

**IM01 Limited
(trading as Inter Mediate)**

**Annual Report and
Financial Statements**

31 March 2017

Company Limited by Guarantee
Registration Number
07583904 (England and Wales)

Charity Registration Number
1143848

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Reference and administrative information

Trustees	Dennis Stevenson (chair) Michael Hatchard Lyse Doucet Jasmine Zerini Eamonn McGrath Sebastian Roberts
Chief Executive	Jonathan Powell
Charity registration number	1143848
Company registration number	07583904 (England and Wales)
Registered Address	3 Dean Trench Street London SW1P 3HB
Independent Auditor	Buzzacott LLP 130 Wood Street London EC2V 6DL
Banker	Coutts & Co 440 Strand London WC2R 0QS

The Trustees present their report and the independently audited financial statements of IM01 Limited (operating as "Inter Mediate") for the year ended 31 March 2017. These have been prepared in accordance with the accounting policies set out on pages 14 to 17 and comply with the charitable company's memorandum and articles of association, applicable laws and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), effective from accounting periods commencing 1 January 2015 or later.

The report has been prepared in accordance with Part 8 of the Charities Act 2011 and also constitutes a directors' report as required by section 418 of the Companies Act of 2006.

Structure, governance and management

Inter Mediate is registered with Companies House (on 30 March 2011) and the Charity Commission (on 19 September 2011). The constitution of Inter Mediate is filed with Companies House and provides inter alia for the appointment and removal of the trustees who constitute directors of the charity for the purposes of Companies Act 2006.

The charity is a company limited by guarantee governed by a board comprised of its trustees that may consist of between 3-8 members. There are currently six trustees. On the anniversary of incorporation, at least one third of the trustees retires by rotation, and may be eligible for re-election. During the course of the year one trustee was re-elected to the board. A trustee may serve for a period of up to eight years in total. The chairman is elected from the board of trustees. Inter alia the trustees set the policy and strategy of the charity, and review its progress. They hold at least two meetings per year, and additional meetings can be arranged as required.

The composition of the board of trustees, both in regards to numbers and the mix of skills and experience, is kept under review. When circumstances justify or vacancies arise, individuals with appropriate qualifications are invited to become trustees and are elected by existing trustees or otherwise as the constitution provides. All trustees are unpaid.

The Inter Mediate board has two committees with delegated responsibility for oversight of key areas of Inter Mediate's work. The Finance & Audit (F&A) committee met in July 2016 and February 2017. The Chair of the F&A also meets quarterly with IM's management team to review the management accounts, budgets and cashflow. A Risk & Crisis Management (R&C) Committee was established in early 2016 to consider IM's risks, security and mitigation strategy. The R&C held its first meeting in June 2016 and met again in October 2016. Both Committees report to the full Board.

Structure, governance and management (continued)

Inter Mediate has in place a set of principles which are applied for identifying transactions and decisions in which individuals may have a personal interest, and a process for managing potential conflicts of interest. These principles apply to individuals at all levels in the decision making process, including trustees, employees and external advisors.

Day-to-day management of Inter Mediate is delegated to the Chief Executive, who works with his staff and external specialists and mediators.

The Trustees who served throughout the year were:

Dennis Stevenson
Michael Hatchard
Lyse Doucet
Jasmine Zerini
Eamonn McGrath
Sebastian Roberts

There were no appointments to or resignations from the Board during the period.

Key management personnel

The Trustees consider that they, together with the Chief Executive and senior management team comprise the key management of the charity in charge of directing and controlling, running and operating the charity on a day to day basis.

The remuneration of key management personnel is set and approved by the Trustees. Remuneration is set in the context of market rates and industry benchmarks and is reviewed annually.

Risk Management

The trustees have assessed the major risks to which the charity is exposed, in particular those relating to the specific operational areas of the charity, and its donations and finances. The key areas of risk continue to be: 1) risk to personnel undertaking work in the field; 2) risks to internal stability and planning arising from a restricted portfolio of funding sources; and 3) risk to continuity of operations should our Chief Executive be incapacitated for any reason.

The first area of risk is mitigated by rigorous security and risk assessment undertaken around staff travel. The charity has developed good sources of up to the minute security intelligence from multiple sources. Detailed risk assessment procedures are followed and involve senior management and, when required, board input and approval. Proper preparation, including regular access to hostile environment training, is undertaken with staff prior to travel and strict communication plans are put in place for trip durations.

Risk Management (continued)

The second area of risk is mitigated by strong financial planning and review procedures. The board consider a financial report at every meeting and are consulted outside meetings where necessary. A full budget for the year is agreed by the board with particular attention paid to spread of funders and new donor relationship development. Over the last three years the charity has instituted a pricing model designed to produce full cost recovery. This has proved a successful approach and positions the charity with appropriate resources to be able to respond to opportunities as they arise.

The third area of risk is partially managed through the procedures we have in place around travel risk and security and through steps taken to leverage and support the role of the current Chief Executive. The senior staff aim to undertake a monthly review of his travel and other commitments with a view to reducing these wherever possible.

The board is assisted by the Risk and Crisis Management committee. The purpose of the committee is to dedicate board level expertise, resource and support to the senior staff team on risk issues. The committee undertakes ongoing review of the risk register, considers overall security and risk procedures and is available during crisis management as necessary.

Public benefit

The trustees consider that they have complied with Section 4 of the Charities Act 2011 with regard to the guidance on public benefit published by the Charity Commission. The paragraphs below demonstrate the public benefit arising through the charity's activities, namely to create the conditions for the lasting resolution of violent conflict, the advancement of conflict resolution and reconciliation through dialogue and mediation.

Objectives and Activities

As a neutral and non-partisan organisation the charity's objective is to help create the conditions for the lasting resolution of violent conflict, the advancement of conflict resolution and reconciliation through dialogue and mediation.

The four main strategic objectives are to:

- ◆ build trust between parties to a conflict by helping build the relationships that will underpin a channel of communication between the sides;
- ◆ open sustainable and effective channels of communication between parties by acting as a mediator or intermediary or advisor to the relevant parties;
- ◆ prepare parties for effective participation in negotiations through promoting best practice, training and sharing lessons learned;
- ◆ initiate effective negotiations between parties by engaging in sustained, low-profile, in-country engagement to support the emergence of lasting peace settlements.

To this end Inter Mediate has carried out the activities described below:

Achievements, performance and future plans

Overview

In 2016-17, Inter Mediate continued to expand our portfolio of work and deepen our relationships with existing parties. Requests for Inter Mediate's support continued to be received. We continue to work proactively to connect with NGO and Government actors around the world. This enables us to enhance our work and increase awareness of our provision within circles most likely to wish to access it.

Projects and partnerships

During the course of the year, Inter Mediate ran ten funded projects in the Americas, Africa, the Middle East, and Asia. Many of these will continue into next year. Inter Mediate staff provided strategic guidance, negotiation training and technical assistance to governments and opposition groups. Working with an expanding network of negotiation, conflict resolution and country specialists, Inter Mediate effectively leveraged the experience of its staff to maximise our reach and impact. Inter Mediate has also maintained very high standards of discretion and confidentiality. Appropriate information management and the protection of politically sensitive discussions are at the core of the organisation's ability to operate effectively.

Inter Mediate has also dedicated significant efforts toward scoping and assessment work in support of new project development. This due diligence activity, which is critical to establishing relationships and identifying opportunities for engagement, underpins the organisation's ability to then raise government funding for longer-term projects.

As before, Inter Mediate will continue to pursue the work begun around the world. We will also explore additional opportunities to engage in existing and new regions particularly in situations where no dialogue between the sides exists or where Inter Mediate's expertise can add significant value to current efforts.

The Chief Executive stepped down from his role as the Prime Minister's Special Envoy on Libya following the Prime Minister's resignation.

In 2016-17, Inter Mediate continued to develop partnership arrangements with other NGO/inter-government organisations. These partnerships have allowed the charity to maximise its impact through engagement with other professionals who bring complementary expertise and experience to bear on the projects.

Donors and fundraising

Inter Mediate's project funding base remained stable throughout the year.

The private unrestricted funds raised in 2012-13 continued to support our work in 2016-17. Nevertheless, the board remains focused on maintaining a strong balance sheet, and so the charity continued to engage private donors and foundations with a view to raising more unrestricted funds in the future. This resulted in a new agreement for a core grant secured from a European charitable foundation, and is to be applied to Inter Mediate's whole project portfolio. Initial discussions with these funders suggest that they are keen to continue the partnership for the coming year.

Inter Mediate concluded its third and final year of framework funding with two donors. This support is vital to the charity's ability to plan for project implementation and anticipate future fundraising requirements. One framework will not be continued as these donors are supporting our work through project specific grants. The second framework is in the process of being reviewed and renewed.

The independent, tax-exempt non-profit organisation in the US, "Friends of Inter Mediate" continued to function with the pro bono support of Skadden Arps.

Future plans

Inter Mediate continues to research, evaluate and respond to conflict situations around the world, identifying situations in which the charity can play a useful role. IM has reached its sixth year of operations and has successfully implemented a controlled approach to growth of its internal staff team. We are aiming to add to the staff team in the coming year to enable good management of the workload. We will continue to consolidate our staff team, aiming to offer good development prospects and thereby cement longevity and expertise.

The charity has encouraged staff to use the training budget to avail themselves of courses supporting continuing professional development and will continue to do so.

Inter Mediate continues to run a successful six-month paid internship programme, and receives a high number of applications from strong candidates.

Financial review

The charity is entirely dependent on grant and private donation funding.

During 2016-17, Inter Mediate had total income of £2,079,995 (2016 - £1,504,044) comprising unrestricted private donations of £120,458 (2016 - £81,918), grants of £1,959,010 (2016 - £1,421,393) and investment income of £437 (2016 - £733). The grant funding was restricted to specific purposes and subject to donor imposed conditions. Details of these restricted funds can be found in note 2 to the financial statements.

Financial review (continued)

During the year, £1,915,172 (2016 - £1,592,361) was spent on restricted projects across Africa, Asia, the Middle East and the Americas. In addition, the charity spent £21,361 (2016 - £16,474) on its fundraising effort.

Total funds of the charity at 31 March 2017 were £744,779 (2016 - £601,317), comprising restricted funds of £227,138 (2016 - £176,491) and unrestricted funds of £517,641 (2016 - £424,826). These funds are represented by tangible fixed assets with a net book value of £4,844 (2016 - £717) and net current assets of £739,935 (2016 - £600,600).

The trustees are keen to ensure the company's efficient running, to remain confident of meeting its forward commitments, and to provide assurance to its staff, partners and beneficiaries about its stability in the event of any significant delay in receipt of, reduction in, or cancellation of grant income.

As a result, the trustees have concluded that the company should maintain a reserve with the objective that it has sufficient unrestricted funds to enable it to meet its anticipated operating costs for at least the following four months. The minimum level of free reserves required for this purpose is currently set at £320,000. All such reserves are to be held in a bank account to ensure that they are available for use to meet the charity's obligations and commitments, should the necessity arise.

The unrestricted fund of £517,641 consists of tangible fixed assets of £4,844 and free reserves of £512,797. The free reserves are higher than the minimum level of free reserves set by the trustees, which will provide capacity for developing new programmes and will provide additional flexibility in situations where donors pay in arrears and/or between government funding cycles.

All committed liabilities are covered either in reserve or by available resources.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also directors of Inter Mediate for the purposes of company law) are responsible for preparing the trustees' report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the income and expenditure of the charitable company for that period. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the income and expenditure of the charitable company for that period.

STATEMENT OF TRUSTEES' RESPONSIBILITIES (continued)

In preparing these financial statements, the trustees are required to:

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

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and 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. 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.

PROVISION OF INFORMATION TO AUDITORS

Each of the trustees confirms that:

- ◆ so far as the trustee is aware, there is no relevant audit information of which the charitable company's auditor is unaware; and
- ◆ the trustee has taken all the steps that he/she ought to have taken as a trustee in order to make himself/herself aware of any relevant audit information and to establish that the charitable company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

In preparing the Trustees' report advantage has been taken of the small companies' regime. This report was approved by the board of trustees on 27 July 2017 and signed on their behalf by:

Dennis Stevenson

Chairman

Independent auditor's report to the members of IM01 Limited

We have audited the financial statements of Inter Mediate for the year ended 31 March 2017 which comprise the statement of financial activities, the balance sheet, the statement of cash flows, the principal accounting policies and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS102, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland.

This report is made solely to the charity's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charity's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of Trustees and auditor

The trustees are also the directors of the charitable company for the purposes of company law. As explained more fully in the Trustees' Responsibilities Statement set out in the Trustees' Annual Report, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

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

Scope of the audit of the financial statements

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

Opinion on financial statements

In our opinion the financial statements:

- ◆ give a true and fair view of the state of the charitable company's affairs as at 31 March 2017 and of its income and expenditure for the year then ended;
- ◆ have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- ◆ have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit, the information given in the Trustees' Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements and the Trustees' Annual Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have identified no material misstatements in the Trustees' Annual Report.

The Companies Act 2006 requires us to report to you if, in our opinion:

- ◆ adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- ◆ the financial statements are not in agreement with the accounting records and returns; or
- ◆ certain disclosures of trustees' remuneration specified by law are not made; or
- ◆ we have not received all the information and explanations we require for our audit; or
- ◆ the trustees were not entitled to take advantage of the small companies exemption from the requirement to prepare a Strategic Report.

We have nothing to report in respect of these matters.

Buzzacott LLP

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

21 September 2017

Statement of financial activities for the year to 31 March 2017
(including Income and Expenditure Account)

	Notes	Unrestricted funds 2017 £	Restricted funds 2017 £	Total funds 2017 £	Total funds 2016 £
Income from:					
Donations and legacies	1	120,548	-	120,548	81,918
Charitable activities	2	-	1,959,010	1,959,010	1,421,393
Investments	3	418	19	437	733
Total income		120,966	1,959,029	2,079,995	1,504,044
Expenditure on:					
Raising funds	4	21,361	-	21,361	16,474
Charitable activities	5	-	1,915,172	1,915,172	1,592,361
Total expenditure		21,361	1,915,172	1,936,533	1,608,835
Net income /(expenditure) and movement in funds		99,605	43,857	143,462	(104,791)
Transfers	13	(6,790)	6,790	-	-
Fund balances brought forward at 1 April 2016		424,826	176,491	601,317	706,108
Funds balances carried forward at 31 March 2017		517,641	227,138	744,779	601,317

There is no difference between the net movement in funds stated above and the historical cost equivalent.

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

The charity has no recognised gains and losses other than those shown above.

The Notes to the financial statements on pages 18 to 26 form part of these financial statements.

Balance sheet at 31 March 2017

	Notes	2017 £	2017 £	2016 £	2016 £
Fixed assets					
Tangible fixed assets	8		<u>4,844</u>		<u>717</u>
Current assets					
Debtors due within one year	9	351,229		72,025	
Cash at bank and in hand		<u>646,852</u>		<u>785,004</u>	
		998,081		857,029	
Current liabilities					
Creditors: amounts falling due within one year	10	<u>(258,146)</u>		<u>(256,429)</u>	
Net current assets			<u>739,935</u>		<u>600,600</u>
Net assets	12		<u>744,779</u>		<u>601,317</u>
Funds					
Unrestricted funds:					
. General fund			<u>517,641</u>		<u>424,826</u>
Restricted funds			<u>227,138</u>		<u>176,491</u>
Total funds	13		<u>744,779</u>		<u>601,317</u>

Approved by the board of trustees of IM01 Limited, Company Registration Number 07583904 (England and Wales) and signed on their behalf by:

Dennis Stevenson
Chairman

Approved on: 27 July 2017

Statement of cash flows year to 31 March 2017

	2017 £	2017 £	2016 £	2016 £
Cash flow from operating activities				
Net income / (expenditure)	143,462		(104,791)	
Adjustments for:				
. Depreciation	2,332		717	
. (Increase) / decrease in debtors	(279,204)		34,836	
. Increase in creditors	1,717		92,239	
Net cash provided by operating activities		(131,693)		23,001
Cash flow from investing activities				
. Purchase of tangible fixed assets	(6,459)		—	
Net cash (used in) investing activities		(6,459)		—
Change in cash and cash equivalents in the year		(138,152)		23,001
Cash and cash equivalents at the beginning of the year		785,004		762,003
Cash and cash equivalents at the end of the year		646,852		785,004

Principal accounting policies year to 31 March 2017

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the accounts are laid out below.

Basis of preparation

These accounts have been prepared for the year to 31 March 2017.

The accounts have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant accounting policies below or the notes to these accounts.

The accounts have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) (Charities SORP FRS 102) issued on 16 July 2014, the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

The charity constitutes a public benefit entity as defined by FRS 102.

The accounts are presented in sterling and are rounded to the nearest pound.

Critical accounting estimates and areas of judgement

Preparation of the accounts requires the trustees and senior management to make significant judgements and estimates.

The items in the accounts where these judgements and estimates have been made include:

- ◆ the allocation of overheads and governance costs between charitable expenditure categories; and
- ◆ estimating the useful economic life of tangible fixed assets

Assessment of going concern

The trustees have assessed whether the use of the going concern assumption is appropriate in preparing these accounts. The trustees have made this assessment in respect to a period of one year from the date of approval of these accounts.

The trustees of the charity have concluded that there are no material uncertainties related to events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern. The trustees are of the opinion that the charity will have sufficient resources to meet its liabilities as they fall due. The most significant areas of judgement that affect items in the accounts are detailed above. With regard to the next accounting period, the year ending 31 March 2018, the most significant areas that affect the carrying value of the assets held by the charity are the delivery of grant funded activities and securing future funding for these activities (see the risk management section of the trustees' report for more information).

Principal accounting policies year to 31 March 2017

Income

Donations have been credited to the statement of financial activities on an accruals basis. Revenue grants are credited to the Statement of Financial Activities (SOFA) when the charity is considered to have entitlement to the assets, it is probable that the resources will be received, and the monetary value of income can be measured with sufficient reliability. Income is deferred only where the donor has imposed restrictions on the expenditure of resources which amount to pre-conditions for use which have not been met at the balance sheet date (e.g. the receipt in advance of a grant for expenditure in a future accounting period).

Grants from government and other agencies have been included either as income from activities in furtherance of the charity's objectives where these amount to support for specific activities and services, or as donations where the money is given in response to an appeal or with greater freedom of use, for example monies for core funding.

Restricted grants for which the main driver for the charity's entitlement to income is based on staff time delivered on the project are treated as performance related grants and the income is recognised in accordance with the underlying activity. Where funds are received in advance of activity, the income is deferred to a future accounting period

Expenditure

Expenditure has been charged to the Statement of Financial Activities on an accruals basis.

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to the expenditure. All expenditure is accounted for on an accruals basis and includes irrecoverable value added tax.

Expenditure includes the following:

- ◆ The costs of generating funds represent the salaries, direct costs and overheads associated with generating income.
- ◆ The costs of charitable activities, which comprise expenditure on the charity's primary charitable purpose i.e. conflict resolution, reconciliation and peace building. These include support costs, which represent the staff costs incurred directly providing support for the charity's programmes. Support costs include general management, information technology, communications, insurance and other office support for the charity's programmes.

Allocation of support and governance costs

Support costs, represent indirect charitable expenditure. In order to carry out primary purposes of the charity it is necessary to provide support such as general management, information technology, communications, insurance and other office support. These costs are allocated between activities they are supporting on the basis of staff numbers employed during the period and the effort and time required to support that activity.

Principal accounting policies year to 31 March 2017

Allocation of support and governance costs (continued)

Support costs include the costs incurred in the governance of the charity and its assets.

Expenditure is allocated to the particular activity on a direct basis or by allocation based on an estimate of the time spent by each member of staff on each activity or on an estimate of the proportion of costs relating to that activity.

Foreign exchange differences

Foreign currency transactions are translated into sterling at the rates ruling when they occurred. Foreign currency monetary assets and liabilities are translated at the rates ruling at the balance sheet date. Any differences are taken to the Statement of Financial Activities.

Taxation

The company is a charity within the meaning of Para 1 Schedule 6 Finance Act 2010. Accordingly the company is exempt from taxation in respect of income or capital gains within categories covered by Chapter 3 of Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

Tangible fixed assets and depreciation

All assets with a cost greater than £1,000 and a life expectancy exceeding one year are capitalised.

Tangible fixed assets are included at cost. Depreciation of tangible fixed assets is provided at the following annual rates in order to write off each asset over its estimated useful life:

Fixtures, fittings and equipment - 25% straight line.

Pensions

The charity is part of an occupational pension scheme, which is a defined contribution scheme. The cost of contributions payable by the charity to the scheme is charged to the income and expenditure account as incurred.

Unrestricted funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity.

Restricted funds

Restricted funds are funds that can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the funder/donor or when funds are raised for particular restricted purposes.

Principal accounting policies year to 31 March 2017

Debtors

Debtors are recognised at their settlement amount, less any provision for non-recoverability. Prepayments are valued at the amount prepaid. They have been discounted to the present value of the future cash receipt where such discounting is material.

Cash at bank and in hand

Cash at bank and in hand represents such accounts and instruments that are available on demand or have a maturity of less than three months from the date of acquisition. Deposits for more than three months but less than one year have been disclosed as short term deposits. Cash placed on deposit for more than one year is disclosed as a fixed asset investment.

Creditors and provisions

Creditors and provisions are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Creditors and provisions are recognised at the amount the charity anticipates it will pay to settle the debt. They have been discounted to the present value of the future cash payment where such discounting is material.

Notes to the financial statements year to 31 March 2017

1 Donations and legacies

	Unrestricted Funds £	Restricted Funds £	Total 2017 £
Current Year			
Donations receivable	120,548	—	120,548
Prior Year			
Donations receivable	81,918	—	81,918

Donations receivable includes gift aid of £2,200 (2016: £10,000).

2 Charitable activities

The charity's grants receivable related to the following regions:

	Unrestricted Funds £	Restricted Funds £	Total 2017 £
Current Year			
Africa	—	298,299	298,299
Asia	—	1,108,427	1,108,427
Middle East	—	265,661	265,661
Americas	—	177,111	177,111
Europe	—	—	—
Non region specific	—	109,512	109,512
	—	1,959,010	1,959,010
Prior Year			
Africa	—	224,771	224,771
Asia	—	284,149	284,149
Middle East	—	254,641	254,641
Americas	—	436,348	436,348
Europe	—	196,518	196,518
Non region specific	—	24,966	24,966
	—	1,421,393	1,421,393

Notes to the financial statements year to 31 March 2017

2 Charitable activities (continued)

We would like to acknowledge the following funders for their kind contributions towards furthering Inter Mediate objectives in these regions: Department of Foreign Affairs, Trade & Development (DFATD), Canada; Ministry of Foreign Affairs (MFA), Norway; Foreign & Commonwealth Office (FCO), UK; Federal Department of Foreign Affairs (FDFA), Switzerland; Ministry of Foreign Affairs (MFA), Sweden; Ministry of Foreign Affairs (MFA), The Netherlands.

3 Income from investments

	Unrestricted Funds £	Restricted Funds £	Total 2017 £
Current Year			
Income from investments	418	19	437
Prior Year			
Income from investments	733	—	733

4 Expenditure on raising funds

	Unrestricted Funds £	Restricted Funds £	Total 2017 £
Current Year			
Staff related costs	12,791	—	12,791
Other costs	—	—	—
Reallocation of support (see note 6)	8,570	—	8,570
	21,361	—	21,361
Prior Year			
Staff related costs	8,328	—	8,328
Other costs	2,979	—	2,979
Reallocation of support (see note 6)	5,167	—	5,167
	16,474	—	16,474

5 Expenditure

	Unrestricted Funds £	Restricted Funds £	Total 2017 £
Current Year			
Staff related costs	—	475,823	475,823
Mediation activity related:			
Consultants and advisors	—	488,089	488,089
Travel	—	476,319	476,319
Meeting costs	—	106,112	106,112
Professional services	—	28,771	28,771
Premises costs	—	3,725	3,725
IT & communications	—	11,151	11,151
Other office costs	—	6,358	6,358
Reallocation of support (see note 6)	—	318,824	318,824
	—	1,915,172	1,915,172

	Unrestricted Funds £	Restricted Funds £	Total 2016 £
Prior Year			
Staff related costs	—	446,499	446,499
Mediation activity related:			
Consultants and advisors	—	297,458	297,458
Travel	—	436,442	436,442
Meeting costs	—	82,840	82,840
Professional services	—	16,042	16,042
Premises costs	—	15,252	15,252
IT & communications	—	16,547	16,547
Other office costs	—	8,409	8,409
Reallocation of support (see note 6)	—	272,872	272,872
	—	1,592,361	1,592,361

During the year the charity supported projects in the furtherance of its charitable objectives in the following regions, with the following costs:

	Unrestricted Funds £	Restricted Funds £	Total 2017 £
Current Year			
Africa	—	210,645	210,645
Asia	—	1,049,945	1,049,945
Middle East	—	153,207	153,207
Americas	—	128,092	128,092
Europe	—	—	—
Non region specific	—	373,283	373,283
	—	1,915,172	1,915,172

Notes to the financial statements year to 31 March 2017

5 Expenditure (continued)

	Unrestricted Funds £	Restricted Funds £	Total 2016 £
Prior Year			
Africa	—	144,056	144,056
Asia	—	556,595	556,595
Middle East	—	206,685	206,685
Americas	—	284,632	284,632
Europe	—	135,560	135,560
Non region specific	—	264,833	264,833
	—	1,592,361	1,592,361

6 Support costs

	Raising Funds £	Charitable Activities £	Total 2017 £
Current Year			
<u>Governance costs</u>			
Staff related costs	224	8,342	8,566
Audit fees	253	9,407	9,660
Trustee costs	1	47	48
<u>Other support costs</u>			
Staff related costs	4,173	155,245	159,418
Professional services	410	15,238	15,648
Premises costs	2,235	83,140	85,375
IT & communications	482	17,943	18,425
Other office costs	792	29,462	30,254
	8,570	318,824	327,394

	Raising Funds £	Charitable Activities £	Total 2016 £
Prior Year			
<u>Governance costs</u>			
Staff related costs	226	11,955	12,181
Audit fees	164	8,637	8,801
Trustee costs	17	877	894
<u>Other support costs</u>			
Staff related costs	2,642	139,557	142,199
Professional services	475	25,088	25,563
Premises costs	1,188	62,760	63,948
IT & communications	218	11,502	11,720
Other office costs	237	12,496	12,733
	5,167	272,872	278,039

Notes to the financial statements year to 31 March 2017

7 Analysis of staff costs

Staff costs during the period were:

	2017 £	2016 £
Wages and salaries	556,601	514,231
Social security costs	60,257	55,825
Pension costs	25,153	21,423
	642,011	591,479

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

	2017 £	2016 £
£60,001 - £70,000	1	2
£150,001 - £160,000	1	1

During the year, the average number of staff was 11 (2016: 10).

The total fees and employee benefits including pension contributions paid to the key management personnel were £234,720 (2016: £230,485).

8 Tangible fixed assets

	Fixtures, fittings and equipment £
Cost	
At 1 April 2016	11,055
Additions	6,459
At 31 March 2017	17,514
Depreciation	
At 1 April 2016	10,338
Charge for year	2,332
At 31 March 2017	12,670
Net book values	
At 31 March 2017	4,844
At 31 March 2016	717

Notes to the financial statements year to 31 March 2017

9 Debtors: amounts falling due within one year

	2017 £	2016 £
Prepayments	16,535	10,861
Accrued income	242,257	48,707
Income due for grant funded projects	92,437	12,457
	<u>351,229</u>	<u>72,025</u>

10 Creditors: amounts falling due within one year

	2017 £	2016 £
Taxation and social security	15,609	17,456
Trade and other creditors	110,534	97,475
Accruals and deferred income	132,003	141,498
	<u>258,146</u>	<u>256,429</u>

11 Financial instruments

	2017 £	2016 £
Financial assets:		
. Bank and cash balances	646,852	785,004
Financial assets measured at undiscounted rate receivable		
. Accrued income	242,257	48,707
. Grant debtors	92,437	12,457
Financial liabilities measured at undiscounted rate receivable		
. Trade and other creditors	110,534	97,475
. Accruals	74,921	63,330

12 Analysis of net assets between funds

Fund balances at 31 March are represented by:	Unrestricted Funds £	Restricted Funds £	Total 2017 £
Current Year			
Tangible fixed assets	4,844	—	4,844
Net current assets	512,797	227,138	739,935
Total net assets	517,641	227,138	744,779
	Unrestricted Funds £	Restricted Funds £	Total 2016 £
Prior Year			
Tangible fixed assets	717	—	717
Net current assets	424,109	176,491	600,600
Total net assets	424,826	176,491	601,317

13 Movement in funds

	At the start of the period £	Income £	Expenditure £	Transfers £	At the end of the period £
Current Year					
<u>Restricted funds:</u>					
Africa	—	298,299	(210,645)	(87,654)	—
Asia	—	1,108,427	(1,049,945)	(58,482)	—
Middle East	—	265,661	(153,207)	(112,454)	—
Americas	—	177,111	(128,092)	(49,019)	—
Europe	—	—	—	—	—
Non Region Specific	176,491	109,531	(373,283)	314,399	227,138
Total restricted funds	176,491	1,959,029	(1,915,172)	6,790	227,138
<u>Unrestricted funds:</u>					
General funds	424,826	120,966	(21,361)	(6,790)	517,641
Total unrestricted funds	424,826	120,966	(21,361)	(6,790)	517,641
Total funds	601,317	2,079,995	(1,936,533)	—	744,779
Prior Year					
<u>Restricted funds:</u>					
Africa	4,775	224,771	(144,056)	(85,490)	—
Asia	288,303	284,149	(556,595)	(15,857)	—
Middle East	43,051	254,641	(206,685)	(91,007)	—
Americas	—	436,348	(284,632)	(151,716)	—
Europe	—	196,518	(135,560)	(60,958)	—
Non Region Specific	261	24,966	(264,833)	416,097	176,491
Total restricted funds	336,390	1,421,393	(1,592,361)	11,069	176,491
<u>Unrestricted funds:</u>					
Designated – new project development fund	27,402	—	—	(27,402)	—
General funds	342,316	82,651	(16,474)	16,333	424,826
Total unrestricted funds	369,718	82,651	(16,474)	(11,069)	424,826
Total funds	706,108	1,504,044	(1,608,835)	—	601,317

13 Movements in funds (continued)

Funds are restricted to projects in specific geographical areas as detailed above. Funding agreements for these projects include a mix of funding for specific costs and funding at agreed unit rates based on staff time. For the elements of the funding that is based on staff time, the charity is not required to report directly to the funder regarding the direct costs of those elements of the funding. These elements have therefore been transferred into the Non Region Specific category, which is utilised in accordance with donors' requirements.

14 Trustees

No trustee received any remuneration from the charity during the year (2016: none). Trustees' reimbursed expenditure during the year totalled £nil (2016: £nil). The charity has taken out a trustee indemnity insurance policy costing £454 per annum which covers the trustees up to £1,000,000.

15 Related party transactions

During the year, Cloaca Maxima Limited (of which one of the trustees, Dennis Stevenson was a director until April 2013), provided rented office space to the charity at a favourable rate for the charity and received rental income of £86,400 (2016 - £79,200). During the year, Dennis Stevenson made a donation of £8,800 on which the charity was able to claim Gift Aid of £2,200. There were no other related party transactions during the year.

16 Liability of members

The liability of each member is limited to £1, being the amount that each member undertakes to contribute to the assets of the Charity in the event of it being wound up while he or she is a member or within one year after he or she ceases to be a member.

17 Contingent liabilities

The charity receives certain income under funding arrangements which may allow for audit of expenditure in later periods. Under some circumstances, income may be repayable to donors. The trustees are not aware of any current circumstances that would give rise to such repayments and accordingly no provision is made against this eventuality in these financial statements.