

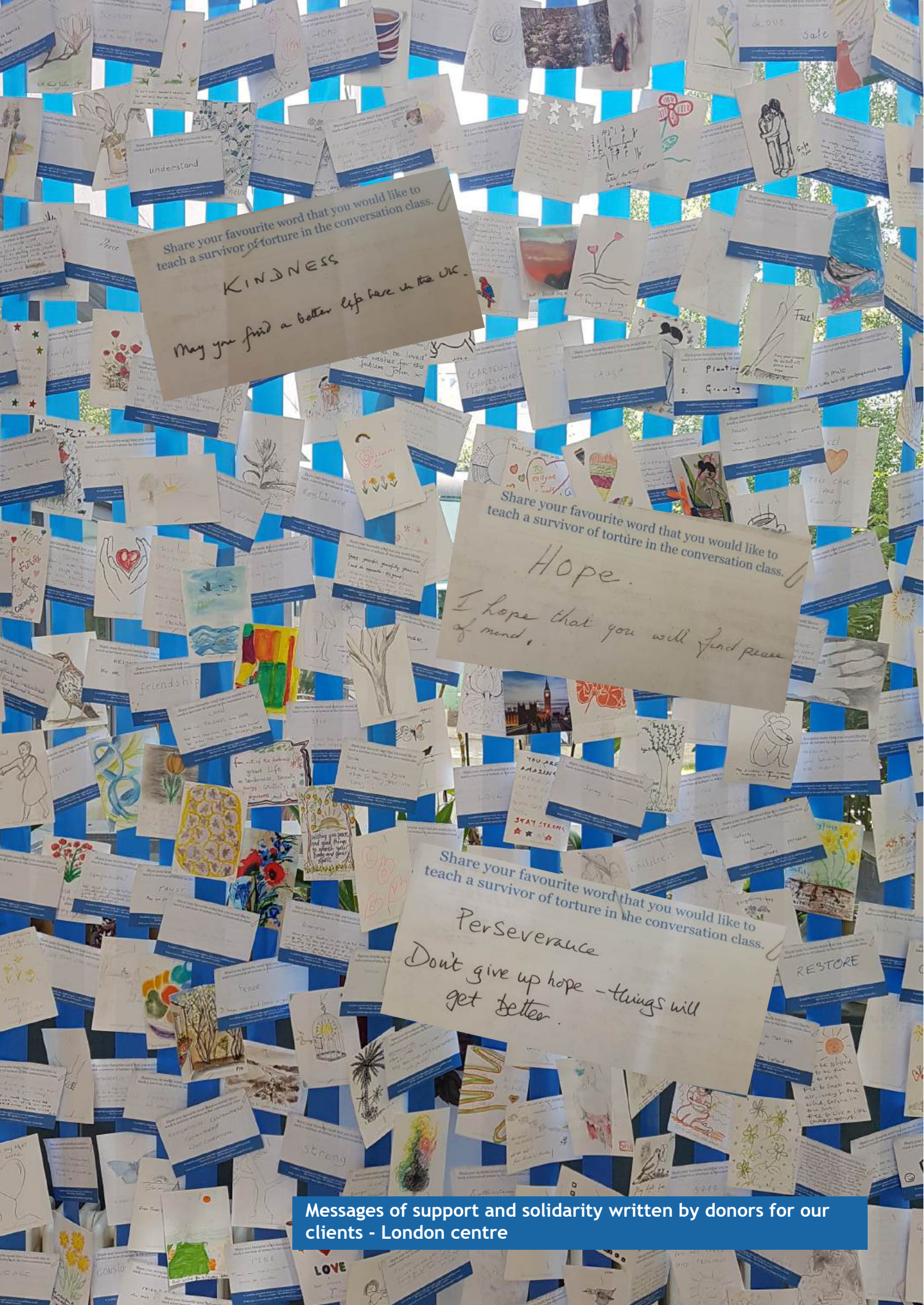


Freedom from Torture



TRUSTEES' ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2017



Share your favourite word that you would like to teach a survivor of torture in the conversation class.
KINDNESS
May you find a better life here in the UK.

Share your favourite word that you would like to teach a survivor of torture in the conversation class.
Hope.
I hope that you will find peace of mind.

Share your favourite word that you would like to teach a survivor of torture in the conversation class.
Perseverance
Don't give up hope - things will get better.

Messages of support and solidarity written by donors for our clients - London centre

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Message from the Chair of Trustees



Susan Berelowitz

2017 was a year of considerable change for Freedom from Torture and I am delighted to welcome Sonya Sceats as our new Chief Executive. She was previously our Director of Policy and Advocacy and is a highly respected human rights expert. I know Sonya will take Freedom from Torture from strength to strength.

I extend sincere thanks to our former Chair Professor Francesca Klug and Susan Munroe, our former Chief Executive, both of whom stood down in 2017. They were unstinting in their dedication to our important cause.

Since becoming Chair in September 2017, I have visited all our centres and had the pleasure and honour of meeting most of our staff and many of our service users. This is a humbling experience. Our staff, volunteers and interpreters are some of the most passionate and committed people I have ever met. Their devotion to our mission of providing rehabilitation and support to survivors of torture is exceptional whether they are on the reception desk, running payroll, raising funds or providing front-line therapeutic or medico-legal services. Together they create an atmosphere of warmth and love which has a powerful impact on those who come to us having suffered so grievously at the hands of people who seek to hurt and wound. Survivors tell me, without exception, that Freedom from Torture has made an extraordinary difference to them. Some have told me that they were suicidal before coming to us and that the care and support we give them has literally saved their lives. On behalf of the Board, I send heartfelt thanks and appreciation to all our staff, volunteers and interpreters.

None of our work would be possible without the extraordinary generosity of our donors. We are indebted to each and every one of you. We are proud of the fact that 74 pence in every pound donated goes to frontline services. Our back office services are equally important as they are the essential cogs that keep the wheels of Freedom from Torture turning and I am extremely pleased to be able to reassure donors that their money is so well spent. However the climate remains a challenging one, with too

many people suffering the unspeakable horrors of torture in many parts of the world, and too many survivors still being turned away from our door because of lack of resources. We remain committed to supporting as many people as possible, to maintaining the highest standards of care and support and to seeking to prevent torture by using our exceptional evidence and data to campaign for a world free from torture.

This remains our mission. Our country reports are a powerful indictment of states that sanction such sadism and cruelty and we will continue to work tirelessly to bring to the attention of the UK government and the United Nations the shameful practices that blight too many lives and violate individuals' human rights. One survivor said: "When you are thirsty, you drink water; when you need freedom and equality you have to stand up for it." Freedom from Torture is proud to stand up for survivors of torture, upholding their human rights and working for a better and more just world.

A handwritten signature in black ink that reads "Sue Berelowitz". The signature is written in a cursive, slightly slanted style.

Susan Berelowitz
Chair of Freedom from Torture

Message from the Chief Executive



Sonya Sceats

It is my great honour to be Freedom from Torture's new Chief Executive after many years leading our work to promote the rights of torture survivors in the UK and hold torturing states to account internationally using our clinical evidence and the expertise of survivors themselves.

Freedom from Torture is a special organisation powered by the most dedicated workforce imaginable. Anyone visiting any of our five centres will see immediately how our staff, volunteers and interpreters go the extra mile to ensure our facilities are full of life, warmth and solace for the men, women and children who find their way to us for support in their recovery from torture in other parts of the globe.

In 2017 we continued to face a higher demand for our services than we could meet. We turned away more than 670 therapy and almost 50 medico-legal report referrals for people in need who clearly fell within our remit.

The problems are particularly acute for traumatised survivors of torture requiring holistic rehabilitation services. The constriction of statutory mental health services combined with an increasing reluctance by these and other providers to work with asylum seekers means torture survivors are finding it harder than ever to access effective treatment elsewhere. The pool of survivors requiring help from Freedom from Torture is therefore growing and those we prioritise tend to be increasingly marginalised in socio-legal terms. Last year, in response to these shifts, we fortified our legal and welfare advice provision for therapy clients and introduced various service innovations aimed at expanding our capacity.

Human rights have always been at the heart of our identity and we proudly speak out against torture and for the rights of survivors. Last year we strengthened our systems for collecting and analysing data from our medico-legal reports to expose torture practices in the countries our clients come from, promote accountability and prevention and ensure that country policies used by asylum decision-makers reflect our evidence of torture patterns.

Our forensically tested evidence was used by various UN bodies to hold Iran, Sri Lanka and Turkey accountable for their appalling torture records.

Closer to home, our flagship "Proving Torture" project continues to gather steam. Almost 42,000 people signed our petition to the Home Secretary calling for action to stop the mishandling of expert medical evidence of torture by Home Office caseworkers and more than 80 MPs from across the political spectrum are engaged in this campaign. Now the Home Office is working with us on training to fix the problems we have identified and ensure that survivors requiring protection are granted it quickly.

We are also committed to using human rights principles to improve ourselves. Last year, we strengthened mechanisms to promote survivor empowerment and participation within Freedom from Torture. We now have survivor-led panels for service users in all of our centres, and a network of volunteer service user coordinators who meet nationally to share best practice and develop recommendations for our Senior Management Team. In 2017 we also rolled out the service user standards developed by our service user engagement team to ensure, from the perspective of survivors, "nothing about us without us".

It is almost 10 years ago that I first joined Freedom from Torture and I know well the enormous difference we make to survivors through the services we provide and the influencing work we do, rooted in evidence from these services. I would like to thank all our supporters who fire this work through their generosity and commitment to making the world a better place for those who have suffered so much at the hands of others.

A handwritten signature in black ink that reads "Sonya Sceats". The signature is fluid and cursive, written in a professional but personal style.

Sonya Sceats
Chief Executive of Freedom from Torture

Trustees' Report

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

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

We tailor the support we offer to suit each person who comes to us.

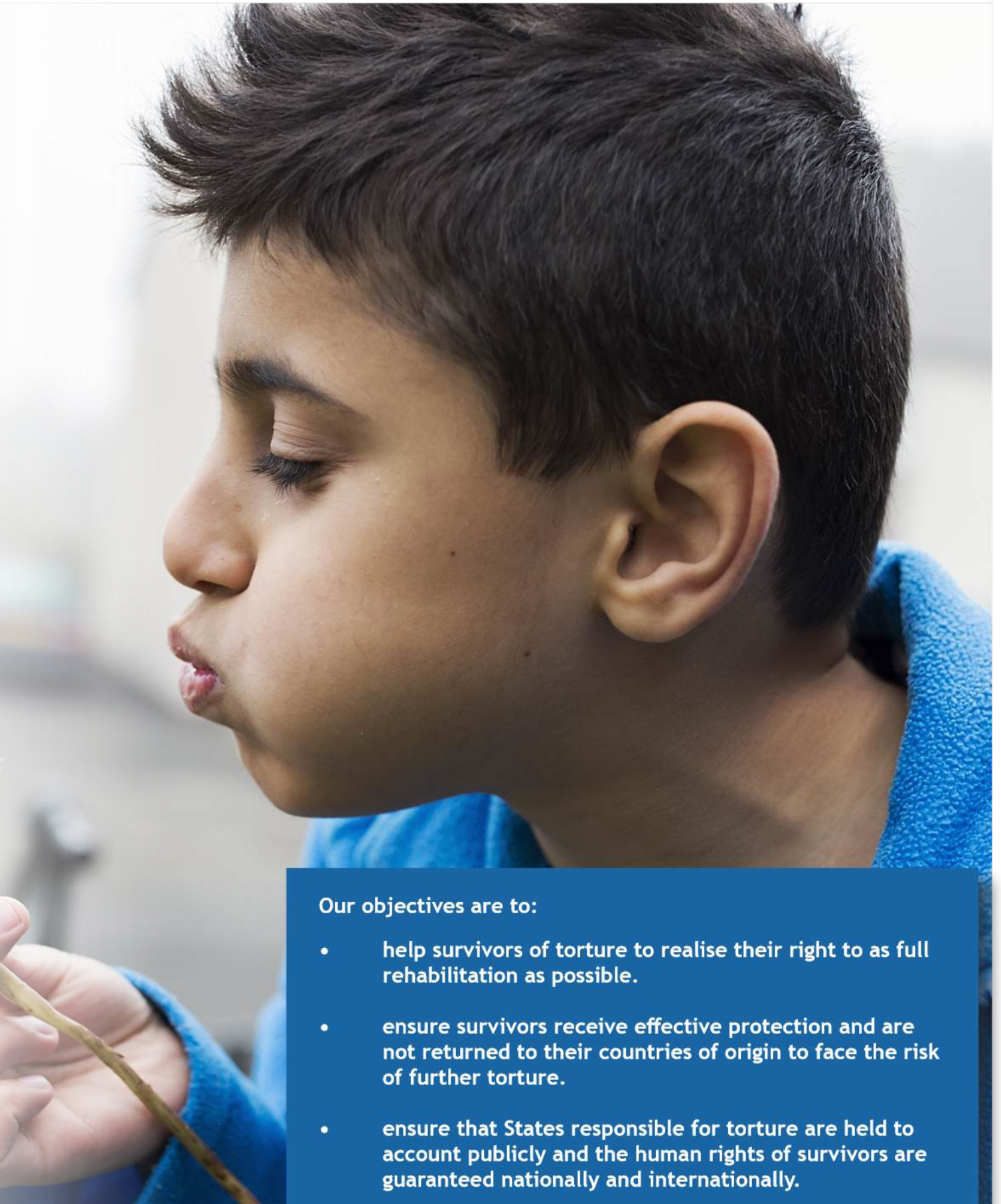
We provide counselling, group therapy and ongoing support.

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

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

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





Our objectives are to:

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

Strategic Aims

Aim One: Rehabilitation

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

- Objective 1: Individuals and families in the UK with complex psychological physical and social needs as a result of torture have access to high quality, accessible and appropriate rehabilitation services provided by Freedom from Torture.
- Objective 2: The experiences and voices of survivors of torture inform all Freedom from Torture activities and are carried out in collaboration with them.
- Objective 3: Freedom from Torture supports other providers in the UK to develop high quality, accessible and appropriate rehabilitation services for survivors of torture.

Aim Two: Protection

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

- Objective 1: Asylum decision-makers in the UK have timely access to high quality medico-legal reports prepared by Freedom from Torture clinicians according to international standards.
- Objective 2: Freedom from Torture uses the expertise of torture survivors themselves and evidence drawn from Freedom from Torture's work to improve the treatment, protection and conditions of torture survivors in the UK.
- Objective 3: Survivor activism combats negativity towards people seeking protection from torture in the UK and promotes the rights and improves public perceptions of survivors of torture.

Aim Three: Accountability

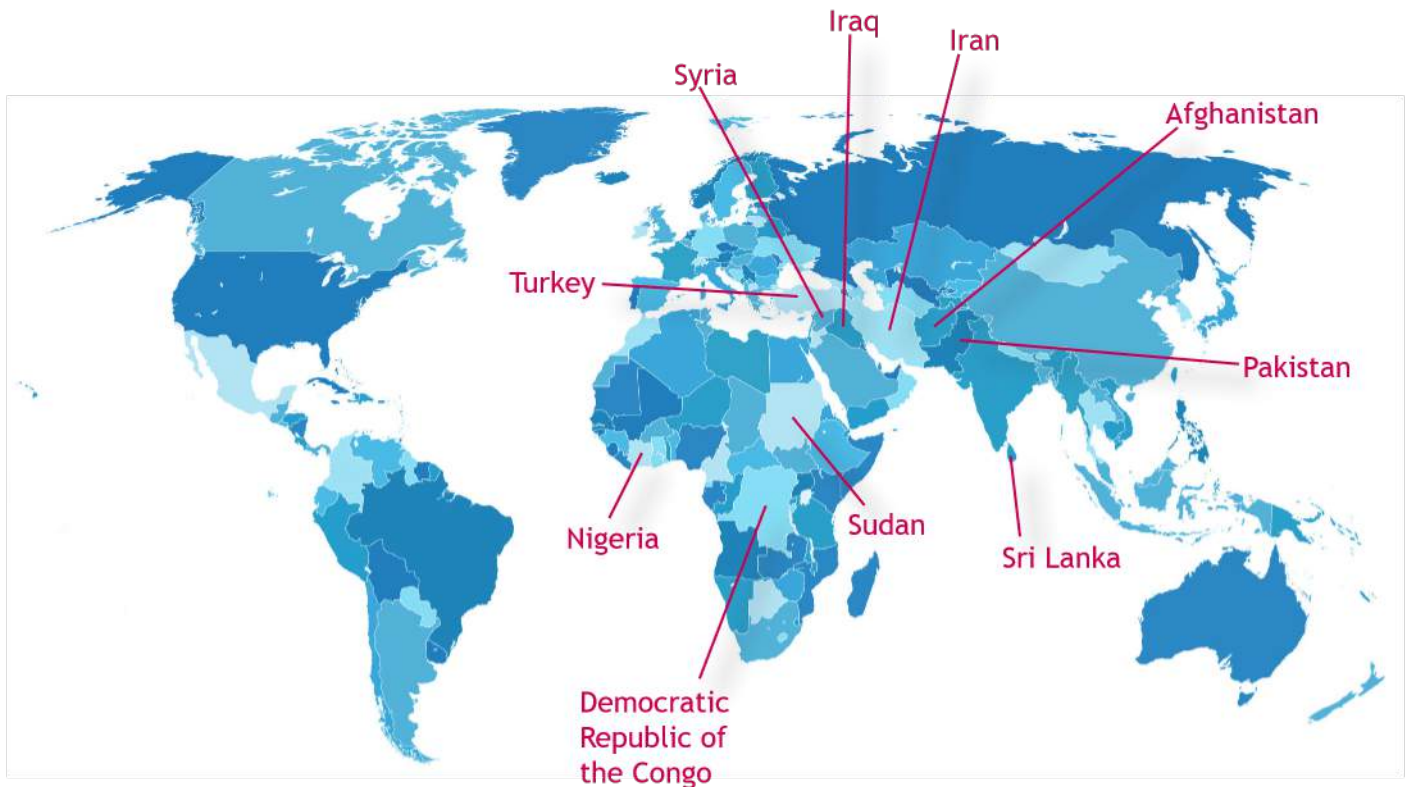
States responsible for torture are held to account publicly and the human rights of survivors are guaranteed nationally and internationally.

- Objective 1: Evidence from Freedom from Torture's work contributes to individual states being held to account for torture.
- Objective 2: The expertise of torture survivors themselves and evidence from Freedom from Torture's work are used with national and international partners to realise fully the human rights of survivors of torture.

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

Where does torture happen?

Ten countries with the highest number of referrals to Freedom from Torture in 2017 for psychological therapies or forensic documentation of torture



Since 1985

In 1985 we started with 1 clinical centre and just 88 clients



In 2017 we saw 1,034 clients in 5 clinical centres



How we help torture survivors

Referrals

From GP's, NHS, Solicitors, Community Groups & Self-referrals

Individual Therapy

A wide range of specialist practitioners providing individual therapy

Assessment

Complete assessment of client's needs and circumstances over multiple appointments

Group Therapy

Talking therapy & activity groups where clients come together to explore their experiences in a protected environment

£9,628,000

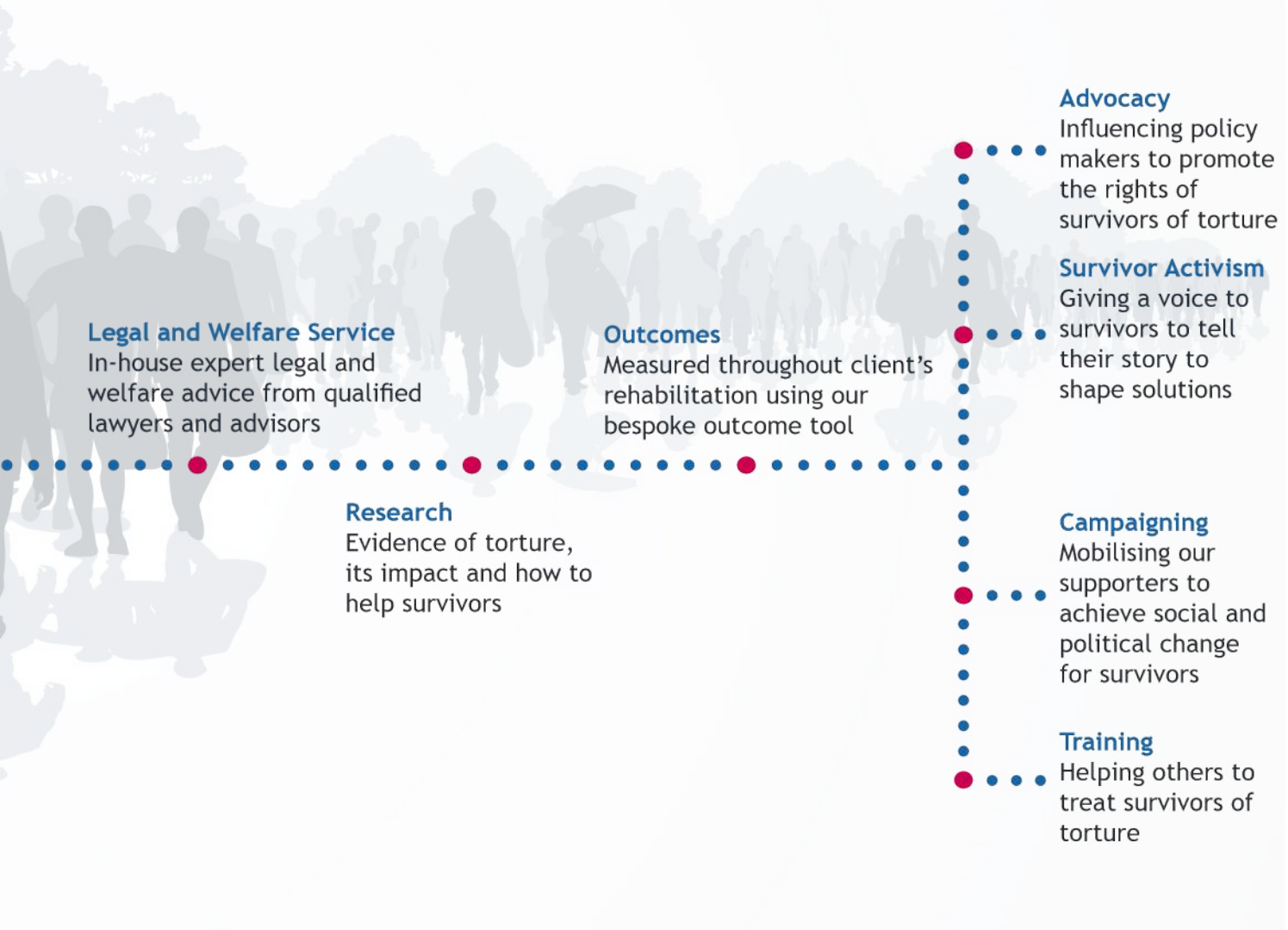
Raised to help survivors of torture

29,070

Donors supported us in 2017

22,813

Therapy appointments



4,700,000

Social media interactions

48,000

Campaign actions taken

2,743

External frontline practitioners trained

How we achieve our
strategic aims

What we do - Rehabilitation



Torture makes the news every day, but what about the individual stories behind the headlines? What happens to the people forced to flee from atrocities and repression when the interest of the world's media fades?

Torture is a practice used to intimidate, repress and de-humanise. Torture pushes people to unbearable extremes of physical and psychological pain. Survivors sustain serious injuries and are often forced to witness the violent subjugation of those around them. The psychological impact is long-lasting.

“They say torture is an act of killing someone without their dying. I am still alive, but inside feel no life. I don't know who I am anymore.”

Amir, Middle East

As the only organisation in the UK dedicated solely to the treatment of survivors of torture and organised violence, Freedom from Torture takes a holistic approach to rehabilitation, catering for the unique needs of survivors. We provide medical consultation, forensic documentation of torture and psychological therapies and support, as well as practical help for people who have survived this horrific abuse of their human rights.

A holistic service

How can survivors who have undergone torture, like Amir, be enabled to become a part of their own recovery? One of our clinicians explains Freedom from Torture's approach:

“Freedom from Torture centres bring multidisciplinary teams to work together under one roof. The approach has enhanced our ability to give clients a cohesive service and has been a major step forward in being able to treat an individual as a whole person.”

Life in the UK

Having escaped torture and persecution, the majority of the survivors helped by Freedom from Torture arrive in the UK as asylum seekers and refugees, where their difficulties are often far from over. Many must navigate the complex and bureaucratic asylum system in which their experiences can appear to be diminished and discounted. The uncertainty of their present and future can be compounded by the distress of having to recount over and over again the horrors from the past in order to secure their refugee status, and therefore safety. They are living in exile with such painful memories, surrounded by hostile voices in the media and parts of our communities. Moreover, many fear being returned to their torturers.

What we do - Protection

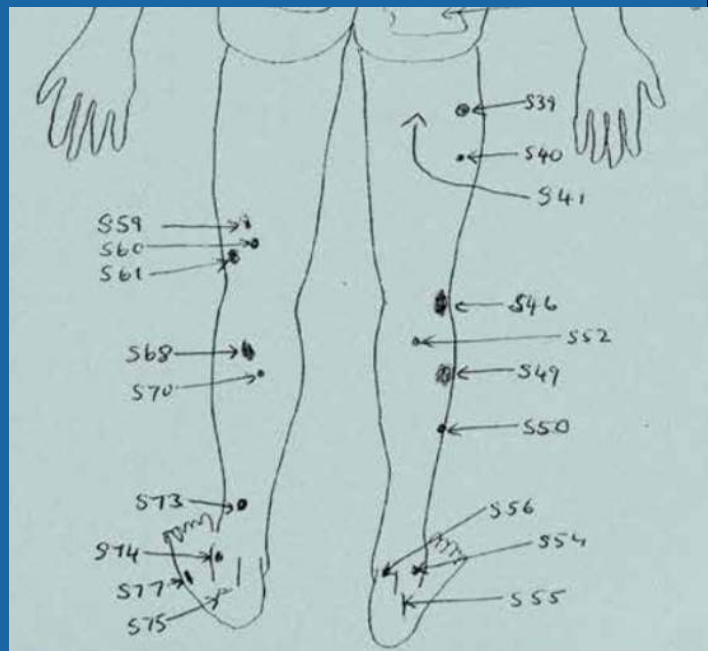


Our Medico-legal reports are used by asylum decision-makers to identify survivors of torture in need of refuge.

Freedom from Torture's expert clinicians document the effects of torture in Medico-legal reports (MLRs). They are forensically produced and reviewed by teams of highly skilled doctors and lawyers.

Our MLR reports document evidence of the physical and psychological impact of torture on survivors. A Freedom from Torture Medico-Legal Report is a robust legal document, which applies guidelines set out in the Istanbul Protocol - the international standard for the documentation.

Freedom from Torture's MLRs are considered expert witness testimony by the Home Office and Asylum Courts, who consider them the benchmark for evidence in this area.



Protection - Marjan's story

Marjan's story from our 2017 report *Turning a blind eye: Why the international community must no longer ignore torture in Iran* - abridged version.

Marjan was born in Iran and was the proud descendant of strong women in her family. Though not previously involved in politics, after the 2009 election she attended a couple of peaceful demonstrations. At the second demonstration security agents attacked the crowd and arrested many of the protestors including Marjan.

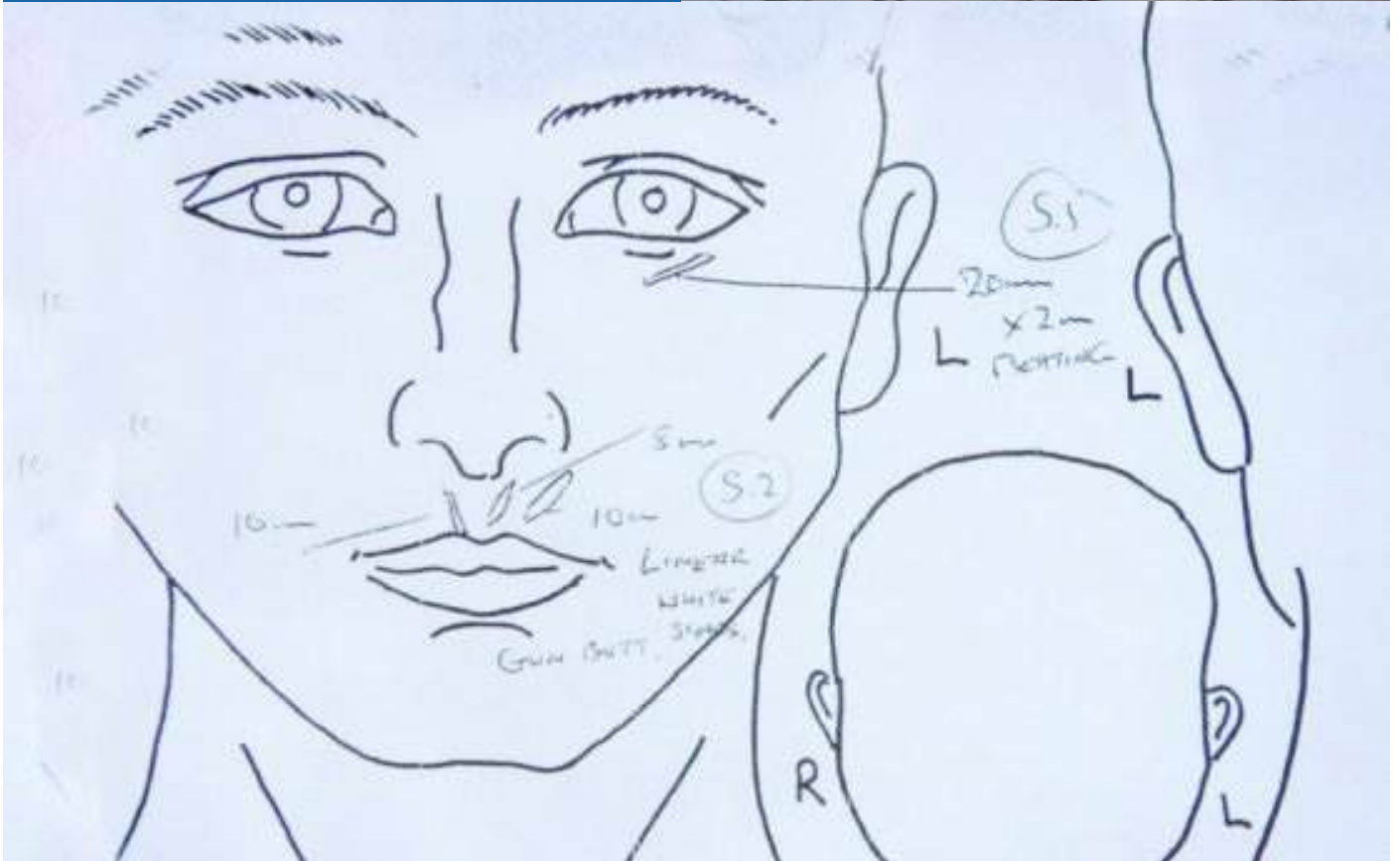
Marjan was sentenced to prison and suffered several beatings and was raped. Released at the end of her sentence she still suffered harassment by one of her torturers, so she fled Iran and sought asylum in the UK.

Despite what she had suffered and the continuing threat in her homeland her application was refused. Her solicitor asked Freedom from Torture to carry out an independent medical assessment. The subsequent Medico-legal report was submitted with her appeal to the Asylum Court. Thankfully for Marjan the appeal was successful and she is now safe.

*Names have been changed and other specific details omitted to protect anonymity.



Image copyright: Sheyda O'Rang



What we do - Accountability



Influencing backed by research

Freedom from Torture campaigns for meaningful human rights change, working to persuade governments and other actors to uphold universal human rights standards. We provide research and policy guidance to advocate change on behalf of survivors of torture.

Through our research, policy & advocacy we work alongside survivors to promote and protect the rights of torture survivors in the UK and worldwide.

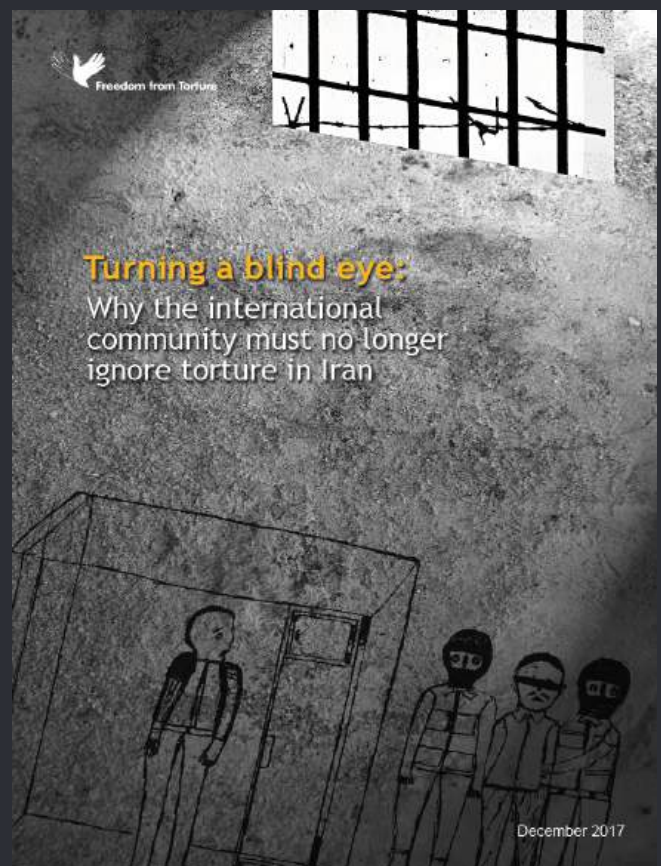
Turning a blind eye:

Why the international community must no longer ignore torture in Iran

Freedom from Torture's new report "Turning a blind eye: Why the international community must no longer ignore torture in Iran" analyses forensic evidence of torture documented in the cases of 69 Iranian survivors of torture. These reports document alarming levels of torture and abuse perpetrated by the Iranian government between 1985 and 2015, and criticises the muted response to these human rights abuses from the UK and other countries.

The report was launched to coincide with a visit by Foreign Secretary Boris Johnson to Tehran and an event in Parliament with the All Party Parliamentary Group on Human Rights, chaired by Anne Clywd MP.

We undertook interviews on Sky News and BBC Persia, which we understand picked up on the Foreign Secretary's visit and the links between our evidence of detention conditions and public attention on detained dual British - Iranian nationals.



Strategic report

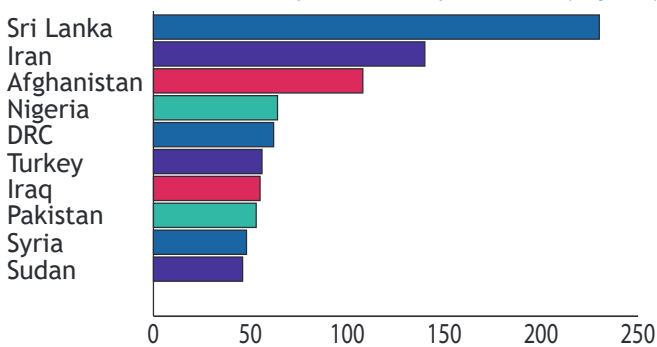
Our strategy is to help survivors of torture through rehabilitation, protection and by holding states responsible for torture to account. We deliver this strategy through therapy, that takes a holistic approach to rehabilitation, catering for the unique needs of survivors. It provides medical consultation, forensic documentation of torture and psychological therapies and support, as well as practical help for people who have survived horrific abuses of their human rights.

Public benefit of our activities

The work outlined above directly relieves physical and mental suffering of people across the UK who have survived torture, through dealing with the effects of trauma as a consequence of torture. As well as the immediate benefit to the lives of those individuals and their families there are wider benefits to society as many torture survivors move from being unable to engage with work, study or meaningful activities in society to being fully active in these fields. Freedom from Torture also makes a modest but carefully targeted contribution to the relief of poverty, filling gaps where statutory or other provisions do not meet a need. A further benefit is provided by our work to educate the public about the widespread use of torture and the plight of survivors, about the incidence and effects of torture and about ways to counteract those effects.

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

Rehabilitation clients by nationality in 2017 (top 10)



Environment in 2017

Over the last 12 months, events across the world have made life ever harder and more frightening for survivors of torture, from the inauguration of a US President who endorses torture to the “hostile environment” created for migrants by the UK government, ongoing uncertainty and division over the Brexit process, and the ongoing refugee crisis in and around the Mediterranean.

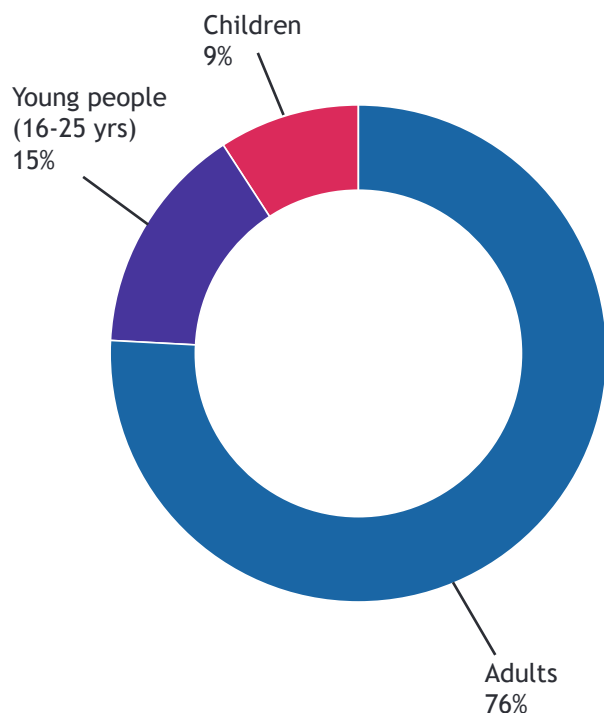


Against this backdrop, Freedom from Torture has fought harder than ever to ensure that the rights of torture survivors are safeguarded and strengthened.

The fundraising environment has remained challenging and with new legislation and regulation coming in the future, it is likely to remain so. Our supporter base has remained strong.

Moving forward in 2018, we remain committed to protecting and supporting survivors of torture, in a changing and often hostile world.

Rehabilitation clients in 2017



Achievements in 2017

During 2017 the world remained a difficult place for survivors of torture seeking safety. Despite this, Freedom from Torture secured hard-won victories with and on behalf of survivors, working to ensure their rights are protected and promoted in the UK and around the world. Some of the highlights of the year were:



Campaigning at No.10

In December Joan Ryan MP, Tom Brake MP and our patron John McCarthy joined our CEO Sonya Sceats and Head of Communications and Campaigns Hannah Ward to deliver a petition to 10 Downing Street with 30,000 of your signatures, calling on Prime Minister Theresa May to stand firm on torture.

The petition calls on the UK to stand firm against torture, and warns against the risks posed by deepening diplomatic and trade ties with torturing states.

Proving Torture campaign

Over 40,000 people rallied to sign Freedom from Torture's Proving Torture campaign petition, calling on the Home Secretary to make sure the Home Office gives asylum seekers fleeing torture the protection they deserve.



FFT at Refugee Week

Freedom from Torture was one of the 16 partner organisations that led Refugee Week. We participated in the "Different journeys, shared future" campaign and our supporters were involved in many of the hundreds of events that took place all over the UK.



SSO campaigning

Freedom from Torture's survivor-led activist network Survivors Speak OUT (SSO) was busy in 2017. Kolbassia Haoussou spoke at a side event during the UN General Assembly in September, speaking out on sexual violence in conflict. He was also the subject of a powerful video for the Economist marking the 30th anniversary of the UN Convention Against Torture. SSO ran successful campaigns around the International Day In Support of Victims of Torture and 16 Days of Activism Against Gender-Based Violence, sharing the voices of survivors and calling for urgent action to prevent further abuses.

Jo Cox Commission on Loneliness

We supported the Jo Cox Commission on Loneliness' spotlight month on refugees with some hard-hitting opinion pieces in the media. We also played a key role in collaborative national campaigns, co-ordinating a joint letter calling on Health Secretary Jeremy Hunt to rethink the introduction of dangerous and unworkable new rules around charging for access to NHS services, involving more than 800 medical professionals and 190 organisations.



"The Claim"

Our creative writing group "Write to Life" collaborated with leading theatre producers Tim Cowbury and Mark Maughan on the stunning play "The Claim", which offers an unflinching look at the asylum process, and appeared at the London Migration Film Festival opening gala.

Achievements in 2017

Service User Engagement

Every survivor of torture in the UK has a different story, which means their needs are different, too. That's why we tailor the support we offer to suit each person who comes to us. Fundamental to this is ensuring that all survivors we interact with feel we respect them and treat them with dignity. We surveyed all service users throughout 2017 and 100% agreed with the statement 'I was treated with dignity and respect'.

Service user standards implemented

During 2017 we agreed, in partnership with our service users' groups, new service standards. These were rolled out and now form the bedrock of our services.

At the end of 2016 we set a goal of recruiting two ex-clients to work / volunteer for us. This was achieved. We now have four ex-clients working for the charity.

Legal Protection Programme

Our domestic advocacy has continued to focus on the treatment of medical evidence of torture in the UK asylum system.

We've held British politicians accountable for making sure survivors are treated fairly. At the beginning of 2017, an incredible 40,000 people signed a petition backing the findings of our Proving Torture report, which we delivered to the Home Office alongside Tania Mathias MP in February.

June's snap General Election saw us call on all political parties to ensure proper protection for refugees, before we led calls for an inquiry into Home Office mistreatment of torture evidence, based on the evidence revealed in our Proving Torture report. We responded to the Home Office's High Court defeat on the detention of torture survivors, including a moving opinion piece for the Guardian by survivor Serge Eric.

Standards of Care

During 2017 we continued our push to increase our clinical capacity. This involved implementing various pilots. We hope that learning from these innovations will improve treatment and increase our therapists' ability to work directly with clients.

We continue to work on improving our treatment. In 2017, over 70% of clients were able to end their treatment in less than 36 months, despite the complexity of their conditions and the severity of the trauma suffered.

Last year we were able to increase the number of staff in our specialised in-house Legal & Welfare Advice Service (LAWs). Our LAWs team plays a vital role in helping our clients secure access to justice and legal status in the UK by finding and working collaboratively with lawyers and building their capacity to represent survivors of torture, including by offering training. In 2017 the team was able to directly assist all of our Appeal Rights Exhausted clients, who are among the most vulnerable people we see. The support included legal advice, given to clients and other agencies involved in their cases, along with practical welfare advice and casework.

Campaigns & Communications

We focused on new digital campaigns, growing our social media presence and increasing the public's awareness of our work.

We increased the number of campaign actions significantly, reaching 50,000 individual actions.

Our social media presence across all platforms also rose during 2017 with over 4.75 million interactions in total.

Freedom from Torture worked throughout 2017 to increase the public's awareness of our work. Six people in every hundred now recognise the name Freedom from Torture. We believe that the public's awareness of our charity and its work is higher than at any time in our 32 year history.

Training & Capacity Building

In 2017, we delivered 80 training events and 230 capacity building initiatives, including:

- 59 clinical supervisions (group and individual)
- 73 consultations/ongoing support
- 10 placements and study visits
- 88 network events with external services and practitioners

In total, we provided training or capacity building services to 2743 people over the course of the year.

Helping Benjamin feel part of our family



Benjamin has just turned 20. He lost his father when his family was targeted by the Taliban and he doesn't even know if his mother is alive.

Benjamin arrived in the UK after a very dangerous journey from Afghanistan. In pure desperation he fled for his life with other families, but had to leave his own family. In a terrifying three-month journey he walked from Iran to Turkey, where he then hid inside a lorry to get into the UK. Inside, he was covered in smoke and dirt. He said, "I was terrified and scared to death not knowing what would happen to me".

Benjamin arrived all alone, with no one to welcome him to the UK. Travelling here illegally and without a passport, he was detained for several months. In detention and without anyone to talk to, flashbacks of his experi-

ences in Afghanistan and his horrible journey to the UK recurred time after time. After he was released he sought help and was referred to Freedom from Torture. As the only UK charity solely specialising in helping people who have been tortured, our therapists could assess Benjamin as a priority case and quickly begin his journey of recovery. After years of fear, Benjamin now finally has hope.

Benjamin still needs a lot of support but said, "Coming to Freedom from Torture has been really good, finally I have someone that really listens to me and that cares".

Plans for the future period

Strategy review

We will undertake a review of Freedom from Torture's strategy to consider how best to respond to intense pressures on our services linked to cut-backs in the statutory mental health and legal aid sectors; and UK and international political developments affecting torture survivors.

We aim to have a new 3 year strategy in place for 2019.

Clinical pilots and other service innovations designed to broaden our multidisciplinary support for torture survivors and expand our service capacity

We have added care coordinators to various clinical treatment teams; introduced a new community development model via our "Healing Neighbourhoods" project in Scotland; created a peer support service in London and are adding a new pain management service.

We will evaluate learning from these initiatives and consider whether modifications should be made to our rehabilitation model for survivors of torture in our treatment service nationally.

Pressure on the Home Office to ensure that torture survivors receive the protection they need quickly

We will continue our campaign to improve the Home Office's handling of our expert forensic evidence of torture and ensure that ministerial commitments on this are translated into concrete Home Office reforms and improved asylum decisions for survivors of torture.

We aim to ensure that the Home Office rolls out and monitors the impact of new training for caseworkers on how to handle expert medical evidence of torture and continues to work with Freedom from Torture on any further reforms we believe are necessary.

Pressure on the Home Office to end the detention of torture survivors

We will campaign against proposed Home Office policy changes that increase the risk of torture survivors being detained in immigration removal centres.

We aim to ensure a Home Office policy against detention of torture survivors that is workable for asylum decision-makers and detention centre medical staff and therefore effective in securing release of wrongly detained torture survivors.

Contribute to torture prevention and accountability efforts globally

We will strengthen our systems for analysing data from our medico-legal reports and consider how best to use these and our innovative models of survivor activism to help strengthen the wider anti-torture movement. We aim to keep an international spotlight on torture and

the lack of accountability for it in Sri Lanka and Iran, the top two countries of origin for our clients.

Celebrate 10 years of the Survivors Speak OUT network

We will mark the anniversary and achievements of the network with a Parliamentary reception on 26 June, the international day in support of survivors of torture and continue celebrating throughout the year.

We aim to raise the profile of the Survivors Speak OUT network and strengthen its relationships with and access to politicians and other influencers.

Use human rights based approaches to strengthen our services

We are very proud of our human rights ethos and will be working over the next year with survivors of torture and our staff and volunteers to explore the potential of human rights based approaches to further strengthen our services, service user engagement agenda and organisational culture.

Among other things, we are proud of the fact that all service users agree with the statement "I was treated with dignity and respect."

Refresh the brand of Freedom from Torture

We will complete a review of our brand and launch changes to coincide with our new organisational strategy (see above).

We aim to increase public awareness of Freedom from Torture and attract new supporters to grow our income and campaigning impact.

Financial results for 2017

The financial results for the year are set out in the Statement of Financial Activities. Overall 2017 was a very strong year financially for Freedom from Torture. Income reached £9.6m, thanks primarily to increases in legacies, donations from major donors and grants from government and public bodies.

Income

Freedom from Torture saw its income from donations and legacies increase during 2017 by over £732k. Our legacy and major donor programmes were the drivers for this growth, increasing by £765k and £364k respectively compared to the previous year. Based on research of our existing donor base provided by a specialist legacy analysis firm, increasing income from legacies over the medium to long-term is likely to continue.

Some other areas of fundraising were very successful. We had a very successful Street Feast event in the summer and our bi-annual Art Auction was our most successful yet.

Our Trust and Grants Team secured two multi-year grants, one from the Big Lottery Fund and one from the Scottish Government's Equality and Social Cohesion fund, which enabled us to start a brand new community development project in Glasgow. This four year project called Healing Neighbourhoods comprises community-based group work support and activities integrated with clinical centre-based therapeutic and practical legal and welfare advocacy and casework.

Charitable activities income also includes fees for Medico-legal reports, produced as part of our work to protect survivors of torture, which increased by 12%.

Other Trading Activities:

This income is derived from fundraising activities such as raffles and ticketed fundraising events; it increased by 16% compared to the previous year.

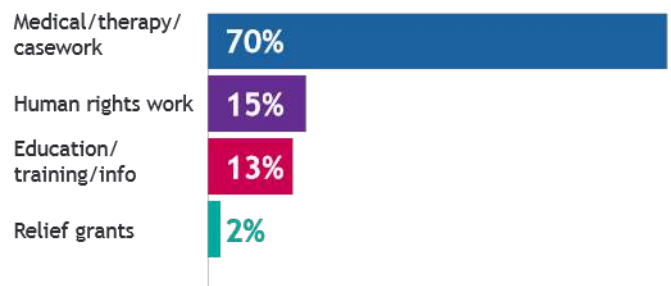
These income streams enabled the organisation to support and deliver its services throughout the UK.

Investments

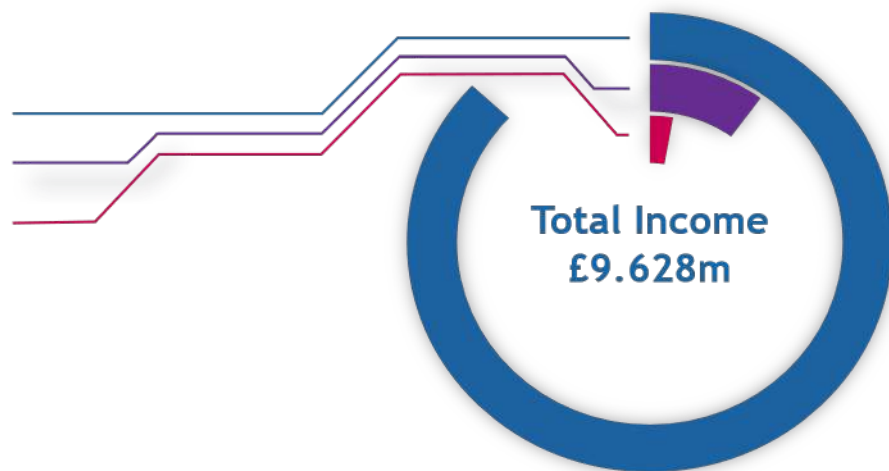
Freedom from Torture holds a small number of shares that were kindly donated several years ago. In addition, our reserves and a long-term donation are held in interest bearing deposit accounts. The organisation places these funds into secure short-term accounts with reputable UK banks in order to generate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

Expenditure

Expenditure on charitable activities in 2017 totalled £6,440,329 and was split between the following categories:



Donations & Legacies 87%
 Charitable activities 10%
 Other trading activities (inc. fundraising) 3%



Financial results for 2017

Overall, we were able to increase charitable expenditure by £198k (3%), compared to 2016.

Expenditure on raising funds - Trustees took a strategic decision to increase expenditure on fundraising in order to increase future income. This decision was taken in order to decrease the gap between the need for our services and our current capacity. The increased expenditure has primarily been on new staff in the fundraising and communications teams, of which the latter is integral to a push to increase the public's awareness of Freedom from Torture.

Expenditure on charitable activities - we were able to increase the staff that deliver our rehabilitation and human rights work 2017 by 3% overall.

Fixed Assets

Total capital expenditure, including intangible assets, (work on our bespoke client database) was £296k in 2017. This was mainly spent on remodelling part of our main premises and on replacing computers and other ICT equipment.

Summary

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

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

Reserves and Investment Policy

It is the policy of the Trustees to maintain a General Reserve equivalent to two to four months' direct charitable expenditure, which equates to a range between £1,074,388 and £2,146,776. The General Reserve serves two main purposes:

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

The policy is designed to ensure that Freedom from Torture can meet these two eventualities in any financial year without immediately having to cut back services. In the event of unforeseen loss of budgeted income or increased expenditure, it gives Freedom from Torture a period in which to seek to remedy the situation by securing additional funds and, only if this should not be possible, to plan an orderly reduction of expenditure commitments. The policy is reviewed annually by our Finance & Fundraising Committee.

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

The Trustees have designated funds as shown on page 22 which include a fixed assets reserve, long term donation, major building repairs and working capital reserve.

Financial results for 2017

Designated Fund	Description	Use of Fund	Value at Year-end
Fixed Asset Reserve	Property (two buildings owned by the charity, used as clinical centres) & IT equipment, furniture, fixtures & fittings etc.	This represents the extent to which unrestricted funds are tied up in the organisation's property and other fixed assets. The year-end balance is equal to the book value of the fixed assets less any amount that is funded by loans.	£3,696,414
Long Term Donation	Gift given to the charity. Donor expressed a wish that the donation be invested and the proceeds be used for Psychotherapy.	Trustees have authority to use this fund as they see fit, but intend to abide by the donor's wishes to retain the capital received where possible.	£526,812
Major Building Repairs	Fund to cover any large-scale repairs or refurbishments to property owned by the charity. Current policy is to place £40k a year into the fund.	This fund was not used in 2017. Trustees have received professional advice on the likely repairs and replacement costs over the next 25 years for the main building the charity owns. This shows that the current fund, plus current rate of investment should cover expected needs over the medium to long term.	£452,400
Working Capital Reserve	Fund to cover working capital needs. Level of fund required is calculated as Current Assets, excluding Bank and cash, less Creditors.	Represents the extent to which unrestricted funds are tied up in working capital.	£794,124
Total			£5,469,750

General Reserve

The organisation ended the year with a General Reserve of £2.014 million. Trustees have agreed a budget for 2018 that will see the General Reserves maintained at a similar level. We expect reserves to remain consistent in 2019 and 2020.

Restricted Funds

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

Total funds held at the end of 2017 were as follows:

FUND	TOTAL (£)
Designated Funds	5,469,750
General Reserve	2,013,818
Restricted Funds	683,371
Total Funds	8,166,939

Investment Policy

The Trustees consider that it is not prudent to invest any of the reserves long term. The investment policy is therefore to manage funds so as to obtain the best rate of interest on them.

Fundraising statement

Fundraising statement

Our fundraising strategy and approaches are reviewed each year to ensure they remain responsive to changes in regulation and the external environment.

Calculating fundraising efficiency

We know it is important to all of our generous donors that every penny donated to us counts. This year we spent 26 pence to raise every £1 of donations, meaning that 74 pence was available for our charitable work.

How we fundraise

We fundraise with vulnerable people and our generous donors in mind. We have established principles to ensure that we do not engage in practices that are inconsistent with Freedom from Torture's values. The Freedom from Torture Supporter Promise sets out these principles and reassures people what we will and won't do when fundraising. You can read our Supporter Promise at www.freedomfromtorture.org/fundraisingpromise

From time to time we engage external fundraising specialists to help us fundraise in a more cost effective and efficient way. Before we work with any external organisation, including telephone agencies and creative and marketing services, we undertake a series of checks to

ensure they comply with our high standards and with all relevant legislation. In addition, we have clauses built into all our supplier contracts which cover General Data Protection Regulations and our own vulnerable persons policy. We also regularly review all third party suppliers and provide training and monitor their work.

We are members of the Institute of Fundraising and the Lotteries Council, are registered with the Fundraising Regulator, and abide by the Code of Fundraising Practice. We also adhere to all relevant legislation and best practice in the sector particularly around the protection of our supporters' data and privacy. Over the last year we have reviewed our consent and privacy policies in order to be fully compliant with the General Data Protection Regulation (GDPR) by the time this became law in May 2018.

The supporter experience is at the heart of what fundraisers do at Freedom from Torture and we are immensely proud of the stewardship service our dedicated supporter care team deliver. This year we have maintained an extremely low level of complaints. We take all complaints very seriously and will investigate and respond to supporters in the first instance within 5 working days.

Charitable Objects

In brief the Objects of the Charity are, for the public benefit, to:

A - promote the treatment and relief of physical, mental and emotional illness, disorder or disability suffered by any person as a result of that person, or a member of his or her family, having undergone, in any part of the world, physical or psychological torture or ill treatment including by supporting and compiling medical evidence;

B - provide relief for persons who have, or members of their families who have, undergone, in any part of the world, physical or psychological torture or ill treatment and who are in conditions of need, sickness, hardship or distress;

C - promote human rights (as set out in the Universal Declaration of Human Rights and subsequent United Nations Conventions and Declarations) throughout the world with the focus on the use of torture or cruel, inhuman or degrading treatment or punishment.

Risk Management

We take a robust approach to identifying, monitoring and actively managing risks facing Freedom from Torture. Consideration of risk is streamed into all of our senior management meetings and we use a Risk Register to capture and help manage the most important risks. The register is formally reviewed and updated every month by the Senior Management Team and quarterly by the Board of Trustees. Many actions to reduce risk were implemented during 2017.

Our top five risks have been identified as:

Risk 1:

A treatment client of Freedom from Torture harms or kills self or another person or commits other serious crime

Mitigation:

Risk of violence to self or others considered in regular risk assessments for all treatment clients; Robust plans to manage and safeguard risks identified in these assessments including contact with other agencies where necessary; Major incident response plan in place; Suite of relevant policies which we update regularly including: Clinical Risk Management policy, Child Protection policy, Safeguarding Vulnerable Adults policy, and Safeguarding Vulnerable Children & Young People policy; Risk management and suicide prevention training for all clinicians.

An incident relating to this risk was reported to the Charity Commission in March 2017. The Charity Commission confirmed that we took all the necessary action.

Risk 2:

A preventable removal of a treatment client with protection needs to a country where they were tortured

Mitigation:

Risk of removal considered in regular risk assessments for all treatment clients; Removals Prevention Protocol in place; Automatic referral of all "appeal rights exhausted" treatment clients to our specialist in-house Legal and Welfare Service (LAWS) for assessment, review and liaison with the client's legal representatives; Further invest-

ment in LAWS during 2017 to expand the capacity of this service in the context of poor decision-making in asylum claims involving torture survivors and the risk of detention and removal flowing from this.

Risk 3:

Loss of or significant undermining of Home Office policy safeguards on which our services depend

Mitigation:

Ongoing engagement with the Home Office to safeguard and strengthen policy protections for torture survivors in the asylum system, including via our "Proving Torture" influencing project; Involvement in litigation where necessary e.g. in relation to safeguards against immigration detention of torture survivors.

Risk 4:

An inability to demonstrate compliance with information governance requirements in relation to the General Data Protection Regulation (GDPR) coming into force in May 2018.

Mitigation:

Major organisation-wide data protection and GDPR compliance project commenced in 2017 encompassing all personal data held by Freedom from Torture, including for clients, staff and donors; Rollout of data protection training; Appointment of a Data Protection Officer; Review and updating of relevant policies, including Record Keeping policy, Data Retention policy and Information Governance policy.

Risk 5:

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

Mitigation:

Increased investment in our Fundraising and Communications directorate in 2017 to protect and develop our income streams; Launch of a brand review to raise our profile; Piloting of several new fundraising initiatives, including in relation to donor acquisition.

Organisational Structure

Structure, Governance and Management

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

Key management remuneration policy

The remuneration of the key management post-holders, who consist of the individuals disclosed in note 7 to the financial statements on page 43 has been established in accordance with market rates, taking into account the level of expertise, experience and skills required to fulfil the roles successfully. The remuneration policy will be developed in due course.

Organisational structure

In March 2018, Freedom from Torture adopted the Charity Governance Code to continue to drive forward improvements in its governance. We will endeavour to apply the best practice as set out in the Code in the coming year.

The governing body is the Board of Trustees (the Board) which met five times in 2017. The Trustees are also Directors of the company. The following four standing Committees of the Board, each consisting of a number of Trustees (with external co-optees as appropriate) met four times during the year: Governance & Nominations, Finance & Fundraising, Clinical and Legal Governance and Policy and Advocacy.

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

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

New trustees are appointed by the Board when the need arises to replace leavers and strengthen particular core competencies against a skills audit. Recruitment of new trustees is through an open process with vacancies advertised on various websites and applications are

particularly encouraged from former service users with expertise in the fields sought. The term of office is three years, after which a Trustee may be re-appointed for up to a maximum of two terms. In addition, up to two Trustees can be appointed for longer periods in exceptional circumstances.

New Trustees receive a comprehensive induction covering the organisation's mission, activities, strategy and finances and about their own responsibilities. The Board approves the strategy, annual budgets and major investments alongside receiving quarterly management accounts and assessing overall performance. The Senior Management Team has delegated responsibility for operational management of the charity taking day to day decisions in the interest of the charity. Away days are held to review longer term strategic issues. During the last year, three Trustees resigned and two more will leave in 2018. They will be replaced during 2018.

Professor Francesca Klug stepped down as Chair and Susan Berelowitz was elected as Chair in October 2017. Following an extensive and open recruitment process, Sonya Sceats has been appointed as Chief Executive from March 2018 following the resignation of our former Chief Executive, Susan Munroe. In 2017 we had two new patrons: Lord Alf Dubs and Professor Philippe Sands QC.

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

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

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

We employ 166 staff and during the year the organisation was fortunate to have the services of approximately 100 part-time volunteers. Most worked in the area of medical, therapeutic and casework services in all five clinical centres. In addition, around 50 supporters acted as volunteer holiday hosts for our clients and their families.

Statement of Trustees' Responsibilities

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

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

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

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

In so far as the Trustees are aware:

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

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

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

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

Signed on their behalf by:



Sue Berelowitz
Chair, Freedom from Torture

Approved on the 7th July 2018

Independent Auditor's Report to the Members of Medical Foundation for the Care of Victims of Torture Charity Limited

We have audited the financial statements of Medical Foundation for the Care of Victims of Torture for the year ended 31 December 2017 which comprise the Statement of Financial Activities (incorporating Income and Expenditure Account), the Balance Sheet, the Statement of Cash Flows, and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including FRS 102 'The Financial Reporting Standard Applicable in the UK and Ireland'.

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2017 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 (as amended), regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended) and the Charities Act 2011.

Basis of opinion

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

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006; and to the charity's trustees, as a body, in accordance with Section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005, and in respect of the consolidated financial statements, in accordance with Chapter 3 of Part 8 of the Charities Act 2011. Our audit work has been undertaken so that

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

Conclusions related to going concern

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

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

Other information

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

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

We have nothing to report in this regard.

Independent Auditor's Report to the Members of Medical Foundation for the Care of Victims of Torture Charity Limited continued

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are permitted to report by exception

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

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 26, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either

intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under Section 44(1) (c) of the Charities and Trustee Investment (Scotland) Act 2005, the Companies Act 2006 and Section 151 of the Charities Act 2011 and report to you in accordance with regulations made under those Acts.

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Independent Auditor's Report to the Members of Medical Foundation for the Care of Victims of Torture Charity Limited continued

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the charitable company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charitable company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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



Luke Holt, Senior Statutory Auditor

For and on behalf of
Kingston Smith LLP, Statutory Auditor

Devonshire House
60 Goswell Road
London EC1M 7AD

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

Approved on the 19th July 2018

Statement of financial activities

Statement of financial activities

Incorporating Income and Expenditure Account for the year ended 31 December 2017

	Notes	Unrestricted funds £	Restricted funds £	Total funds 2017 £	Total funds 2016 £
Income from:					
Donations and legacies	2	7,804,774	560,254	8,365,028	7,632,835
Charitable activities	4	334,771	603,611	938,382	636,418
Other trading activities (incl. fundraising)	3	317,572	-	317,572	272,711
Investments		7,156	-	7,156	18,844
Total		8,464,273	1,163,865	9,628,138	8,560,808
Expenditure on:					
Raising funds	5	2,407,532	-	2,407,532	2,112,091
Charitable activities		5,415,223	1,025,106	6,440,329	6,242,135
Total	6	7,822,755	1,025,106	8,847,861	8,354,226
Net gains on investments		1,906	-	1,906	3,303
Net income		643,424	138,759	782,183	209,885
Net movements in funds		643,424	138,759	782,183	209,885
Reconciliation of funds:					
Total funds brought forward		6,840,144	544,612	7,384,756	7,174,871
Total funds carried forward		7,483,568	683,371	8,166,939	7,384,756

The accompanying notes are an integral part of these accounts.

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

Balance Sheet as at 31 December 2017
(Company limited by guarantee - registered no. 2398586)

	Notes	2017 £	2016 £
Fixed Assets			
Tangible assets	8	4,619,427	4,556,021
Intangible assets	8	36,150	49,392
Investments	9	16,195	14,289
		<u>4,671,772</u>	<u>4,619,702</u>
Current Assets			
Debtors	10	1,341,105	777,037
Short-term deposits		708,118	1,408,336
Cash at hand and in bank		2,504,473	1,628,070
		<u>4,553,696</u>	<u>3,813,443</u>
Creditors: amounts falling due within one year	11	(546,981)	(442,668)
Net current assets		4,006,715	3,370,775
Total assets less current liabilities		8,678,487	7,990,477
Creditors: amounts falling due after one year	12	(511,548)	(605,721)
Net assets		<u>8,166,939</u>	<u>7,384,756</u>
Funds			
Unrestricted funds:			
Designated funds	14	5,469,750	4,884,166
General reserve		2,013,818	1,955,978
		<u>7,483,568</u>	<u>6,840,144</u>
Restricted income funds:		683,371	544,612
		<u>8,166,939</u>	<u>7,384,756</u>

The accompanying notes are an integral part of these accounts.

The accounts were approved and authorised for issue by the Board of Trustees on the 7th July 2018 and signed

on its behalf by: Susan Berelowitz, Chair, Freedom from Torture

Sue Berelowitz

Cash flow statement for the year ended 31 December 2017

	2017 £	2016 £
Cash flows from operating activities:		
Net cash provided by/(used in) operating activities	570,220	456,520
Cash flows from investing activities:		
Dividends and interest from investments	7,156	18,844
Purchase of property, plant and equipment	(296,132)	(72,604)
Net cash (used in)/provided by investing activities	(288,976)	(53,760)
Cash flows from financing activities:		
Repayments of borrowing	(95,985)	(95,949)
Interest paid	(9,076)	(11,593)
Net cash (used in)/provided by financing activities	(105,061)	(107,542)
Change in cash and cash equivalents in the reporting period	176,183	295,218
Cash and cash equivalents at the beginning of the reporting period	3,036,406	2,741,188
Cash and cash equivalents at the end of the reporting period	<u>3,212,591</u>	<u>3,036,406</u>
Reconciliation of net income/ (expenditure) to net cash flow from operating activities		
	2017 £	2016 £
Net income / (expenditure)	782,183	209,885
Adjustments for:		
Depreciation charges	225,955	171,500
Amortisation charges	20,012	122,348
Dividends and interest from investments	(7,156)	(18,844)
Interest paid	9,076	11,593
(Gains)/ losses on investments	(1,906)	(3,303)
(Increase)/decrease in debtors	(564,068)	(73,263)
Increase in creditors	106,124	36,604
Net cash provided by/(used in) operating activities	<u>570,220</u>	<u>456,520</u>
Analysis of cash and cash equivalents		
Cash in hand	2,504,473	1,628,070
Notice deposits (less than 30 days)	708,118	1,408,336
	<u>3,212,591</u>	<u>3,036,406</u>
The accompanying notes are an integral part of these accounts.		

Notes to the financial statements for the year ended 31 December 2017

1. ACCOUNTING POLICIES

General information and basis of preparation:

Medical Foundation for the Care of Victims of Torture, whose operating name is Freedom from Torture, is a charitable company limited by guarantee. In the event of the organisation being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity. The address of the registered office is given in the charity information on page 50 of these financial statements. The nature of the organisation's operations and principal activities are included in the Trustees' Report.

The functional currency used to prepare the financial statements was Sterling and all amounts have been rounded to the nearest £.

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

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

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

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

Going Concern

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

enquiries the Trustees have concluded that there is a reasonable expectation that the charitable company has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties which may cause doubt on the company's ability to continue as a going concern. The charitable company therefore continues to adopt the going concern basis in preparing these financial statements.

Tangible and intangible fixed assets

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

Freehold Land	0%
Freehold Building	2%
Long Lease Building (lease expiry 2300)	2%
Computer Equipment	25%
Database Software	20%
Furniture, Fixing and Fitting	25%

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

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

Software	20%
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Investments

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

Cash and cash equivalents

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

Financial instruments

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

Income recognition

All incoming resources are included in the Statement of Financial Activities (SoFA) when Freedom from Torture is legally entitled to the income after any performance conditions have been met, the amount can be measured

Notes to the financial statements for the year ended 31 December 2017

reliably and it is probable that the income will be received.

For donations to be recognised Freedom from Torture will have been notified of the amounts and the settlement date in writing. If there are conditions attached to the donation and this requires a level of performance before entitlement can be obtained then income is deferred until those conditions are fully met or the fulfilment of those conditions is within the control of Freedom from Torture and it is probable that they will be fulfilled.

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

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

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

Expenditure

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

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

are accrued when the recipients has been notified of the grant award.

Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation are included in the Statement of Financial Activities for the period.

Operating leases

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

Pension cost

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

Funds

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

Critical accounting estimates and areas of judgement

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

Notes to the financial statements for the year ended 31 December 2017

2. DONATIONS AND LEGACIES

2017	2017	2017	2017
	Unrestricted	Restricted	Total
	funds	funds	funds
	£	£	£
Trusts & foundations	245,212	525,847	771,059
Companies	55,256	-	55,256
Individuals:			
Committed donations (excluding Gift Aid)	2,433,719	-	2,433,719
Major donations (excluding Gift Aid)	714,282	28,000	742,282
Other donations (excluding Gift Aid)	1,198,307	1,907	1,200,214
Gift aid tax claimable	769,887	4,500	774,387
Legacies	2,388,111	-	2,388,111
Total	7,804,774	560,254	8,365,028
2016	2016	2016	2016
	Unrestricted	Restricted	Total
	funds	funds	funds
	£	£	£
Trusts & foundations	236,686	610,823	847,509
Companies	66,888	-	66,888
Individuals:			
Committed donations (excluding Gift Aid)	2,464,108	-	2,464,108
Major donations (excluding Gift Aid)	341,502	37,000	378,502
Other donations (excluding Gift Aid)	1,440,868	3,376	1,444,244
Gift aid tax claimable	808,223	-	808,223
Legacies	1,623,361	-	1,623,361
Total	6,981,636	651,199	7,632,835

Income from trusts and foundations included the following:

Donor	Purpose	£
Breadsticks Foundation	North West Centre: Therapy and Training	150,000
Comic Relief	London Centre: Separated Young People	46,656
BBC Children in Need	London Centre: Childrens Services	35,000
Trust for London	London Centre: Policy Work	30,000
City Bridge Trust	London Centre: Children's Services	21,250
The Rayne Foundation	North West Centre: Childrens Services	20,000
The Robertson Trust	Scotland Centre: Therapy Services	20,000
The DG Charitable Settlement	Scotland Centre: Separated Young Torture Survivors Services	15,000
Philip King Charitable Trust	Legal Advice & Welfare	15,000
The Evan Cornish Foundation	Yorkshire office: Therapy services	11,000
Ptarmigan Trust	North West Centre: Music Therapy	10,000
The Green Room Charitable Trust	London Centre: Children and Young Peoples Services	10,000
Three Oaks Trust	West Midlands Centre: Client Interpretation	10,000
The RS Macdonald Charitable Trust	Scotland Centre: Children and Young People Services	10,000
The Garfield Weston Charitable Trust	London Centre: Children and Young People Services	10,000
Stanley Thomas Johnson Foundation	London Centre: Group Work	9,972

Donor	Purpose	£
Alan & Babette Sainsbury Charitable Fund	London Centre: Family therapy Services	7,500
The Delves Charitable Trust	Legal Advice & Welfare	7,500
Patrick and Helena Frost Foundation	London Centre: Write to Life	7,500
Lempriere Pringle 2015	North East Centre: Core Support	5,000
Persula Foundation	London Centre: Write to Life	5,000
Sherburn House Charity	North East Centre: Client Travel and Relief	5,000
Zephyr Charitable Trust	London Centre: Training and Capacity Building	5,000
Birmingham District Nursing Charitable Trust	West Midlands Centre: Core Support	4,000
Balcombe Trust	Client Relief	3,000
Homelands Charitable Trust	London Centre: Children's Services	3,000
Ashla Trust	London Centre: Write to Life	3,000
The Schuh Trust	Scotland Centre: Garden Project	3,000
Kilpatrick Fraser Charitable Trust	Scotland Centre: Healing Neighbourhoods Equipment	2,400
Miss KM Harbinson's Charitable Trust	Scotland Centre: Therapy Services	2,200
Dutchy of Lancaster Benevolent Fund	North West Centre: Client Travel & Relief & Volunteer Travel	2,000
Father O'Mahony Memorial Trust	West Midlands Centre: Core Support	2,000
Ian Fleming Charitable Trust	Scotland Centre: Therapy Services	2,000
Maple Trust	Scotland Centre: Children and Young Peoples Services	2,000
Margaret Murdoch Trust	Scotland Centre: Therapy Services	2,000
The Eveson Charitable Trust	West Midlands Centre: Group Activities	2,000
The Jill Franklin Trust	North East Centre: Core Support	2,000
The Porta Pia 2012 Foundation	London Centre: Children's Services	2,000
The Sir James Reckitt Charity	Yorkshire & Humberside Hub: Therapy and Training	2,000
London Catalyst	London Centre: Client Relief	1,500
London Churches Refugee Fund	London Centre: Client Relief	1,750
Netherdale Trust	Scotland Centre: Therapeutic Support	1,375
JTH Charitable Trust	Scotland Centre: Garden Project	1,250
John Avins Trust	West Midlands Centre: Core Support	1,000
Kenneth Barge Memorial Trust	Scotland Centre: Garden Project	1,000
Constance Paterson Charitable Foundation	London Centre: Children and Family Therapy	1,000
Madeline Mabey Trust	North West Centre: Therapy Services	1,000
Pea Green Community First Fund	North East Centre: Garden Therapy	1,000
Gordon Fraser Charitable Trust	Scotland Centre: Garden Project	1,000
The Mackintosh Foundation	London Centre: Music Therapy	1,000
The Peter Kershaw Trust	North West Centre: Core Support	1,000
The Sir Jules Thorn Charitable Trust	London Centre: Music Therapy	1,000
The Sutasoma Trust	London Centre: Garden Therapy	1,000
William A Cadbury Charitable Trust	West Midlands Centre: Therapy Services	1,000
The Bleakley Trust	West Midlands Centre: Core Support	600
The Hadrian Trust	North East Centre: Allotment Project	500
The Inchcape Foundation	Scotland Centre: Therapy Services	500
Richard Kilcuppe's Charity	West Midlands Centre: Core Support	500
Scottish Refugee Council	Scotland Centre: Garden Event	500
West of Scotland Regional Equality Council	Scotland Centre: Garden Project	500

At the end of 2017 there were 23 open residuary legacies with an estimated total value of £532,000 which had not met the conditions for recognition as income during the year (2016 - 9 legacies total value £303,000). In addition, there are six estates with an estimated total value of £40,500 which will be released on the expiration of life trusts.

Notes to the financial statements for the year ended 31 December 2017

3. OTHER TRADING ACTIVITIES (INCL. FUNDRAISING)

	2017	2016
	£	£
Raffles	102,901	110,124
Fundraising events	180,935	138,885
Christmas cards	11,265	13,527
Sundry	22,471	10,175
	<u>317,572</u>	<u>272,711</u>

4. INCOME FROM CHARITABLE ACTIVITIES

2017	2017	2017
	Unrestricted	Restricted
	funds	funds
	£	£
	£	£
Grants from government and public bodies:		
European Commission (see breakdown below)	-	49,994
Big Lottery Fund (see below)	-	505,585
Scottish Government	-	35,000
Others		13,032
Sub-total government and public bodies	-	<u>603,611</u>
Fees for medico-legal reports	284,601	-
Training fees	50,010	-
Publications sales and room hire	160	-
Total	<u>334,771</u>	<u>603,611</u>

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

Notes to the financial statements for the year ended 31 December 2017

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

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

Freedom from Torture was grateful to receive a grant from the European Commission in 2017 as follows:

	Restricted Funds £
European Commission funds	
Rehabilitation services and exploration of best practices for adult torture survivors and their families in the UK and Ireland HOME/2014/PAVT/AG/6538	49,994
	<u>49,994</u>

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

Freedom from Torture was grateful to receive five grants from the Big Lottery fund in 2017 as follows:

	Restricted Funds £
Helping Torture Survivor Families Recover to Rebuild Their Lives ID/1/010459375	78,132
Holistic Support for Torture Survivors Reaching Communities: ID 31023924	80,656
Helping Adult Torture Survivors Recover to Rebuild Their Lives: ID 10259774	87,963
Holistic Rehabilitation to help Survivors of Torture Rebuild their Lives ID 0010286404	129,769
Healing Neighbourhoods - Integrating Survivors of Torture ID 0010295140	129,065
	<u>505,585</u>

The grants above contributed to family therapy in Scotland, adult therapy in London, North West of England and West Midlands for survivors of torture and a community development project in Glasgow.

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

Notes to the financial statements for the year ended 31 December 2017

5. COST OF RAISING FUNDS

	2017	2016
	£	£
Direct Marketing	1,359,153	1,155,107
Legacies	104,201	63,526
Trusts and Corporate	172,293	239,450
Events	137,682	105,835
Local Groups	59,605	68,655
Community	77,352	100,169
Major Donors	290,245	158,282
Grants	140,962	137,835
Cost of raising voluntary income	2,341,493	2,028,859
Cost of activities for generating funds	66,039	83,232
Total cost of raising funds	2,407,532	2,112,091

6. ANALYSIS OF TOTAL EXPENDITURE

2017	Staff costs	Other direct costs	Support costs	Total 2017
	£	£	£	£
Raising funds:				
Donations and legacies	835,378	1,069,892	436,223	2,341,493
Trading activities	28,796	20,174	17,069	66,039
	864,174	1,090,066	453,292	2,407,532
Charitable expenditure:				
Activities in furtherance of our objects:				
Medical/therapy/casework	3,114,091	255,462	1,129,444	4,498,997
Education/training/info.	537,764	29,362	261,402	828,528
Human rights work	587,024	134,431	267,006	988,461
Relief grants	9,323	111,630	3,390	124,343
	4,248,202	530,885	1,661,242	6,440,329
Support costs	839,436	1,275,098	(2,114,534)	-
Total expenditure	5,951,812	2,896,048	-	8,847,861

Notes to the financial statements for the year ended 31 December 2017

2016	<i>Staff costs</i>	<i>Other direct costs</i>	<i>Support costs</i>	<i>Total 2016</i>
	<i>£</i>	<i>£</i>	<i>£</i>	<i>£</i>
Raising funds:				
Donations and legacies	706,456	973,564	348,839	2,028,859
Trading activities	40,792	18,942	23,500	83,232
	<u>747,248</u>	<u>992,506</u>	<u>372,339</u>	<u>2,112,091</u>
Charitable expenditure:				
Activities in furtherance of our objects:				
Medical/therapy/casework	3,043,507	246,088	1,107,764	4,397,359
Education/training/info.	533,971	43,097	240,808	817,876
Human rights work	585,184	97,860	231,355	914,399
Relief grants	8,366	100,761	3,374	112,501
	<u>4,171,028</u>	<u>487,804</u>	<u>1,583,301</u>	<u>6,242,135</u>
Support costs	631,509	1,324,131	(1,955,640)	-
Total resources expended	<u>5,549,785</u>	<u>2,804,441</u>	<u>-</u>	<u>8,354,226</u>

All expenditure on raising funds was unrestricted (2016 - the same); of the charitable activities expenditure £5,415,223 was unrestricted (2016 - £5,129,177) and £1,025,106 was restricted (2016 - £1,112,958).

Relief grants include £111,629 (2016 - £100,761) given to individuals and families. Of this, £76,539 provided approximately 8,000 small grants to pay clients' fares in order that they could attend sessions at our clinical centres and £35,089 provided approximately 1,000 larger grants, mainly in respect of subsistence to clients unable to access state support, rehabilitation and holidays hosted by supporters of Freedom from Torture.

Net incoming resources are stated after charging:

	Total 2017	Total 2016
	£	£
Auditors' remuneration:		
Audit fee - statutory accounts	10,445	10,445
Audit fee - non audit services	845	2,911
Operating lease rentals - Land and buildings	<u>157,221</u>	<u>121,024</u>

Notes to the financial statements for the year ended 31 December 2017

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

2017	Premises/phone furniture/post equipment/print £	Gover- nance £	Financial adminis- tration £	Senior manage- ment £	HR & staff training £	2017 Total allocated £
Raising funds:						
Donations and legacies	200,031	4,206	90,942	63,539	77,505	436,223
Trading activities	7,827	165	3,558	2,486	3,033	17,069
	207,858	4,371	94,500	66,025	80,538	453,292
Charitable expenditure:						
Activities in furtherance of our objects:						
Medical/therapy/casework	517,909	10,890	235,461	164,512	200,672	1,129,444
Education/training/info.	119,867	2,520	54,496	38,075	46,444	261,402
Human rights work	122,436	2,574	55,664	38,892	47,440	267,006
Relief grants	1,554	33	707	494	602	3,390
	761,766	16,017	346,328	241,973	295,158	1,661,242
Total	969,624	20,388	440,828	307,998	375,696	2,114,534
2016	Premises/phone furniture/post equipment/print £	Gover- nance £	Financial adminis- tration £	Senior manage- ment £	HR & staff training £	2016 Total allocated £
Raising funds:						
Donations and legacies	178,418	3,840	75,317	35,225	56,039	348,839
Trading activities	12,019	259	5,074	2,373	3,775	23,500
	190,437	4,099	80,391	37,598	59,814	372,339
Charitable expenditure:						
Activities in furtherance of our objects:						
Medical/therapy/casework	566,580	12,194	239,174	111,860	177,956	1,107,764
Education/training/info.	123,166	2,651	51,991	24,315	38,685	240,808
Human rights work	118,329	2,547	49,951	23,362	37,166	231,355
Relief grants	1,727	36	729	340	542	3,374
	809,802	17,428	341,845	159,877	254,349	1,583,301
Total	1,000,239	21,527	422,236	197,475	314,163	1,955,640

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

Notes to the financial statements for the year ended 31 December 2017

7. STAFF COSTS AND TRANSACTIONS WITH TRUSTEES

	2017	2016
	£	£
Salaries (including temporary staff)	4,909,349	4,588,265
Interpreters	336,619	319,715
Social security	411,500	369,218
Pension contributions	273,676	251,616
Life assurance contributions	20,668	20,970
	<u>5,951,812</u>	<u>5,549,784</u>

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

The year-end creditors includes an amount of £38,804 (2016 - £34,444) for accrued pension costs.

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

	2017	2016
£60,001 - £70,000	1	2
£70,001 - £80,000	2	-
£80,001 - £90,000	1	2
£90,001 - £100,000	-	-
£100,001 - £110,000	1	-

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

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

Total employee benefits for these posts amounted to £517,554 (2016 - £515,614)

All the employees in the above categories participated in the pension scheme. Contributions made for them amounted to £35,591 (2016 - £26,958).

Notes to the financial statements for the year ended 31 December 2017

The Trustees act in a voluntary capacity and received no remuneration. 4 (2016-4) Trustees received reimbursement of expenses totalling £1,715 during the year (2016 - £1,344). There were no other related party transactions in the year (2016 - £nil).

Staff costs included redundancy and termination payments arising in the year of £222,883 (2016 - £107,876).

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

	2017	2016
Medical, therapeutic and casework	64	64
Interpreters services including admin	9	9
Education, training and information	12	11
Human rights work	12	11
Support	15	14
Fundraising	18	17
Total full-time equivalent (salaried staff)	130	126
Interpreters self employed	6	4
Total full time equivalent (all staff)	136	130
Total on payroll, full time and part time	166	157

During the year the Foundation was fortunate also to have the services of around 150 (2016 - 169) part-time volunteers. Most worked in the medical, therapeutic and casework area.

Notes to the financial statements for the year ended 31 December 2017

8. TANGIBLE AND INTANGIBLE FIXED ASSETS

	Tangible Fixed Assets				2017 Total £
	Freehold land and building £	Long Leasehold building £	Computer hardware/ Office equipment £	Furniture/ Fixtures & fittings £	
Cost:					
At 01.01.17	5,419,752	435,331	808,789	453,561	7,117,433
Additions	-	-	58,889	230,472	289,361
Disposals	-	-	-	-	-
At 31.12.17	5,419,752	435,331	867,678	684,033	7,406,794
Depreciation:					
At 01.01.17	1,304,254	79,136	746,243	431,779	2,561,412
Charge for the year	105,303	7,124	42,576	70,952	225,955
Eliminated on disposals	-	-	-	-	-
At 31.12.17	1,409,557	86,260	788,819	502,731	2,787,367
Net book values:					
At 31.12.16	4,115,498	356,195	62,546	21,782	4,556,021
At 31.12.17	4,010,195	349,071	78,859	181,302	4,619,427
					Intangible Fixed Assets £
Database software					
Cost:					
At 01.01.17					611,741
Additions					6,770
Disposals					-
At 31.12.17					618,511
Amortisation:					
At 01.01.17					562,349
Charge for the year					20,012
Eliminated on disposals					-
At 31.12.17					582,361
Net book values:					
At 31.12.16					49,392
At 31.12.17					36,150

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

Notes to the financial statements for the year ended 31 December 2017

9. INVESTMENTS

At the end of 2017 the charity held listed investments comprising of shares valued at £16,195 (2016 - £14,289) which had been donated by supporters. The main holding is Scottish Investment Trust Plc £15,286 (2016 - £13,496).

	2017	2016
	£	£
Market value at beginning of year	14,289	10,986
Unrealised investment gain/(loss)	1,906	3,303
Market value at end of year	<u>16,195</u>	<u>14,289</u>

In addition to the investments described above the charity retained the shares comprising its £100 (2016-£100) investment in its trading subsidiary company, Survivors Trading Limited. Survivors Trading has been dormant since 2011 and therefore there was no turnover income or expenditure. Net assets amounted to £8 at the year-end (2016-£8). The income, expenditure, assets and liabilities of the trading company are not consolidated in this financial statements due to their immateriality. Copies of Survivors Trading's financial statements are available from 111 Isledon Road, London, N7 7JW.

10. DEBTORS

	2017	2016
	£	£
Trade debtors (medico-legal report fees)	239,521	184,870
Bad debts provision	(23,848)	(18,249)
Tax recoverable on Gift Aid donations	186,570	143,033
Legacies	847,650	320,447
Sundry debtors	61,013	98,335
Prepayments	30,199	48,601
	<u>1,341,105</u>	<u>777,037</u>

11. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2017	2016
	£	£
Bank loan repayable within one year	96,734	98,544
Trade creditors	167,011	139,021
Inland Revenue: PAYE and NI contributions	113,284	112,647
Staff salaries and pensions	38,804	34,444
Other accruals	131,148	58,012
	<u>546,981</u>	<u>442,668</u>

See details of bank loan below in note 12.

Notes to the financial statements for the year ended 31 December 2017

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

	2017	2016
	£	£
Between one and two years	96,733	98,544
Between two and five years	299,654	305,266
More than five years	115,161	201,911
	<u>511,548</u>	<u>605,721</u>

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

13. LEASE COMMITMENTS

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

	2017	2016
	£	£
Up to one year	79,134	79,134
Between one and five years	88,060	151,500
Later than five years	-	-
	<u>167,194</u>	<u>230,634</u>

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

Notes to the financial statements for the year ended 31 December 2017

14. MOVEMENTS IN FUNDS

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

2017	Brought forward at end 2016 £	Incoming during 2017 £	Outgoing during 2017 £	Transfers & investm. gains 2017 £	Carried forward at end 2017 £
Restricted funds:					
Medico-legal work	-	-	-	-	-
Psychological therapy - Adults	19,560	138,150	(139,134)	-	18,576
Psychological therapy - CYPF	15,847	89,750	(81,055)	-	24,542
Group work - Adults	40,000	1,000	(36,512)	-	4,488
Group work - CYPF	8,300	11,972	(20,272)	-	-
North West centre	8,790	273,020	(268,280)	-	13,530
Scotland centre	26,606	307,235	(220,071)	-	113,770
North East centre	337	13,500	(8,962)	-	4,875
West Midlands centre	8,502	151,300	(106,652)	-	53,150
Yorkshire and Humberside hub	2,000	13,000	(9,354)	-	5,646
Survivors writing group - Write 2 Life project	8,625	15,500	(16,750)	-	7,375
Training & capacity building	-	5,000	(5,000)	-	-
Research	-	13,032	(13,032)	-	-
Human rights work	11,333	92,656	(80,450)	-	23,539
Relief grants	750	38,750	(4,458)	-	35,042
Memorial lectures in memory of A. Wetherfield	37,768	-	(8,000)	-	29,768
North East centre Fixed Assets reserve	356,194	-	(7,124)	-	349,070
	544,612	1,163,865	(1,025,106)	-	683,371
Designated funds:					
Fixed assets reserve	3,544,954	-	-	151,460	3,696,414
Recovery fund	400,000	-	(400,000)	-	-
Working Capital Reserve	-	-	-	794,124	794,124
Long term donation	526,812	13,170	(13,170)	-	526,812
Major building repairs	412,400	-	-	40,000	452,400
	4,884,166	13,170	(413,170)	985,584	5,469,750
General reserve (unrestricted fund)	1,955,978	8,451,103	(7,409,585)	(983,678)	2,013,818
Sub-total: Charity funds	7,384,756	9,628,138	(8,847,861)	1,906	8,166,939

Notes to the financial statements for the year ended 31 December 2017

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

Notes to the financial statements for the year ended 31 December 2017

The capitalised expenditure on the North East centre (North East Centre fixed assets reserve) is considered restricted as the grant provided towards these costs, imposes specific condition that the building should continue to be used for the purpose of the Freedom from Torture. The £7,124 outgoing resources represents the depreciation on the building.

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

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

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

The working capital reserve represents the extent to which unrestricted funds are tied up in working capital.

Notes to the financial statements for the year ended 31 December 2017

15. ANALYSIS OF ASSETS AND LIABILITIES BETWEEN FUNDS

2017	Unrestricted Funds			2017 Total £
	Restricted Funds	Designated Funds	General Reserve	
	£	£	£	
Tangible and intangible fixed assets	349,070	4,306,507	-	4,655,577
Investments	-	-	16,195	16,195
Net current assets	334,301	1,674,791	1,997,623	4,006,715
Long term loan	-	(511,548)	-	(511,548)
	<u>683,371</u>	<u>5,469,750</u>	<u>2,013,818</u>	<u>8,166,939</u>

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

16. TAXATION

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

17. FINANCIAL INSTRUMENTS

	2017	2016
	£	£
Carrying amount of financial assets		
Instruments measured at fair value through profit or loss	16,195	14,289
Debt instruments measured at amortised cost	249,954	218,581
	<u>266,149</u>	<u>232,870</u>
Carrying amount of financial liabilities		
Measured at amortised cost	945,244	935,742

Reference and Administrative Details of the Charity

Board of Trustees

Susan Berelowitz (Chair from September 2017)
 Melanie Essex (Vice Chair)
 Gillian Fawcett FCCA (Treasurer)
 Raj Chada
 Charles Middleton

Serge Eric Yamou
 Sonali Naik
 Sarah Taylor Peace
 Fiona Goudie
 Michael Johnson MB ChB DPH

Professor Francesca Klug (Chair resigned on 16 June 2017)
 Peter Atfield (Vice Chair end of term 24 March 2018)
 Claire-Louise Leyland (Resigned from 30 April 2017)
 Rebecca Wright (Resigned 12 December 2017)
 Lady Alison Kelly (End of term 11 March 2017)

Chief Executive

Sonya Sceats

Registered Office

111 Isledon Road, London N7 7JW

Charity Registration Number

1000340

Scottish Charity Number

SC039632

Company Registration Number

2398586

Registered Name

Medical Foundation for the Care of Victims of Torture
 ("Freedom from Torture")

Bankers

National Westminster Bank plc
 95 High Street, Huntingdon
 Cambs PE29 3DT

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

Solicitors

Howard Kennedy LLP
 1 London Bridge, London SE1 9BG

Auditors

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

Bates Wells & Braithwaite London LLP
 10 Queen Street Place London EC4R 1BE

Ethics & Values Committee

Susan Berelowitz (Chair)
 Melanie Essex (Vice Chair)

Charles Middleton

Finance & Fundraising Committee

Gillian Fawcett (Chair)
 Sarah Taylor Peace (Vice Chair)

Susan Berelowitz
 Charles Middleton

Clinical & Legal Governance Committee

Susan Berelowitz (Chair)
 Fiona Goudie (Vice Chair)

Raj Chada
 Michael Johnson

Policy Committee

Melanie Essex (Chair)
 Sonali Naik (Vice Chair)

Susan Berelowitz
 Serge Eric Yamou

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

www.freedomfromtorture.org

www.facebook.com/FreedomfromTorture

www.twitter.com/FreefromTorture