover and the pay and benefits in organisations employing comparable workers, organisation budgets and annual plans, and through the lens of being a sustainable and high performing organisation. Our overall approach to remuneration is based on three key principles: fairness, competitiveness and sustainability.

Annual salary review

In 2020 the cost of salaries increased on average by around 3%. Staff in the lowest scales who earn at or slightly above the level of the National Living Wage received larger increases. This was due in part to the government increasing the National Living Wage by 6.2%. These increases are all consistent with our desire to be an employer that is fair, provides competitive salaries to our people and is financially sustainable for our organisation.

Pension scheme

The British Red Cross operates a defined contribution pension scheme, to which all eligible employees are auto-enrolled. Anyone who does not qualify automatically in this way may opt to join. With effect from April 2020, the minimum level of contributions required stayed at 8% of eligible earnings, of which the British Red Cross elects to pay half, rather than the minimum of 3%. The balance is paid by the employee.

Responsibilities of the Remuneration Committee

The board of trustees has a remuneration committee with the following responsibilities:

- To recommend to the board for adoption the broad salary policy, pay structure and changes to terms and conditions for the organisation.
- To receive and agree recommendations from the chief executive, for salary and other benefit changes, for all members of the executive leadership team, where market forces and other matters dictate the need.
- The chair of the board of trustees determines salary and other benefit changes for the chief executive, where market forces and other matters dictate the need, in consultation with the remuneration committee.

The Chief Executive attends all remuneration committee meetings, but withdraws from meetings when his own remuneration is discussed.

The following details relate to the executive leadership team as at 31 December 2020:

Job title	Key areas of responsibility	Annual pay 2020	Annual pay 2019	Pension entitlement
Chief executive	Leading the organisation, which has an annual income of over £300m and employs nearly 4,000 staff and over 14,000 volunteers, delivering services and programmes in the UK and globally.	£176,460	£173,000	GPP ³
Chief finance officer	Financial systems and processes; financial planning and performance management; social enterprises including Red Cross Training; procurement; legal; audit and risk management; property and treasury management.	£145,204	£142,700	GPP ³
Chief people officer	UK and international HR for nearly 4,000 staff; strategic change and project management office; volunteer management for over 14,000 volunteers; learning and development; youth education and engagement; health, safety and security and occupational health.	£125,460	£123,000	n/a
Chief supporter officer	Responsible for a staff team of over 750, over 6,000 volunteers and over one million supporters along with millions of shoppers in our 300 plus shops throughout the UK; inclusion and diversity.	£124,848	£122,400	GPP ³
Executive director of UK operations	Responsible for UK service delivery and development; leading teams and nationally led functions including over 2,000 staff and 8,000 volunteers across the four nations; accountable for support with disasters and emergencies, health crises, and migration and displacement; strategic relationship management with national commissioning bodies and government bodies; responsible for property, vehicles and other resources in UK Operations.	£119,034	£116,700	Final salary ⁴
Chief information officer	Information and IT strategy and systems; digital strategy; business continuity; information governance, IT security and the green and sustainability agenda.	£106,920 ¹	£116,700	GPP ³
Executive director of communications and advocacy	Corporate planning and strategy 2030, PR and public affairs; brand management and marketing; internal communications; policy, research and advocacy.	£118,721	£113,500	GPP ³
Executive director of international	All international strategy; programming; national society partnership development; support in capacity building; emblem advice and support; relationship with DFID and Movement relations.	£109,020 ²	£113,500	GPP ³

¹ The chief information officer left the society's employment on 7 August 2020. The interim chief information officer commenced in their role on 20 July 2020.

² The executive director of international left the society's employment on 31 October 2020. The interim executive director of international commenced in their role on 19 October 2020.

³ GPP - Group Personal Pension Plan. The British Red Cross matches an employee's contributions to their personal pension fund, to a maximum of 6% of basic salary. This can be achieved through salary sacrifice and the British Red Cross pays half of the employer's national insurance contribution saved as a result to the individual's fund. The chief people officer has opted out of this pension scheme.

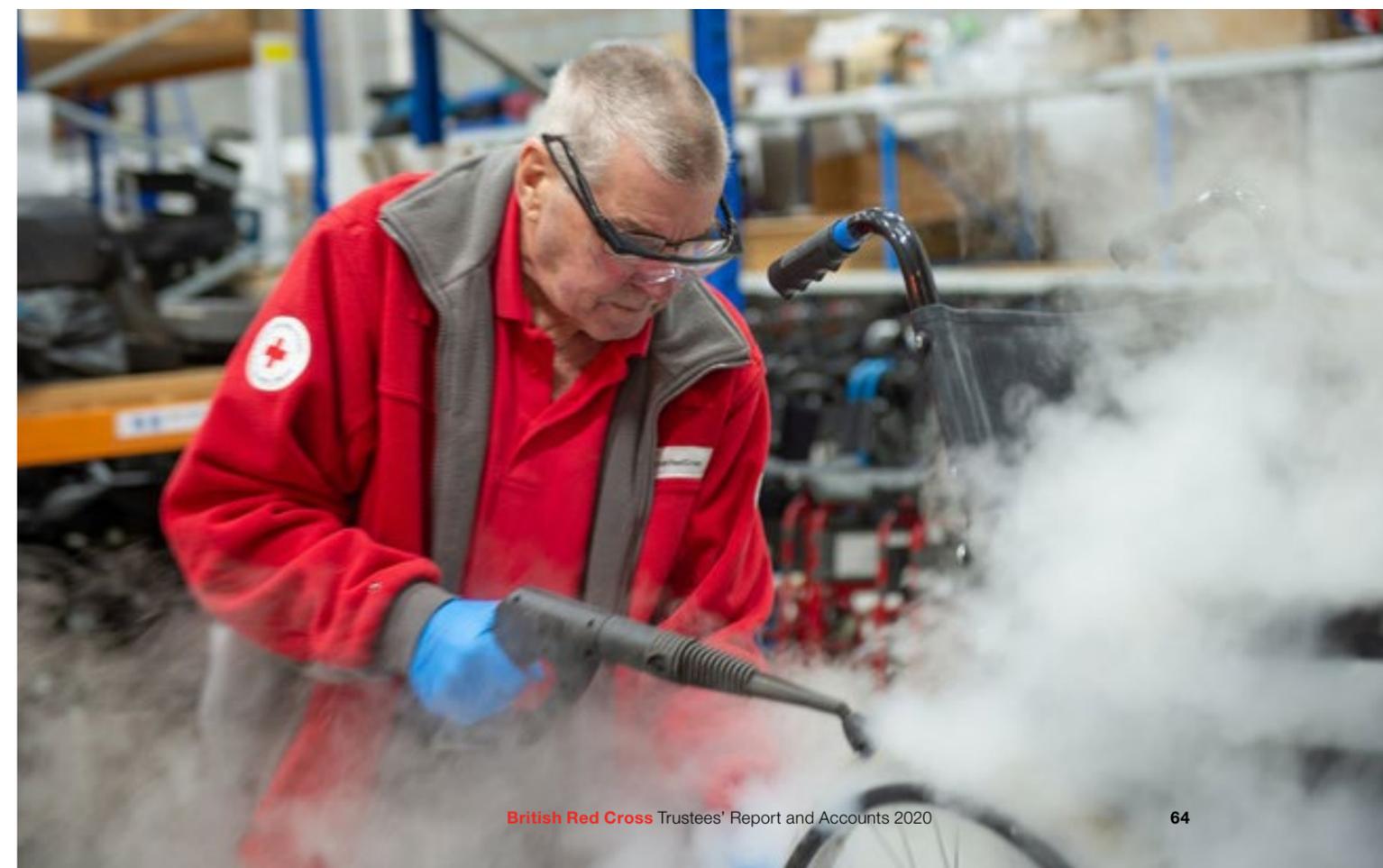
⁴ Final salary - the defined benefit British Red Cross Pension Fund was closed to new entrants with effect from 1 September 1997. Employer contributions of 29.8% of basic salary were made on behalf of each serving member during the year, who also contributed 16%.

Public benefit

The British Red Cross constitutes a public benefit entity as defined by FRS 102. The board of trustees has given regard to the legislative and regulatory requirements for disclosing how our charitable objectives (as set out in our Royal Charter) have provided benefit to the public. The board of trustees has complied with the duty set out in section 17 of the Charities Act 2011 and that set out by the Office of the Scottish Charity Regulator in the Charities and Trustee Investment (Scotland) Act 2005. This report outlines how our achievements during 2019 have benefited the public, either directly or indirectly.

On behalf of the trustees,

David Bernstein CBE, FCA
Chair of the board of trustees
4 May 2021



Auditor's report

Independent auditor's report to the trustees of the British Red Cross

Report on the audit of the financial statements

Opinion

In our opinion the financial statements of the British Red Cross (the 'charity') and its subsidiaries (the 'group'):

- give a true and fair view of the state of the group's and the parent charity's affairs as at 31 December 2020 and of the group's and the parent charity's incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"; and
- have been prepared in accordance with the Charities Act 2011, the Charities and Trustee Investment (Scotland) Act 2005 and regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 2006 and the trust deed.

We have audited the financial statements which comprise:

- the group statement of financial activities;
- the group and parent charity balance sheets;
- the group cash flow statement;
- the statement of accounting policies; and
- the related notes 2 to 24.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report.

We are independent of the group and of the parent charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Standard's (the 'FRC's') Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's and parent charity's ability to continue as a going concern for a period of at least 12 months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the trustees' report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the trustees' report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the group's and the parent charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the group or the parent charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 151 of the Charities Act 2011 and section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and report in accordance with those Acts and relevant regulations made or having effect thereunder.

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

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

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

We considered the nature of the group's industry and its control environment, and reviewed the group's documentation of their policies and procedures relating to fraud and compliance with laws and regulations. We also enquired of management, internal audit and others within the entity about their own identification and assessment of the risks of irregularities.

We obtained an understanding of the legal and regulatory frameworks that the group operates in, and identified the key laws and regulations that:

- had a direct effect on the determination of material amounts and disclosures in the financial statements. These included the Trust Deed, Charities Act, Charities (Accounts and Reports) Regulations 2008, Health and Safety Act, employment law, pensions legislation, tax legislation, Bribery Act and Slavery Act; and
- do not have a direct effect on the financial statements but compliance with which may be fundamental to the group's ability to operate or to avoid a material penalty. These included the Charity Commission for England and Wales (Charity Commission) regulations, the Scottish Regulator (OSCR) regulations, fundraising regulations and Anti-Money Laundering Regulations (including Proceeds of Crime Act 2002 and Terrorism Act 2000).

We discussed among the audit engagement team including relevant internal specialists such as pensions, IT and industry specialists regarding the opportunities and incentives that may exist within the organisation for fraud and how and where fraud might occur in the financial statements.

As a result of performing the above, we identified the greatest potential for fraud in the following areas, and our specific procedures performed to address them are described below:

- Recognition of legacy income: the income is recognised on a receivable basis when the charity is entitled to the legacy, receipt is probable and the value can be estimated with sufficient accuracy. This is subject to judgement around whether the recognition criteria are met. On a sample basis, we have assessed the judgements and estimates made by management in the recognition of this income.
- Recognition of grant income: this involves judgement around whether grants have performance conditions attached to them which have to be met before income can be recognised, as well as judgement over whether or not those conditions have been satisfied. On a sample basis, we have assessed the judgements and estimates made by management in the recognition of this income.
- Appropriate allocation of restricted income: there is a risk that restricted income may not have been identified and allocated as such. We reviewed the allocation of income to restricted or unrestricted funds on initial recognition to ensure restrictions were appropriately identified and applied, and we reviewed fund transfers from restricted to unrestricted funds to assess the rationale for those movements.

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments; assessed whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business.

In addition to the above, our procedures to respond to the risks identified included the following:

- reviewing financial statement disclosures by testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- enquiring of management, internal audit and in-house legal counsel concerning actual and potential litigation and claims, and instances of non-compliance with laws and regulations; and
- reading minutes of meetings of those charged with governance, reviewing internal audit reports, reviewing correspondence with HMRC and with the Charity Commission.

Report on other legal and regulatory requirements

Matters on which we are required to report by exception

Under the Charities (Accounts and Reports) Regulations 2008 and the Charities Accounts (Scotland) Regulations 2006 we are required to report in respect of the following matters if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient and proper accounting records have not been kept by the parent charity; or
- the parent charity financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

We have nothing to report in respect of these matters.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008 and regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Deloitte LLP
Statutory Auditor
St Albans, United Kingdom
4 May 2021

Deloitte LLP is eligible for appointment as auditor for the charity by virtue of its eligibility for appointment as audit of a company under section 1212 of the Companies Act 2006.

Accounts for the year ended 31 December 2020



Accounts for the year ended 31 December 2020

Consolidated statement of financial activities
For the year ended 31 December 2020

	Notes	Unrestricted £m	Restricted £m	2020 Total £m	Unrestricted £m	Restricted £m	2019 Total £m
Income from:							
Donations and legacies	2	84.9	62.3	147.2	89.4	25.4	114.8
Charitable activities							
Crisis response		4.4	5.7	10.1	5.8	2.9	8.7
Refugee support and migration		0.6	0.5	1.1	0.5	0.3	0.8
First aid and crisis education		10.6	0.5	11.1	17.1	0.5	17.6
Support between home and hospital		37.0	1.9	38.9	31.5	1.7	33.2
UK charitable activities		52.6	8.6	61.2	54.9	5.4	60.3
International emergency response and recovery		0.7	73.1	73.8	0.9	34.7	35.6
Total income from charitable activities	3	53.3	81.7	135.0	55.8	40.1	95.9
Other trading activities							
Retail		17.3	1.5	18.8	29.4	-	29.4
Other fundraising activities		1.0	0.6	1.6	1.5	0.3	1.8
Rent		0.1	-	0.1	0.1	-	0.1
Total income from other trading activities		18.4	2.1	20.5	31.0	0.3	31.3
Investments		0.1	-	0.1	0.2	-	0.2
Other							
Miscellaneous income		0.5	0.3	0.8	0.5	0.7	1.2
Net gains on disposal of tangible fixed assets		2.3	-	2.3	1.5	-	1.5
Total income		159.5	146.4	305.9	178.4	66.5	244.9
Expenditure on:							
Raising funds							
Fundraising		20.1	1.6	21.7	21.8	0.1	21.9
Retail		27.7	-	27.7	27.7	-	27.7
Total expenditure on raising funds		47.8	1.6	49.4	49.5	0.1	49.6
Charitable activities							
Crisis response		16.4	27.5	43.9	17.6	3.4	21.0
Refugee support and migration		10.2	6.0	16.2	17.3	6.3	23.6
First aid and crisis education		16.2	2.2	18.4	18.8	0.7	19.5
Support between home and hospital		44.5	9.2	53.7	51.5	7.1	58.6
UK charitable activities		87.3	44.9	132.2	105.2	17.5	122.7
International emergency response and recovery		20.4	93.3	113.7	22.1	52.7	74.8
Total expenditure on charitable activities		107.7	138.2	245.9	127.3	70.2	197.5
Total expenditure	4	155.5	139.8	295.3	176.8	70.3	247.1
Net gains / (losses) on investments	10	-	5.3	5.3	-	6.6	6.6
Net income / (expenditure)		4.0	11.9	15.9	1.6	2.8	4.4
Transfers between funds	7, 8	1.1	(1.1)	-	1.8	(1.8)	-
Other recognised gains / (losses):							
Actuarial gains / (losses) on defined benefit pension schemes	16	1.0	-	1.0	0.7	-	0.7
Net movement in funds		6.1	10.8	16.9	4.1	1	5.1
Total funds at 1 January		138.6	43.9	182.5	134.5	42.9	177.4
Total funds at 31 December	7, 8	144.7	54.7	199.4	138.6	43.9	182.5

All the activities relate to continuing operations.

For the parent charity, total income for the year is £304.7m (2019: £241.1m), total expenditure is £294.1m (2019: £244.3m) and net movement in funds is a surplus of £16.9m (2019: surplus £4.1m).

The notes on pages 75 to 100 form part of these financial statements.

Consolidated and charity balance sheets
As at 31 December 2020

	Notes	2020 Group £m	2019 Group £m	2020 Charity £m	2019 Charity £m
Fixed assets					
Tangible fixed assets	9	66.9	62.6	64.0	59.6
Investments	10	19.4	62.9	19.4	62.9
		86.3	125.5	83.4	122.5
Current assets					
Stocks	11	3.8	4.8	3.6	4.6
Debtors	12	42.8	44.3	43.3	44.7
Investments	10	73.5	17.7	73.5	17.7
Cash at bank and in hand		6.7	5.8	5.0	4.4
		126.8	72.6	125.4	71.4
Current liabilities					
Creditors: amounts falling due within one year	13	(21.9)	(22.0)	(21.6)	(21.9)
Net current assets		104.9	50.6	103.8	49.5
Total assets less current liabilities					
		191.2	176.1	187.2	172.0
Provision for liabilities and charges	14	(2.9)	(3.6)	(2.9)	(3.6)
Net assets before pension scheme surplus		188.3	172.5	184.3	168.4
Defined benefit pension scheme surplus	16	11.1	10.0	11.1	10.0
Net assets		199.4	182.5	195.4	178.4
Funds:					
Restricted funds					
	7	54.7	43.9	50.5	39.8
Unrestricted funds held as tangible fixed assets	8	61.4	56.7	61.4	56.7
Defined benefit pension scheme fund	8	11.1	10.0	11.1	10.0
Designated funds	8	20.3	15.2	20.3	15.2
Free reserves	8	51.9	56.7	52.1	56.7
Unrestricted funds		144.7	138.6	144.9	138.6
Total funds		199.4	182.5	195.4	178.4

The notes on pages 75 to 100 form part of these financial statements.

Approved by the board of trustees on 4 May 2021 and signed on its behalf by



David Bernstein CBE, FCA
Chair, board of trustees
4 May 2021



Liz Hazell FCA
Treasurer
4 May 2021

Consolidated cash flow statement
For the year ended 31 December 2020

Notes	2020 £m	2019 £m
Reconciliation of net income to net cash flow from operating activities		
Net income for the reporting period (as per the statement of financial activities)	15.9	4.4
Adjustments for:		
Depreciation charges 9	6.3	5.6
Net (gains) / losses on investments 10	(5.3)	(6.6)
Net gains on disposal of tangible fixed assets	(2.3)	(1.6)
(Increase) / decrease in stocks	1.0	0.6
(Increase) / decrease in debtors	1.5	(1.1)
Increase / (decrease) in creditors: amounts falling due within one year	(0.1)	6.3
Increase / (decrease) in provisions for liabilities and charges	(0.7)	(1.7)
Net charges for defined benefit pension scheme	(0.1)	(0.3)
Foreign currency gains and losses	-	0.1
Net cash provided by operating activities	16.2	5.7
Statement of cash flows		
Cash flows from operating activities:		
Net cash provided by operating activities	16.2	5.7
Cash flows from investing activities:		
Purchase of current asset investments	(30.0)	-
Proceeds from sale of current asset investments	5.0	-
Proceeds from sale of fixed asset investments	30.1	-
Purchase of fixed asset investments	-	-
Proceeds from sale of tangible fixed assets	3.8	2.5
Purchase of tangible fixed assets	(12.1)	(11.3)
Net cash provided by investing activities	(3.2)	(8.8)
Change in cash and cash equivalents in the reporting period	13.0	(3.1)
Cash and cash equivalents at the beginning of the reporting period	23.2	26.3
Cash and cash equivalents at the end of the reporting period	36.2	23.2
Analysis of cash and cash equivalents		
Cash at bank and in hand	6.7	5.8
Loan due within one year	(0.3)	(0.3)
Current asset investments	29.8	17.7
Total	36.2	23.2



Notes to the consolidated financial statements
for the year ended 31 December 2020

1. Accounting policies

(a) Scope and basis of the financial statements

The consolidated financial statements have been prepared under the historical cost convention, as modified by the revaluation of investments at market value, and are in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) ('the SORP'), FRS 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland ('FRS 102'), the Charities Act 2011 and UK Generally Accepted Accounting Practice.

The financial statements have been prepared on a going concern basis. The going concern assessment undertaken by the board of trustees involves analysing key current and future risks and controls, resulting in a clear profile of risk across the organisation. In undertaking this assessment, the board considers the resilience of the organisation to the occurrence of these risks, utilising sensitivity analysis and stress testing of financial projections, thereby confirming reserves and cash remain at acceptable levels.

Regulatory requirements mean that the trustees are obliged to take into account all available information about the future, for at least, but not limited to, the period of 12 months from the date the accounts are approved. Financial and cash flow projections have taken into account the estimated impact of the coronavirus pandemic on resources. The uncertain nature of the circumstances related to the pandemic mean it is difficult to forecast that impact with accuracy. However, the board of trustees is satisfied that reasonable financial assumptions have been incorporated in financial projections, reflecting the impact of the pandemic and compensating actions taken by the organisation.

For these reasons and based on the assessment undertaken, the board confirms it has a reasonable expectation that the British Red Cross will be able to continue in operation and meet its liabilities as they fall due.

In forming this conclusion, the board has reviewed budgets and forecasts and has satisfied itself that there is a reasonable expectation that the British Red Cross has adequate resources to continue in operational existence for at least a year from the date of signing this Trustees' Report and Accounts, and for the foreseeable future.

For this reason, the board of trustees continues to adopt the going concern basis of accounting in preparing the accounts.

Going concern is further discussed in the trustees' report under the heading 'Going concern' in the finance review.

The British Red Cross constitutes a public benefit entity as defined by FRS 102.

The consolidated financial statements have been prepared to give a true and fair view, and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a true and fair view. This departure has involved following the SORP rather than Accounting and Reporting by Charities: Statement of Recommended Practice (revised 2005) which has been withdrawn.

The preparation of the financial statements in accordance with FRS 102 requires the trustees to make judgements, estimates and assumptions that affect the application of policies and reported amounts in the financial statements. The areas involving a higher degree of judgement, or areas where assumptions or estimates were significant to the financial statements are described at (o) below.

The financial statements incorporate the results of all material activities overseas where the British Red Cross has operational responsibility. The results and net assets of British Red Cross operations in five British overseas branches have been included in the financial statements.

The results and balance sheets of the British Red Cross' subsidiary undertakings, Britcross Limited, the Bermuda Red Cross Charitable Trust, Bermuda Red Cross, Cayman Islands Red Cross and the Turks and Caicos Islands Red Cross, have been consolidated on a line-by-line basis. All subsidiary undertakings prepare accounts to 31 December.

A separate statement of financial activities has not been presented for the charity alone, as this is not considered to be materially different from the consolidated statement of financial activities (SOFA).

(b) Fund accounting

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general charitable objectives. A pension reserve is included within unrestricted funds to reflect the pension surplus. Designated funds are a portion of the unrestricted funds that have been set aside for a particular purpose by the trustees.

Restricted funds are donated for either a particular geographical area or purpose, the use of which is restricted to that area or purpose. Such donations are principally for international purposes.

Notes to the consolidated financial statements
for the year ended 31 December 2020

(c) Income

All income is accounted for when the British Red Cross has entitlement to the funds, the amount can be quantified and receipt of the funds is probable. Where income is received in advance of providing goods and/or services, it is deferred until the British Red Cross becomes entitled to that income.

Unless there is evidence of uncertainty of receipt, residuary legacies are recognised from the date of probate where a reliable estimate of income can be made. Income from wills or reversionary trusts is not recognised until the life interest has passed away. Income from pecuniary legacies is recognised upon notification.

Where income is received as a result of lotteries held by the People's Postcode Lottery (PPL), the British Red Cross has no ability to alter the price of the tickets, determine prizes or alter the management fee. The PPL is therefore treated as acting as the principal. Net proceeds due to the British Red Cross are treated as restricted funds and are recognised under donations and legacies in the SOFA, as stated at note 2. The analysis of the net proceeds is detailed at note 23.

Disasters Emergency Committee (DEC) appeal income is recognised to the extent that resources have been committed on programmes funded through DEC appeals.

Gifts donated for resale are included as income when they are sold. Donated assets and services are included at the value to the British Red Cross where this can be reliably quantified. Donated services from our volunteers are not included within the financial statements.

Government grants under the coronavirus job-retention scheme have been received in the year which relate to eligible staff costs. This grant income has been presented in unrestricted income to match the unrestricted staff costs the grant income was provided to support. An analysis of the income received is shown at note 24.

(d) Expenditure and basis of allocation of cost

All expenditure is accounted for on an accruals basis.

Direct costs are those specifically related to producing the output of an activity, for example the costs incurred in direct contact with beneficiaries.

Support costs are those which provide indirect support to frontline output provision – examples are central finance, human resources, governance costs, and information and digital technology. Support costs not attributable to a single activity have been allocated on a basis consistent with identified cost drivers for that cost category, such as staff head count, floor space and expenditure.

(e) Tangible fixed assets and depreciation

All tangible fixed assets which individually cost more than £1,000 are capitalised and included at cost, including any incidental expenses of acquisition and irrecoverable VAT. Depreciation is provided on a straight-line basis over their useful economic lives as follows:

Freehold properties	50 years
Leasehold properties	the shorter of the term of the lease and 50 years
Freehold premises improvements	ten years
Leasehold premises improvements	the shorter of the term of the lease and ten years
Ambulances	the shorter of useful life and seven years
Other vehicles	the shorter of useful life and five years
Equipment and furniture	five years
Computer equipment and software	between two and five years
Freehold land	nil
Assets in course of construction	nil

(f) Financial instruments

Financial assets and financial liabilities are recognised when the British Red Cross becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are initially measured at transaction price (including transaction costs). The British Red Cross only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due. Creditors and provisions are recognised where the British Red Cross has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

Notes to the consolidated financial statements
for the year ended 31 December 2020

Notes to the consolidated financial statements
for the year ended 31 December 2020

1. Accounting policies (continued)

(g) Pensions

Defined benefit pension schemes

Pension assets and liabilities are recorded in line with FRS 102, with scheme valuations undertaken by independent actuaries. FRS 102 measures the value of pension assets and liabilities at the balance sheet date and determines the benefits accrued in the year and the interest on assets and liabilities.

Current service costs, together with the net interest cost for the year, are allocated to relevant expenditure headings within the SOFA.

Scheme assets are measured at fair value at the balance sheet date. Scheme liabilities are measured on an actuarial basis at the balance sheet date using the projected unit method and discounted at a rate equivalent to the current rate of return on a high-quality corporate bond of equivalent term to the scheme liabilities.

The change in value of assets and liabilities arising from asset valuation, changes in benefits, actuarial assumptions, or change in the level of deficit attributable to members is recognised in the consolidated statement of financial activities within actuarial gains/losses on defined benefit pension schemes.

The resulting defined benefit asset or liability is presented separately on the face of the balance sheet. The British Red Cross recognises assets for its defined benefit pension schemes to the extent that they are considered recoverable through reduced contributions in the future, or through refunds from the scheme.

Defined contribution pension schemes

Pension costs in respect of defined contribution schemes are charged to the SOFA for the period in which they are payable. Such costs are allocated to activities and between funds according to an employee's normal job function.

(h) Investments

Fixed and current asset investments are stated at market value at the balance sheet date and the consolidated statement of financial activities shows net investment gains and losses arising from revaluation of the investment portfolio and disposals during the year.

Funds not immediately required are invested in a combination of long- and medium-term low risk funds and short-term deposits.

Fixed asset investments are made for periods in excess of three years. Medium-term investments are normally classed as fixed-asset investments and made for periods of one to three years. Short-term investments are for immediate funding requirements, are usually classed as current assets and include term deposits of up to one year and overnight money market accounts (see note 10).

(i) Stocks

Stocks are stated at the lower of cost and net realisable value. Provision is made for obsolete, slow-moving or defective stock where appropriate. As it is not practical to value items donated for resale on receipt, they are not recognised in the financial statements until they are sold. Emergency stocks held for disaster response are transferred from stock to expenditure when issued from the warehouse.

(j) Value added tax

Irrecoverable value added tax is allocated to the category of expenditure to which it relates.

(k) Provisions

Provisions are recognised when the British Red Cross has a legal or constructive financial obligation, that can be reliably estimated and for which there is an expectation that payment will be made.

(l) Operating leases

Rentals under operating leases are charged on a straight-line basis over the lease terms, even if the payments are not made on such a basis. Benefits received and receivable as an incentive to sign an operating lease are, similarly, spread on a straight-line basis over the lease term.

(m) Foreign currencies

The British Red Cross uses forward exchange contracts to hedge some of its known foreign exchange exposure. Transactions in foreign currencies are recorded at the rate of exchange prevailing at the date of the transaction, except where a forward contract is in place, in which case the rate specified in the contract is used.

Monetary assets and liabilities are translated into sterling at the exchange rate ruling on the balance sheet date, except where a forward contract is in place, in which case the relevant asset/liability is translated at the rate contained in the contract.

Notes to the consolidated financial statements
for the year ended 31 December 2020

Foreign exchange gains are recognised as other income and foreign exchange losses are recognised in the consolidated statement of financial activities within the relevant charitable activity expenditure for the period in which they are incurred.

(n) Programme commitments

The British Red Cross regularly pledges support to programmes led by the International Federation of Red Cross and Red Crescent Societies, International Committee of the Red Cross or other National Societies. Where full payment of the pledges is contingent on the outcome of British Red Cross reviews of the programmes, these programme commitments are contingent liabilities and therefore not recognised on the balance sheet.

(o) Critical accounting judgements and key sources of estimation uncertainty

In the application of the Group's accounting policies, which are described in note 1, the trustees are required to make judgements (other than those involving estimations) that have a significant impact on the amounts recognised and to make estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Critical judgements in applying the Group's accounting policies

The following are the critical judgements, apart from those involving estimations (which are dealt with separately below), that the trustees have made in the process of applying the Group's accounting policies and that have the most significant effect on the amounts recognised in the financial statements.

– Grant income: the critical judgements involved in the recognition of grant income are over whether grants have performance conditions attached to them which have to be met before income can be recognised, as well as judgement over whether or not those conditions have been satisfied.

Key source of estimation uncertainty

The key assumptions concerning the future, and other key sources of estimation uncertainty at the balance sheet date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are discussed below.

– Accrued legacy income (see note 12): The legacy income receivable amounts to £22.5m at year end. The income is recognised on a receivable basis when the charity is entitled to the legacy, receipt is probable and the value can be estimated with sufficient accuracy. The critical judgement involved in the recognition of legacy income is around whether the recognition criteria are met. The key sources of estimation uncertainty are in relation to the value of the legacy, and the legal fees and other liabilities, which are estimated based on the best information available at the balance sheet date. Due to the uncertainty associated with such items, there is a possibility that, on conclusion of open matters at a future date, the final outcome may differ significantly.

– Defined benefit pension schemes (see note 16): The defined benefit pension scheme surplus amounts to £11.1m at the year end. The actuaries provide a summary of the actuarial assumptions proposed based on FRS 102 requirements and their knowledge of the schemes. The Finance team reviews these assumptions and challenge them if required. The key sources of estimation uncertainty are in relation to the discount rate, the inflation rate and the rate of future salary increases. It is reasonably possible, based on existing knowledge, that outcomes within the next financial year that are different from assumptions could require a material adjustment to the carrying amount of the affected asset.

Notes to the consolidated financial statements
for the year ended 31 December 2020

Notes to the consolidated financial statements
For the year ended 31 December 2020

2. Donations and legacies

	Unrestricted £m	Restricted £m	2020 Total £m	Unrestricted £m	Restricted £m	2019 Total £m
Regular giving	32.3	1.2	33.5	35.7	1.3	37.0
Public donations, appeals and fundraising	13.3	55.1	68.4	12.5	16.6	29.1
Donations to services	0.4	-	0.4	1.3	-	1.3
Gift aid	7.4	2.4	9.8	8.8	0.9	9.7
Legacies	31.3	0.3	31.6	31.1	2.0	33.1
Disasters Emergency Committee appeals	-	3.3	3.3	-	4.6	4.6
Grants	0.2	-	0.2	-	-	-
Total	84.9	62.3	147.2	89.4	25.4	114.8

Legacy income is not recognised until the British Red Cross has entitlement to the funds, the amount can be quantified and there is probability of receipt. The estimated value of legacies, which have been notified, but not recognised at 31 December 2020 was £7.9m (2019: £6.4m) of which £4m (2019: £4.6m) are assets bequeathed to the British Red Cross, but subject to life tenancy.

Disasters Emergency Committee (DEC) appeal income is recognised to the extent that resources have been committed on programmes funded through the DEC appeals. Subject to our agreed allocation, the value of DEC appeal income not drawn down or accrued for at 31 December 2020 was £0.4m (2019: £2.1m).

During 2020, gifts in kind of £2.5m (2019: £0.2m) were received. Gifts in Kind this year chiefly supported our response to the Covid-19 pandemic in the UK.

3. Income from charitable activities

	Contracts and fees £m	Grants £m	2020 Total £m	Contracts and fees £m	Grants £m	2019 Total £m
UK						
Crisis response	4.2	5.9	10.1	5.9	2.8	8.7
Refugee support and migration	0.8	0.3	1.1	0.6	0.2	0.8
First aid and crisis education	9.7	1.4	11.1	17.1	0.5	17.6
Support between home hospital	33.4	5.5	38.9	28.9	4.3	33.2
	48.1	13.1	61.2	52.5	7.8	60.3
International emergency response and recovery	1.0	72.8	73.8	1.0	34.6	35.6
Total	49.1	85.9	135.0	53.5	42.4	95.9

International grant income includes grants from the UK Government's Department for International Development (DFID) totalling £70m (2019: £32.5m):

- > £9m (2019: £9.0m) received as part of the International Federation of Red Cross and Red Crescent Societies (IFRC) Institutional Strategy Agreement with DFID
- > £49.1m (2019: £14.9m) to support response programmes
- > £1m (2019: £1.2m) as part of the Movement Core Funding with DFID.
- > £10.9m (2019: £7.4m) to support long-term programmes in countries including Nepal, Kenya and Western Africa.

There are no unfulfilled conditions or other contingencies attached to these grants.

Notes to the consolidated financial statements
For the year ended 31 December 2020

4. Expenditure

	Direct Costs £m	Grants £m	Support Costs £m	2020 Total £m	Direct Costs £m	Grants £m	Support Costs £m	2019 Total £m
Raising funds								
Fundraising	19.5	-	2.2	21.7	20.0	-	1.9	21.9
Retail	26.1	-	1.6	27.7	26.2	-	1.5	27.7
	45.6	-	3.8	49.4	46.2	-	3.4	49.6
Charitable activities								
UK								
Crisis response	32.3	7.0	4.6	43.9	18.4	0.4	2.2	21.0
Refugee support and migration	14.3	0.6	1.3	16.2	20.0	0.7	2.9	23.6
First aid and crisis education	15.0	-	3.4	18.4	16.4	-	3.1	19.5
Support between home and hospital	45.5	-	8.2	53.7	50.8	0.4	7.4	58.6
	107.1	7.6	17.5	132.2	105.6	1.5	15.6	122.7
International emergency response and recovery	22.3	86.4	5.0	113.7	25.0	46.6	3.2	74.8
	129.4	94.0	22.5	245.9	130.6	48.1	18.8	197.5
Total	175.0	94.0	26.3	295.3	176.8	48.1	22.2	247.1

The basis of allocation of support costs is described in note 1(d) and further analysis is provided in Note 5. It is not appropriate to split support costs between direct costs and grants due to the dual role played by programme support functions.

Our total expenditure includes irrecoverable VAT of £3.3m (2019: £3.1m) and fees to auditors for audit of financial statements of £0.1m (2019: £0.1m). No fees were paid to the auditors for non-audit work.

Notes to the consolidated financial statements
For the year ended 31 December 2020

4. Expenditure (continued) Grants

Grant Recipients	Purpose	2020 Total £m	2019 Total £m
International Federation of the Red Cross and Red Crescent Societies (IFRC)			
IFRC	Covid-19 Response	40.2	-
IFRC	DFID Institutional Strategy with Federation	9.0	9.0
IFRC	Democratic Republic of Congo Ebola Outbreak	-	7.4
IFRC	Americas Population Movement 2018	3.9	3.8
IFRC	Cyclone IDAI 2019 - Southern Africa	1.7	2.5
IFRC	Movement Contributions ESTA	1.7	-
IFRC	Syria Crisis Expenditure 2018-2021	-	1.6
IFRC	Bangladesh Population movement 2017	1.4	0.4
IFRC	Southern Africa Food Insecurity	1.3	-
IFRC	Hurricane Dorian	1.0	-
IFRC	Risk-informed Early Action Partnership (REAP)	0.8	-
IFRC	Indonesia Earthquake and Tsunami Appeal 2018	0.8	2.8
IFRC	AMiRa Project (Migratory Trails)	0.7	0.2
IFRC	Support for IFRC Emergency Appeal for Ebola Outbreak in DRC	0.5	-
IFRC	Europe Refugee Crisis 2015	-	0.3
IFRC	Myanmar Rakine Support	0.3	0.5
IFRC	Yemen RC DM Strengthening	0.3	0.3
IFRC	RDRT East & Southern Africa	0.3	-
IFRC	Nigeria NS Development	0.3	-
IFRC	Various	2.4	3.9
		66.6	32.7
International Committee of the Red Cross (ICRC)			
ICRC	DRC Social Safety Nets	0.5	0.3
ICRC	COVID-19 Response	0.8	-
ICRC	Lebanon Cash and Livelihoods Programme	-	1.5
ICRC	Yemen Complex Emergency	0.3	0.1
ICRC	Cash based assistance	0.3	-
ICRC	Somalia National Society Development Initiative	-	0.2
ICRC	Various	0.2	0.2
		2.1	2.3
Red Cross National Societies			
Australian Red Cross Society	Australia Bushfires	0.8	-
Bangladesh Red Crescent Society	Bangladesh Population movement 2017	0.3	-
Bangladesh Red Crescent Society	Bangladesh V2R in Cox's Bazar	0.4	0.4
Kenya Red Cross Society	Kenya - Ending chronic hunger support project in Modogashe	0.6	-
Kenya Red Cross Society	IARP Kenya Ethiopia Uganda	0.5	-
Kenya Red Cross Society	Strengthening Early Response Capacity	0.5	0.3
Kenya Red Cross Society	Kenya Multiple Emergencies 2020	0.5	-
Kenya Red Cross Society	Nakuruto Water Project Kenya	0.3	-
Kenya Red Cross Society	Cyclone Idai 2019	0.3	-
Lebanese Red Cross Society	Beirut Port Explosion Response 2020	1.2	-
Namibian Red Cross Society	Namibia Food Insecurity 2019	-	0.4
Nepal Red Cross Society	Strengthening Urban Resilience and Engagement	0.7	0.9
Nepalese Red Cross Society	Nepal Earthquake Recovery Programme	-	0.5
Nepalese Red Cross Society	Enhanced Community Development	-	0.5
Nigerian Red Cross Society	ICRC Nigeria	-	0.3
Sierra Leonean Red Cross Society	Sierra Leone CBHP	-	0.1
South African Red Cross Society	South Africa HIV Phase II	-	0.1
Syrian Red Crescent Society	Syria Crisis	0.9	0.7
Yemen Red Crescent Society	Yemen RC DM Strengthening	-	0.3
Yemen Red Crescent Society	Yemen Emergency Obstetrics Care Unit Hajjah	-	0.2
Zimbabwe Red Cross	Zimbabwe Food Insecurity 2018/19	-	0.2
Zimbabwe Red Cross	Zimbabwe Community Resilience Programme	0.3	0.3
Various National Societies	Various	10.4	6.5
		17.7	11.7
Other Grants			
London Emergencies Trust	Grenfell Tower	-	0.2
London Emergencies Trust	London Terror Attacks	-	0.1
Various	Coronavirus NET appeal	6.4	-
Institutions	Various	1.2	1.1
		7.6	1.4
Total Grant Expenditure		94.0	48.1

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5. Support costs by activity

	Raising funds £m	Crisis response £m	Refugee support and migration £m	First aid and crisis education £m	Support between home and hospital £m	International emergency response and recovery £m	2020 Total £m	Main Allocation Basis
Finance	0.6	0.5	0.2	0.2	0.5	1.5	3.5	Expenditure %
Human resources	0.3	0.7	0.2	0.6	1.6	0.2	3.6	FTE
Central facilities	-	-	-	-	-	-	-	FTE
Information and digital technology	2.4	2.6	0.7	2.3	5.2	0.8	14.0	No. of PCs
Central management	0.1	-	-	-	-	0.1	0.2	Expenditure %
Governance	0.4	0.8	0.2	0.3	0.9	2.4	5.0	Expenditure %
Total	3.8	4.6	1.3	3.4	8.2	5.0	26.3	
	Raising funds £m	Crisis response £m	Refugee support and migration £m	First aid and crisis education £m	Support between home and hospital £m	International emergency response and recovery £m	2019 Total £m	Main Allocation Basis
Finance	0.8	0.3	0.3	0.3	0.8	1.2	3.7	Expenditure %
Human resources	0.2	0.3	0.4	0.4	1.2	0.1	2.6	FTE
Central facilities	0.1	0.1	0.1	0.2	0.4	0.1	1.0	FTE
Information and digital technology	2.1	1.3	1.8	2.0	4.2	0.6	12.0	No of PC's
Central management	0.1	-	-	-	0.1	0.1	0.3	Expenditure %
Governance	0.1	0.2	0.3	0.2	0.7	1.1	2.6	Expenditure %
Total	3.4	2.2	2.9	3.1	7.4	3.2	22.2	

Support costs have been allocated on the basis of the accounting policy set out in note 1(d).

Governance costs relate to the running of the charity, allowing the charity to operate and generate the information required for public accountability. They include the costs of subscriptions related to membership of the International Red Cross and Red Crescent Movement of £2.5m (2019: £2m), as well as the costs of trustee meetings and internal and external audits.

Notes to the consolidated financial statements
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6. Subsidiaries

Britcross Limited

Britcross Limited, the British Red Cross' wholly owned trading subsidiary incorporated in the UK (company number 60932598), engages in the sale of cards and gifts as well as receiving corporate sponsorship in aid of the British Red Cross.

	2020 Charity £m	2019 Charity £m
The income and expenditure of Britcross Limited included within the consolidated statement of financial activities are:		
Income	1.2	1.7
Expenditure	(0.7)	(0.9)
Net income donated to British Red Cross	0.5	0.8
The assets and liabilities of Britcross Limited consolidated within the balance sheet are:		
	2020 £m	2019 £m
Current assets	0.9	0.7
Current liabilities	(0.9)	(0.7)
Net assets	-	-

Overseas Subsidiaries

The British Red Cross has four wholly owned overseas subsidiaries: the Bermuda Red Cross Charitable Trust, the Bermuda Red Cross, The Cayman Islands Red Cross and the Turks and Caicos Islands Red Cross.

The income and expenditure of the overseas subsidiaries included within the consolidated statement of financial activities are:

	Bermuda Red Cross Charitable Trust		Bermuda Red Cross		Cayman Islands Red Cross		Turks and Caicos Islands Red Cross	
	2020 £m	2019 £m	2020 £m	2019 £m	2020 £m	2019 £m	2020 £m	2019 £m
Income	0.1	0.1	0.6	0.6	0.4	1.1	0.1	0.3
Expenditure	(0.1)	(0.2)	(0.5)	(0.7)	(0.4)	(0.7)	(0.1)	(0.4)
Net income donated to British Red Cross	-	(0.1)	0.1	(0.1)	-	0.4	-	(0.1)

The assets and liabilities of overseas subsidiaries consolidated within the balance sheet are:

	Bermuda Red Cross Charitable Trust		Bermuda Red Cross		Cayman Islands Red Cross		Turks and Caicos Islands Red Cross	
	2020 £m	2019 £m	2020 £m	2019 £m	2020 £m	2019 £m	2020 £m	2019 £m
Fixed assets	1.8	1.8	-	-	1.1	1.1	-	-
Current assets	-	-	0.2	0.2	1.1	1.0	-	0.1
Current liabilities	-	-	(0.1)	(0.1)	-	-	-	-
Net assets	1.8	1.8	0.1	0.1	2.2	2.1	-	0.1

There are six overseas branches (Anguilla, British Virgin Islands, Falkland Islands, Gibraltar, Montserrat and St Helena) which are included in the results of the charity as branches.

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7. Restricted funds

Group	Balance 1 January 2020 £m	Income £m	Expenditure £m	Net investment gains/ (losses) £m	Transfers £m	Balance 31 December 2020 £m
Coronavirus BRC Response	-	7.5	(0.7)	-	1.5	8.3
Covid-19 Hardship Fund	-	5.2	(3.0)	-	-	2.2
Other UK restricted funds	17.7	40.7	(45.5)	5.1	(3.6)	14.4
Total UK restricted funds	17.7	53.4	(49.2)	5.1	(2.1)	24.9
Syria and region crisis	3.8	0.4	(0.1)	-	(1.0)	3.1
Nepal earthquake	0.3	-	(0.1)	-	(0.3)	(0.1)
Hurricane Irma and Maria	1.0	-	(0.6)	-	-	0.4
Myanmar/Bangladesh Population Movement	0.8	1.1	(2.0)	-	0.7	0.6
East Africa Crisis	0.1	-	-	-	-	0.1
IFRC institutional strategy	-	9.0	(9.0)	-	-	-
Overseas branches and subsidiaries	8.0	1.5	(1.7)	-	-	7.8
Other international restricted funds	10.2	80.5	(77.0)	0.2	3.0	16.9
Total international restricted funds	24.2	92.5	(90.5)	0.2	2.4	28.8
Disaster fund	2.0	0.5	(0.1)	-	(1.4)	1.0
Total restricted funds	43.9	146.4	(139.8)	5.3	(1.1)	54.7

Charity	Balance 1 January 2020 £m	Income £m	Expenditure £m	Net investment gains/ (losses) £m	Transfers £m	Balance 31 December 2020 £m
Coronavirus BRC Response	-	7.5	(0.7)	-	1.5	8.3
Covid-19 Hardship Fund	-	5.2	(3.0)	-	-	2.2
Other UK restricted funds	17.4	40.7	(45.5)	5.1	(3.6)	14.1
Total UK restricted funds	17.4	53.4	(49.2)	5.1	(2.1)	24.6
Syria and region crisis	3.8	0.4	(0.1)	-	(1.0)	3.1
Nepal earthquake	0.3	-	(0.1)	-	(0.3)	(0.1)
Hurricane Irma and Maria	1.0	-	(0.6)	-	-	0.4
Myanmar/Bangladesh Population Movement	0.8	1.1	(2.0)	-	0.7	0.6
East Africa Crisis	0.1	-	-	-	-	0.1
IFRC institutional strategy	-	9.0	(9.0)	-	-	-
Overseas branches	3.8	0.3	(0.6)	-	-	3.5
Other international restricted funds	10.6	80.4	(76.9)	0.2	3.0	17.3
Total international restricted funds	20.4	91.2	(89.3)	0.2	2.4	24.9
Disaster fund	2.0	0.5	(0.1)	-	(1.4)	1.0
Total restricted funds	39.8	145.1	(138.6)	5.3	(1.1)	50.5

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7. Restricted funds (continued)

Group	Balance 1 January 2019 £m	Income £m	Expenditure £m	Net investment gains/ (losses) £m	Transfers £m	Balance 31 December 2019 £m
We Love Manchester Emergency Fund	0.2	1.8	(1.9)	-	-	0.1
London Fire Relief Fund	0.3	-	(0.1)	-	-	0.2
The UK Solidarity Fund	0.6	0.1	(0.2)	-	-	0.5
Other UK restricted funds	15.2	14.5	(16.2)	6.2	(2.8)	16.9
Total UK restricted funds	16.3	16.4	(18.4)	6.2	(2.8)	17.7
Syria and region crisis	5.3	0.6	(2.2)	-	0.1	3.8
Nepal earthquake	1.7	-	(0.8)	-	(0.6)	0.3
Hurricane Irma and Maria	1.8	-	(0.8)	-	-	1.0
Myanmar/Bangladesh Population Movement	2.2	0.3	(1.7)	-	-	0.8
East Africa Crisis	0.3	-	(0.2)	-	-	0.1
IFRC institutional strategy	-	9.0	(9.0)	-	-	-
Overseas branches and subsidiaries	7.7	2.7	(2.4)	-	-	8.0
Other international restricted funds	5.6	36.2	(34.8)	0.4	2.8	10.2
Total international restricted funds	24.6	48.8	(51.9)	0.4	2.3	24.2
Disaster fund	2.0	1.3	-	-	(1.3)	2.0
Total restricted funds	42.9	66.5	(70.3)	6.6	(1.8)	43.9

Charity	Balance 1 January 2019 £m	Income £m	Expenditure £m	Net investment gains/ (losses) £m	Transfers £m	Balance 31 December 2019 £m
We Love Manchester Emergency Fund	0.2	1.8	(1.9)	-	-	0.1
London Fire Relief Fund	0.3	-	(0.1)	-	-	0.2
The UK Solidarity Fund	0.6	0.1	(0.2)	-	-	0.5
Other UK restricted funds	14.9	14.5	(16.2)	6.2	(2.8)	16.6
Total UK restricted funds	16.0	16.4	(18.4)	6.2	(2.8)	17.4
Syria and region crisis	5.4	0.6	(2.3)	-	0.1	3.8
Nepal earthquake	1.7	-	(0.8)	-	(0.6)	0.3
Hurricane Irma and Maria	1.8	-	(0.8)	-	-	1.0
Myanmar/Bangladesh Population Movement	2.2	0.3	(1.7)	-	-	0.8
East Africa Crisis	0.3	-	(0.2)	-	-	0.1
IFRC institutional strategy	-	9.0	(9.0)	-	-	-
Overseas branches	3.8	0.5	(0.5)	-	-	3.8
Other international restricted funds	5.8	36.2	(34.6)	0.4	2.8	10.6
Total international restricted funds	21.0	46.6	(49.9)	0.4	2.3	20.4
Disaster fund	2.0	1.3	-	-	(1.3)	2.0
Total restricted funds	39.0	64.3	(68.3)	6.6	(1.8)	39.8

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7. Restricted funds (continued)

Expenditure plans have been agreed for all material restricted funds. Funds are held in appropriate asset categories in accordance with planned usage.

UK restricted funds

Other UK restricted funds include:

- > £2.7m (2019: £2.9m) of properties and other tangible fixed assets held for restricted purposes
 - > a variety of local, national and European funding sources to deliver projects over the next two to three years
 - > legacies with a geographical and/or service restriction.
- The balance of UK restricted funds is held for the provision of locally agreed services.

International restricted funds

Other international restricted funds include:

- > Yemen Complex Emergency 2014 £1.6m
- > Cyclone IDAI Appeal - DEC retained £1.2m
- > Beirut Port Explosion Response 2020 £5.7m

In 2020, a small number of restricted funds were in deficit at the year end totalling £0.4m (2019: £3m). This relates to programmes that are funded in arrears or where income and expenditure are managed across multiple funds.

Disaster fund

The disaster fund allows us to prepare for and respond to humanitarian disasters abroad and in the UK. We fundraise specifically for the disaster fund and, as stated on emergency appeal materials, it can also contain funds donated to emergency appeals where we raise more than can be reasonably and efficiently spent on that specific response.

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8. Unrestricted funds

	Balance 1 January 2020 £m	Income £m	Expenditure £m	Net investment gains/ (losses) £m	Transfers £m	Actuarial gains/ (losses) on defined benefit pension schemes £m	Balance 31 December 2020 £m
Group							
Unrestricted funds held as tangible fixed assets	56.7	-	(6.2)	-	10.9	-	61.4
Defined benefit pension scheme fund	10.0	-	-	-	0.1	1.0	11.1
Designated funds	15.2	-	-	-	5.1	-	20.3
Free reserves	56.7	159.5	(149.3)	-	(15.0)	-	51.9
Total unrestricted funds	138.6	159.5	(155.5)	-	1.1	1.0	144.7
Charity							
Unrestricted funds held as tangible fixed assets	56.7	-	(6.2)	-	10.9	-	61.4
Defined benefit pension scheme fund	10.0	-	-	-	0.1	1.0	11.1
Designated funds	15.2	-	-	-	5.1	-	20.3
Free reserves	56.7	159.0	(148.6)	-	(15.0)	-	52.1
Total unrestricted funds	138.6	159.0	(154.8)	-	1.1	1.0	144.9

	Balance 1 January 2019 £m	Income £m	Expenditure £m	Net investment gains/ (losses) £m	Transfers £m	Actuarial gains/ (losses) on defined benefit pension schemes £m	Balance 31 December 2019 £m
Group							
Unrestricted funds held as tangible fixed assets	52.2	-	(5.4)	-	9.9	-	56.7
Defined benefit pension scheme fund	9.0	-	-	-	0.3	0.7	10.0
Designated funds	15.5	-	-	-	(0.3)	-	15.2
Free reserves	57.8	178.4	(171.4)	-	(8.1)	-	56.7
Total unrestricted funds	134.5	178.4	(176.8)	-	1.8	0.7	138.6
Charity							
Unrestricted funds held as tangible fixed assets	52.2	-	(5.4)	-	9.9	-	56.7
Defined benefit pension scheme fund	9.0	-	-	-	0.3	0.7	10.0
Designated funds	15.5	-	-	-	(0.3)	-	15.2
Free reserves	56.9	178.4	(170.5)	-	(8.1)	-	56.7
Total unrestricted funds	133.6	178.4	(175.9)	-	1.8	0.7	138.6

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9. Tangible fixed assets

Group	Freehold property £m	Leasehold property £m	Vehicles, equipment and furniture £m	Assets in the course of construction £m	Total £m
Cost					
At 1 January 2020	43.0	39.1	43.1	7.0	132.2
Transfer from WIP	0.2	10.3	4.1	(14.6)	-
Additions	(0.3)	-	-	12.4	12.1
Disposals	(2.2)	(0.8)	(3.4)	-	(6.4)
At 31 December 2020	40.7	48.6	43.8	4.8	137.9
Accumulated depreciation					
At 1 January 2020	16.2	17.5	35.9	-	69.6
Charge	0.7	2.0	3.6	-	6.3
Disposals	(0.9)	(0.6)	(3.4)	-	(4.9)
At 31 December 2020	16.0	18.9	36.1	-	71.0
Net book value					
At 31 December 2020	24.7	29.7	7.7	4.8	66.9
At 31 December 2019	26.8	21.6	7.2	7.0	62.6

Charity	Freehold property £m	Leasehold property £m	Vehicles, equipment and furniture £m	Assets in the course of construction £m	Total £m
Cost					
At 1 January 2020	38.3	39.1	42.9	7.0	127.3
Transfer from WIP	0.2	10.3	4.1	(14.6)	-
Additions	(0.3)	-	-	12.4	12.1
Disposals	(2.1)	(0.8)	(3.4)	-	(6.3)
At 31 December 2020	36.1	48.6	43.6	4.8	133.1
Accumulated depreciation					
At 1 January 2020	14.7	17.4	35.6	-	67.7
Charge	0.7	2	3.6	-	6.3
Disposals	(0.9)	(0.6)	(3.4)	-	(4.9)
At 31 December 2020	14.5	18.8	35.8	-	69.1
Net book value					
At 31 December 2020	21.6	29.8	7.8	4.8	64.0
At 31 December 2019	23.6	21.7	7.3	7.0	59.6

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10. Investments

Group and charity	Fixed asset investments £m	Current asset investments £m	Total £m
Market value at 1 January 2020	44.6	36.0	80.6
Additions at cost	-	47.1	47.1
Disposals at market value	(30.0)	(10.1)	(40.1)
Net investment gain in the year	4.8	0.5	5.3
Market value at 31 December 2020	19.4	73.5	92.9
Cost at 31 December 2020	10.9	72.8	83.7

Asset class	Market value 2020 £m	Market value 2019 £m	
Fixed asset investments			
UK investments			
Aegon Ethical Corporate Bond Fund	Authorised fund	-	30.5
Aegon Ethical Equity Fund	Authorised fund	5.0	5.0
Aegon Global Sustainable Equity Fund	Authorised fund	14.4	9.2
Royal London Enhanced Cash Plus	Authorised fund	-	6.1
Royal London Cash Plus Fund	Authorised fund	-	12.1
		19.4	62.9
Current asset investments			
UK investments			
Royal London Enhanced Cash Plus	Authorised fund	6.2	-
Royal London Cash Plus Fund	Authorised fund	37.5	-
Goldman Sachs Sterling Liquid Reserve Fund	Deposit	25.8	10.3
Goldman Sachs USD Liquid Reserve Fund	Deposit	4.0	2.4
Goldman Sachs 6 Months Deposit	Deposit	-	5.0
		73.5	17.7
Total		92.9	80.6

Royal London investments have been reclassified as current investments in 2020 due to the need to ensure sufficient short-term liquidity during the coronavirus pandemic.

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11. Stocks

	2020 Group £m	2019 Group £m	2020 Charity £m	2019 Charity £m
International emergency stocks	1.8	2.1	1.8	2.1
Medical equipment services stocks	1.4	1.9	1.4	1.9
Cards and gifts stocks	0.2	0.3	-	0.1
Other stocks	0.4	0.5	0.4	0.5
Total	3.8	4.8	3.6	4.6

12. Debtors

	2020 Group £m	2019 Group £m	2020 Charity £m	2019 Charity £m
Trade debtors	5.1	7.2	5.1	7.2
Accrued income	7.3	5.8	7.3	5.7
Other debtors	0.6	0.9	0.3	0.7
Prepayments	4.5	4.4	4.5	4.4
Tax recoverable	2.8	3.5	2.9	3.5
Legacies receivable	22.5	22.5	22.5	22.5
Amounts due from subsidiary undertaking	-	-	0.7	0.7
Total	42.8	44.3	43.3	44.7

All amounts shown under debtors fall due for payment within one year.

13. Creditors: amounts falling due within one year

	2020 Group £m	2019 Group £m	2020 Charity £m	2019 Charity £m
Trade creditors	1.8	2.0	1.8	2.0
Accruals	13.7	14.9	13.6	14.8
Other creditors	1.6	1.0	1.5	1.0
Deferred income	2.5	1.9	2.4	1.9
Taxes and social security costs	2.0	1.9	2.0	1.9
Loans	0.3	0.3	0.3	0.3
Total	21.9	22.0	21.6	21.9

All deferred income as at 31 December 2019 was recognised during 2020 and all deferred income as at 31 December 2020 was deferred during the year. Deferred income relates to amounts received in advance of entitlement.

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14. Provisions for liabilities and charges

Group and charity	Leasehold dilapidations £m	Pension scheme deficit reduction payments £m	Others £m	Total £m
At 1 January 2020	1.2	2.0	0.4	3.6
Payments during the year	-	-	-	-
Amounts released during the year	-	-	-	-
Increase/(decrease) in provision	-	(0.3)	(0.4)	(0.7)
At 31 December 2020	1.2	1.7	-	2.9
Amounts are expected to be incurred:				
- within one year	0.1	0.4	-	0.5
- beyond one year	1.1	1.3	-	2.4
	1.2	1.7	-	2.9

Group and charity	Leasehold dilapidations £m	Pension scheme deficit reduction payments £m	Others £m	Total £m
At 1 January 2019	2.4	2.6	0.3	5.3
Payments during the year	-	-	-	-
Increase/(decrease) in provision	(1.2)	(0.6)	0.1	(1.7)
At 31 December 2019	1.2	2.0	0.4	3.6
Amounts are expected to be incurred:				
- within one year	0.1	0.4	0.3	0.8
- beyond one year	1.1	1.6	0.1	2.8
	1.2	2.0	0.4	3.6

Leasehold dilapidations relate to properties where the British Red Cross has a legal responsibility as tenant for such costs. The timing of payments will be in line with the exit dates from leasehold properties and the dilapidations payments are estimated, based on historical payments.

As further explained at note 16, the £1.7m (2019: £2m) provision as at 31 December 2020 shown above represents the present value of contributions payable by the British Red Cross that result from the terms of the deficit recovery plan in respect of the Pension Trust's Growth Plan.

Notes to the consolidated financial statements
For the year ended 31 December 2020

15. Staff costs and trustee expenses

Total staff costs (including casual staff) for the year were as follows:	2020 £m	2019 £m
Salary costs	91.3	88.2
National insurance costs	7.7	7.3
Pensions costs for defined contribution schemes	4.1	3.8
Pensions costs for defined benefit schemes	-	(0.3)
Total	103.1	99.0

Redundancy costs included in expenditure during the year were £0.4m (2019: £0.7m).

The number of employees whose total employee benefits (excluding employer pension costs) amounted to over £60,000 in the year were as follows:	2020 Excluding redundancy costs	2019 Excluding redundancy costs	2020 Including redundancy costs	2019 Including redundancy costs
£60,001 - £70,000	42	36	41	38
£70,001 - £80,000	25	16	27	17
£80,001 - £90,000	13	8	15	8
£90,001 - £100,000	4	4	4	5
£100,001 - £110,000	3	1	3	-
£110,001 - £120,000	2	4	2	5
£120,001 - £130,000	2	1	2	1
£130,001 - £140,000	-	-	-	1
£140,001 - £150,000	1	1	1	1
£150,001 - £160,000	-	-	-	-
£160,001 - £170,000	-	-	-	-
£170,001 - £180,000	1	1	1	1

The total amount of employee benefits received by key management personnel (defined as the Executive Leadership Team) for their services during the year is £1.2m (2019: £1.1m).

The average number of full time equivalent (FTE) staff employed by the British Red Cross during the year was as follows:	2020	2019
In the UK		
Fundraising	168	201
Retail	591	599
UK services	1,654	1,622
First aid services	296	339
International services	141	130
Other	478	435
Overseas		
International services	28	28
Total employed by FTE	3,356	3,354
Total employed by headcount	4,303	3,974

Notes to the consolidated financial statements
For the year ended 31 December 2020

16. Pensions (continued)

	UK Office scheme 2020 £m	UK Office scheme 2019 £m	Scottish scheme 2020 £m	Scottish scheme 2019 £m
Changes in present value of scheme obligation during the year:				
At 1 January	31.6	29.1	11.7	10.9
Service cost	0.1	0.1	-	-
Interest cost	0.6	0.8	0.2	0.3
Member contributions	-	-	-	-
Benefits paid	(1.2)	(0.9)	(0.5)	(0.3)
Actuarial (gain) / loss due to changes in assumptions	2.7	2.5	1.1	0.8
Actuarial (gain) / loss due to experience on liabilities	(0.4)	-	(0.3)	-
At 31 December	33.4	31.6	12.2	11.7
Change in the value of plan assets during the year:				
At 1 January	39.6	36.5	13.6	12.5
Interest on assets	0.8	1.0	0.3	0.3
Employer contributions	0.1	0.1	-	-
Member contributions	-	-	-	-
Benefits paid	(1.2)	(0.9)	(0.5)	(0.3)
Actuarial (loss) / gain on plan assets	3.1	2.9	1.0	1.1
At 31 December	42.4	39.6	14.4	13.6

Notes to the consolidated financial statements
For the year ended 31 December 2020

16. Pensions (continued)

	UK Office scheme 2020	UK Office scheme 2019	Scottish scheme 2020	Scottish scheme 2019
The major categories of plan assets as a percentage of total plan assets are:				
Equities	21%	20%	21%	20%
Gilts	58%	59%	38%	39%
Bonds	20%	20%	40%	40%
Cash	1%	1%	1%	1%
	100%	100%	100%	100%

	UK Office scheme 2020 £m	UK Office scheme 2019 £m	Scottish scheme 2020 £m	Scottish scheme 2019 £m
Actual return on plan assets in the year	3.9	3.9	1.3	1.5

Principal actuarial assumptions at the balance sheet date in respect of both schemes were:

	2020	2019
Discount rate	1.2% pa	2.0% pa
Consumer price inflation (CPI)	2.7% pa	2.5% pa
Salary increases	2.7% pa	2.5% pa
UK Office scheme pension increases		
Capped at 5.0%	2.6% pa	2.5% pa
Capped at 3.0%	2.3% pa	2.2% pa
Capped at 2.5%	2.1% pa	2.0% pa
Scottish scheme pension increases		
Pension increase (CPI capped at 5% pa)	2.6% pa	2.5% pa
Pension increase (CPI capped at 2.5% pa)	2.1% pa	2.0% pa

Mortality assumptions in respect of both schemes adopted at the year end imply the following life expectancy at 65:

	2020 Years	2019 Years
Pensioners: male	22.8	23.9
Pensioners: female	25.0	26.1
Non-pensioners: male	24.1	26.2
Non-pensioners: female	26.5	28.4

Other schemes

The British Red Cross also contributes to the British Red Cross Group Personal Pension Plan for employees. In 2020 the total cost of these contributions was £4.1m (2019: £3.8m) and the balance outstanding at 31 December 2020 was £0.5m (2019: £0.5m).

Staff were able to join The Pensions Trust's Growth Plan ('the Growth Plan') until April 2007. The Growth Plan is a multi-employer defined benefit pension scheme. The assets of the scheme are co-mingled for investment purposes and as a result it is not possible to either break down scheme assets or analyse the ongoing funding deficit by individual employer. Accordingly, due to the nature of the plan, the accounting charge for the year under FRS 102 represents only the employer contributions payable.

There is a contingent liability in the event that the British Red Cross were to withdraw its membership of the Growth Plan. The scheme's actuaries valued the withdrawal liability at £4.9m as at 30 September 2019.

The results of the Growth Plan scheme valuation as at 30 September 2017 show a deficit of £132m. This deficit has been estimated by the Pensions Trust to have reduced to £113m at September 2018. A deficit recovery plan aims to eliminate the funding deficit by January 2025. The additional employer contributions required from the British Red Cross as part of this recovery plan are £0.4m per annum. In line with the requirements of the SORP and FRS 102, the present value of contributions payable under the terms of this recovery plan must be recognised as a liability and this is detailed at note 14 to the consolidated financial statements.

The British Red Cross expects to contribute 2% per annum as a percentage of Growth Plan members' salaries.

Notes to the consolidated financial statements
For the year ended 31 December 2020

17. Obligations under operating leases

The total of future minimum lease payments on operating leases expiring:	Property £m	Other £m	2020 Total £m	Property £m	Other £m	2019 Total £m
Within one year	4.7	1.0	5.7	5.8	1.5	7.3
In two to five years	7.2	1.2	8.4	10.4	1.8	12.2
After five years	3.3	-	3.3	3.6	-	3.6
Total	15.2	2.2	17.4	19.8	3.3	23.1

Operating lease charges during 2020 were £7.1m for property leases (2019: £6.9m) and £1.6m for other leases (2019: £2.1m).

18. Related parties

There were no material transactions with related parties during the year (2019: none).

Trustees and other related parties, including key management personnel, made donations to the British Red Cross totalling £14,340 during the year (2019: £10,280).

19. Capital commitments

There were £10.3m of capital commitments at 31 December 2020 (2019: £16.9m).

Notes to the consolidated financial statements
For the year ended 31 December 2020

20. Programme commitments

The British Red Cross regularly pledges support to programmes led by the International Federation of Red Cross and Red Crescent Societies (IFRC), International Committee of the Red Cross (ICRC) or other National Societies. In addition to the expenditure recognised in the financial statements, the British Red Cross had outstanding pledges to the programmes disclosed below. Full payment of the pledges is contingent on the outcome of British Red Cross reviews of the programmes and therefore the liability has not been recognised at the year end. The commitments will be funded through general funds, restricted appeal income or restricted funding from individual and institutional donors.

	End date	2020 £m	2019 £m
IFRC - FCDO contribution to the DREF	2023	4.5	-
Nepal Red Cross Society - SURE Programme	2021	1.2	2
Danish Red Cross Society - Migratory Trails - Niger, Guinea, Sudan, Mali	2021	1.1	4.2
IFRC - FCDO Ebola Appeal	2021	1.0	-
IFRC - FCDO contribution to hurricanes Eta and Iota	2021	1.0	-
Kenya Red Cross Society - Innovative Approaches to Response Preparedness	2022	0.9	-
Danish Red Cross - PPL grant to Kassala project	2022	0.9	-
Lebanese Red Cross - LRC Appeal for the Beirut Explosion	2021	0.9	-
Kenya Red Cross Society - Ending Chronic hunger support project in Modogashe	2021	0.5	-
IFRC - Myanmar Community Resilience	2022	0.4	-
Kenya Red Cross Society - Strengthening early response capacity	2021	0.4	-
Spanish Red Cross - Migratory Trails - Burkina Faso	2020	0.3	2.2
IFRC - Migratory Trails - Egypt & Regional	2020	0.3	1.1
Bangladesh Red Crescent Society - BRC support to V2R 2019 and 2020	2020	0.3	-
Bangladesh Red Crescent Society - BRC Support to Barisal Expansion	2021	0.3	-
IFRC - Risk-Informed Early Action Partnership	2021	0.2	-
Norwegian Red Cross - Co-financing of SARC finance software procurement	2020	0.2	-
Syrian Arab Red Crescent - Support to SARC 2020	2020	0.2	-
Baphalali Eswatini (Swaziland) Red Cross Society	2022	0.2	-
IFRC - BRC Appeal Funds allocation	2018	0.2	-
IFRC - Myanmar Rakhine Community Resilience - Livelihood Delegate	2020	0.2	-
Nepal Red Cross Society - Enhancement of Community Development Programme	2019	0.1	-
Sierra Leone Red Cross Society - Support to Sierra Leone's COVID response	2021	0.1	-
Nepal Red Cross Society - 5 years budget- SURE programme	2020	-	1
Syrian Arab Red Crescent - Syria Crisis	2019	-	0.6
Zimbabwe Red Cross Society - Zimbabwe Community Resilience Programme	2019	-	0.4
IFRC - Yemen Disaster Management	2019	-	0.3
IFRC - Syria Crisis	2019	-	0.2
Sierra Leone Red Cross Society - Sierra Leone Community Based Health Care Programme	2019	-	0.2
Kenya Red Cross Society - Drought ECHO	2018	-	0.2
Nepal Red Cross Society - Nepal 2015 Earthquake Recovery Programme	2019	-	0.1
Turks and Caicos Islands - Hurricane Appeal	2019	-	0.1
Other programmes		1.1	5.5
Total		16.5	18.1

Notes to the consolidated financial statements
For the year ended 31 December 2020

21. Analysis of net assets between funds

Group	Unrestricted £m	Restricted £m	2020 Total £m	2019 Total £m
Tangible fixed assets	61.4	5.5	66.9	62.6
Fixed asset investments	-	19.4	19.4	62.9
Net current assets	75.1	29.8	104.9	50.6
Provisions for liabilities and charges	(2.9)	-	(2.9)	(3.6)
Defined benefit pension scheme surplus	11.1	-	11.1	10.0
Net assets	144.7	54.7	199.4	182.5

Charity	Unrestricted £m	Restricted £m	2020 Total £m	2019 Total £m
Tangible fixed assets	61.4	2.6	64.0	59.6
Fixed asset investments	-	19.4	19.4	62.9
Net current assets	75.3	28.5	103.8	49.5
Provisions for liabilities and charges	(2.9)	-	(2.9)	(3.6)
Defined benefit pension scheme surplus	11.1	-	11.1	10.0
Net assets	144.9	50.5	195.4	178.4



22. Grant acknowledgements

During the year The National Lottery Community Fund and The National Lottery Heritage Fund provided grants for the following projects:

Purpose of grant	Balance 1 January 2020 £000	Income £000	Expenditure £000	Balance 31 December 2020 £000
National Lottery Community Fund Grants				
Derby Refugee Project	116	33	149	-
Gloucester Life Changes Project	1	70	71	-
Greater Manchester Refugee Support Partnership	261	-	261	-
Holistic Support to Destitute Refugees and Asylum Seekers in London	94	-	66	28
Luton & Essex Refugee Support Project	34	97	99	32
Neighbourhood Links - Northern Ireland	-	-	-	-
Positive Steps (Wales Project)	32	-	-	32
Refugee and Asylum Seeker Support Partnership Leicester	76	111	83	104
Routes to Resilience Thames Valley	10	102	88	24
St Helens Home Support Project	96	-	96	-
Strategic National Asylum Programme (SNAP)	106	513	401	218
Tees Valley Ariadne - Refugee and Asylum Support Partnership	45	76	121	-
Greater Manchester Refugee Support Covid-19 response	-	139	-	139
National Lottery Heritage Fund Grant				
Improving Public Access to Humanitarian Heritage Collections	1	40	10	31

Balances as at 31 December 2020 are included within our restricted funds.

Notes to the consolidated financial statements
For the year ended 31 December 2020

23. People's Postcode Lottery Income

During the year, the British Red Cross received the proceeds of lotteries held by the People's Postcode Lottery (PPL). The British Red Cross has no ability to alter the price of the tickets, determine the prizes or alter the management fee. As such, the PPL is treated as acting as the principal, and so only net proceeds due to the British Red Cross are recognised under donations and legacies in the statement of financial activities. The net proceeds received are treated as restricted funds and are analysed as follows:



	2020 Total £m	2019 Total £m
Ticket value	7.9	7.5
Prize fund	(3.1)	(3.0)
Management fee	(2.2)	(2.1)
Net proceeds received	2.6	2.4
The proceeds have been allocated to the following projects:		
Eswatini - Silele Community Programme	-	0.2
Nakuruto Water Project Kenya	-	0.2
Management Costs in East Africa	-	0.1
Chronic Hunger in Kenya	0.1	0.5
Cash Readiness in MENA	-	0.1
UK Refugee Services	-	0.6
Lebanon Livelihoods Projects	-	0.3
Cash Readiness in the Sahel	0.2	-
Social Safety Nets in Central Africa	-	-
Leverage Fund	-	0.2
Partnership Management	-	0.2
Somalia National Society Development Initiative (NSDI)	0.1	-
Sahel Livelihood program	0.1	-
Namibia Chronic Hunger	0.2	-
Eswatini Covid-19	-	-
Lebanon - COVID-19 Response	0.1	-
Management costs in MENA	-	-
c/fwd to 2021	1.8	-
	2.6	2.4

24. Coronavirus Job Retention Scheme

The society participated in the Government Coronavirus Job Retention Scheme during the year and income received in the year totalled £4.9m (2019:£0).

This grant income is related to eligible staff costs and has been presented in unrestricted income to match the unrestricted staff costs the grant income was provided to support. The grant income received was allocated between activities as follows:

	2020 Total £m	2019 Total £m
Donations and Legacies	0.2	-
Retail	2.8	-
Crisis Response	0.2	-
First aid and crisis education	0.9	-
Support between home and hospital	0.5	-
Miscellaneous	0.3	-
	4.9	-

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Her Majesty The Queen

President

His Royal Highness The Prince of Wales KG KT GCB OM

Deputy presidents

Her Royal Highness Princess Alexandra, the Hon Lady
Ogilvy LG GCVO

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Sylvia, Countess of Limerick CBE
Professor John McClure OBE
Mrs Elspeth Thomas CBE DL
Sir Nicholas Young

Vice-presidents

Mr Anthony Andrews
Ms Angela Rippon OBE
Mrs Maria Shammas MBE

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Mrs Hilary Douglas CB, vice-chair (until 31 December 2020)
Ms Louise Halpin, vice-chair
Professor Dr Geeta Nargund, vice-chair
Mr Stuart Shilson LVO DL, vice-chair
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Mr Yaseer Ahmed
Mr Dennis Dunn MBE JP DL
Mrs Deborah El-Sayed
Ms Katie Igras (from 1 January 2021)
Mr Lewis Iwu
Mrs Gill Moffat (until 31 December 2020)
Ms Anna Prag (from 1 January 2021)
Mrs Kirsty Robeson (from 1 January 2021)

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Ethical fundraising and quality assurance committee
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Governance and nominations committee
Investment sub-committee
Movement policy committee
Risk and assurance committee
Remuneration committee
UK Solidarity Fund

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Michael Adamson, chief executive
Zoe Abrams, executive director of communications and advocacy
Paul Amadi MBE, chief supporter officer
Richard Blewitt, executive director of international (from 1 February 2021)
Dorothy Brown, chief people officer (chief operating officer from 1 March 2021)
Ian Goodman, interim chief information officer (from 20 July 2020)
Martin Halliwell, chief finance officer
Alexander Matheou, executive director of international (until 31 October 2020)
Norman McKinley, executive director of UK operations
David Peppiatt, interim executive director of international (from 19 October 2020 until 15 February 2021)
Rosie Slater-Carr, chief information officer (until 7 August 2020)

External auditors

Deloitte LLP, Statutory Auditor, 3 Victoria Square, Victoria Street, St Albans, AL1 3TF

Bankers

National Westminster Bank plc, City of London Office, PO Box 12258, 1 Princes Street, London EC2R 8BP

External legal advisers

Withers, Old Bailey, London EC4M 7AN

Investment managers

Aegon Asset Management, 3 Lochside Crescent, Edinburgh EH12 9SA

Royal London Asset Management, 55 Gracechurch Street, London EC3V 0RL

Thank you

Everyone at the British Red Cross would like to thank each individual and organisation who supported our work in 2020.

Our supporters were compassionate and swift in their response to emergencies, despite their own worries during this unprecedented year. Their generosity enabled us to respond effectively to the pandemic and continue our vital ongoing work in the UK and overseas. We particularly want to thank everyone who supports us regularly, giving us the confidence to plan ahead.

We gratefully remember each and every one of our supporters who thoughtfully left us a gift in their will. We would also like to say thank you to all our local fundraising committees and volunteers for their hard work and commitment, which we could not do without.

We would like to give special thanks to

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Marsh McLennan
National Lottery Community Fund
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