

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

**Annual Report and
Financial Statements**

31 March 2020

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

Charity Registration Number
1143848 (England and Wales)

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Reference and administrative information

Trustees	David Anderson (Chairman) Lyse Doucet Karyl Nairn Eamonn McGrath Sebastian Roberts Jasmine Zerini
Chief Executive	Jonathan Powell
Charity registration number	1143848 (England and Wales)
Company registration number	07583904
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 2020. These have been prepared in accordance with the accounting policies set out on pages 16 to 19 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 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 the 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 two trustees were re-elected. 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 regard 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 2019, November 2019, February 2020 and July 2020. The Chair of the F&A meets quarterly with IM's management team to review the management accounts, budgets and cashflow. A Risk & Crisis Management (R&C) Committee meets to consider IM's risks, security and mitigation strategies. The R&C met in June 2019, October 2019 and February 2020. Both Committees report to the full Board.

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.

Structure, governance and management (continued)

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 and up to the date of approval of this report and financial statements were:

David Anderson
Lyse Doucet
Eamonn McGrath
Karyl Nairn
Sebastian Roberts
Jasmine Zerini
Dennis Stevenson (retired 16 April 2019)

In line with recommendations of best practice, Terms of Reference for the Board covering all items from the Charity Governance code relevant to Inter Mediate were approved and adopted.

Key management personnel

The Trustees consider that they, together with the Chief Executive and the Policy Director, 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; 3) risk to continuity of operations should our Chief Executive be incapacitated for any reason; 4) risk to security, reputation and freedom of action from adverse publicity and 5) risk from new legislation to our freedom of action and institutional relationships. These risks have also been reviewed in light of the emergence of the Covid-19 pandemic in the year's fourth quarter.

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. Inter Mediate has also followed the UK government's Covid-19 risk reduction guidelines by halting all international travel since mid-March 2020, both to protect staff and support the UK to contain its domestic outbreak.

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 five years the charity has instituted a pricing model designed to produce full cost recovery over time. This has proved a successful approach and positions the charity with appropriate resources to be able to respond to opportunities as they arise. Given the uncertainties facing the entire peace and mediation field due to Covid-19, and the potential impact on project delivery, fundraising and cashflow, we have strengthened our already close engagement with donors to work with them on forecasting, and have developed cashflow scenarios and mitigation plans.

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 regular review of his travel and other commitments with a view to reducing these wherever possible. The Chief Executive spent the last month of the Financial Year in lockdown as per UK government guidelines.

The fourth area of risk relates to our ability to operate discretely which is necessary to undertake the key work with interlocutors who are engaging with the concept of negotiations but not in a position to do so publicly. We manage this by not commenting on our involvement in a particular context publicly and actively seeking to manage the exposure of our staff when travelling to project countries.

The final area of risk is managed by maintaining a clear picture of our exposure to interpretations of new legislation via high quality legal advice. This enables us to adjust our operating practices to ensure compliance with both territorial and extra-territorial applications of new laws. We also consult with other organisations operating in the peace-making and conflict resolution field, to horizon scan for new developments and widen the pool of insight and experience available to help plan common mitigation strategies.

The Board is assisted by the Risk & 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; and
- ◆ 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 2019-20, Inter Mediate continued to expand our portfolio of work, deepen our relationships with existing interlocutors and respond to urgent requests for peace strategy and mediation support. 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 eight funded projects in the Americas, Africa, the Middle East, and Asia. Most 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 its 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 devoted energies and resources to scope whether its support could help reduce violence and advance peace efforts in new conflict settings. 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.

Achievements, performance and future plans (continued)

Projects and partnerships (continued)

As before, Inter Mediate will continue to pursue its objectives 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.

In 2019-20, Inter Mediate continued to develop partnership arrangements with other NGO/ inter-government organisations. It played a central role in proposing and drafting a landmark "Statement of Intent" on coordination, which was signed by other leading peace and mediation actors in February 2020. 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.

The restrictions and recommended cessation of international travel in the final month of the financial year has impacted on the timetable and methods of delivery of some projects. The increase in remote working and communication has brought both challenges and opportunities and Inter Mediate continues to engage with funders and partners to ensure that progress is still being made on project objectives.

Donors and fundraising

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

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. We secured a core grant from the Swedish MFA for 2019, and a prospect of renewal for 2020. This grant is to be applied to the whole project portfolio.

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.

The charity does not actively solicit donations from the general public and therefore is not registered with the Fundraising Regulator and does not subscribe to any fundraising codes of practice or engage with third party fundraising organisations. When donations from individuals are received, their privacy and any personal data are respected. The charity has received no complaints about fundraising activities during the year.

Staff matters

The charity has encouraged staff to use the training budget to avail themselves of courses supporting continuing personal and professional development and will continue to do so. In line with UK government guidelines, staff have worked from home during the lockdown period and measures have been put in place to ensure the productivity, safety and well-being of staff while working remotely.

Achievements, performance and future plans (continued)

Future plans

Covid -19 will likely continue to be a major factor in Inter Mediate's work into the next financial year and beyond. As a driver of conflict and instability, Covid is likely to propel demand for our engagement - both to support the UN Secretary General's call for global ceasefire, and to help leaders navigate new challenges to peace process in Covid-affected contexts. As a disruption to our traditional project delivery models, Covid will oblige us to continue to adapt and find new, effective ways to support our interlocutors in an environment where travel restrictions may become the "new normal". Experience in Quarter 4 of the current financial year proves that adaptations can be extremely effective to enable project delivery thanks to Inter Mediate's extremely strong relationships, and we will continue to build on this experience. As in previous years, Inter Mediate will continue to research, evaluate and respond to conflict situations around the world, identifying situations in which the charity can play a useful role – understanding that establishing new project relationships may take more time in contexts where travel restrictions still apply.

The trustees have assessed whether the use of the going concern assumption is appropriate in preparing these financial statements. The trustees have made this assessment with respect to a period of one year from the date of approval of these financial statements and have considered the impact of the coronavirus pandemic on the charity's operations. In particular the trustees have considered the charity's forecasts and projections and have taken account international travel restrictions that might impact on delivery of its charitable activities in the shorter term. The charity will continue to take advantage of the momentum it has built with stakeholders and delivery via alternate modes of communication until travel restrictions are lifted and travel to project locations can be safely undertaken from a travel risk assessment perspective. The trustees have concluded that there is a reasonable expectation that the charity has adequate resources to continue operations for the foreseeable future.

Inter Mediate has reached its ninth year of operations and has successfully implemented a controlled approach to growth of its internal staff team. We have added to the staff team 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.

Financial review

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

During 2019-20, Inter Mediate had total income of £1,656,769 (2019 - £1,648,911) comprising unrestricted private donations of £110,250 (2019 - £312,270), grants of £1,541,462 (2019 - £1,335,970) and investment income of £1,275 (2019 - £671). Of the grant funding £1,380,438 (2019 - £1,335,970) was restricted to specific purposes and subject to donor-imposed conditions. Details of these restricted funds can be found in note 10 to the financial statements.

During the year, £1,272,361 (2019 - £1,365,119) was spent on restricted projects across Africa, Asia, the Middle East and the Americas, with a further £261,327 (2019 - £450,521)

Financial review (continued)

unrestricted charitable activities. In addition, the charity spent £16,713 (2019 - £21,740) on its fundraising effort.

Total funds of the charity at 31 March 2020 were £682,940 (2019 - £576,572), comprising restricted funds of £111,859 (2019 - £nil) and unrestricted funds of £571,081 (2019 - £576,572).

The Trustees are keen to encourage 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 as cash at bank so that they are available for use to meet the charity's obligations and commitments, should the necessity arise.

The unrestricted fund of £571,082 consists of tangible fixed assets of £7,092 (2019 - £9,869) and free reserves of £563,989 (2019 - £566,676). The free reserves are higher than the minimum level of free reserves set by the Trustees, which will provide capacity for developing new programmes, additional flexibility in situations where donors pay in arrears, continuity between government funding cycles and confidence during the current climate of uncertainty brought on by the global pandemic.

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.

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

- ◆ select suitable accounting policies and then apply them consistently;

Statement of trustees' responsibilities (continued)

- ◆ 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.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. It is important to bear in mind that legislation in the United Kingdom governing the preparation and disseminations of financial statements may differ from legislation in other jurisdictions.

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 section 418 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 19 August 2020 and signed on their behalf by:



David Anderson
Chairman

Independent auditor's report to the members of IM01 Limited (trading as Inter Mediate)

Opinion

We have audited the financial statements of Inter Mediate (the 'charitable company') for the year ended 31 March 2020, which comprise the statement of financial activities, the balance sheet, the statement of cash flows, the principal accounting policies and the notes to the financial statements. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

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 2020 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.

Basis for opinion

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

Conclusions relating 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 charitable 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 trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the other information. The other information comprises the information included in the annual report and financial statements, other than the financial statements and our auditor's report thereon. 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.

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 trustees' report, which is also the directors' report for the purposes of company law, the financial year for which the financial statements are prepared is consistent with the financial statements; and
- ◆ the trustees' report which is also the directors' report for the purposes of company law, has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report. We have nothing to report in respect of the following matters in relation to which 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 prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the trustees' report and from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, 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

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

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

Use of our report

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



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

20/8/20

Statement of financial activities for the year to 31 March 2020
(including Income and Expenditure Account)

	Notes	Un- restricted funds £	Restricted funds £	Total funds 2020 £	Un- restricted funds £	Restricted funds £	Total funds 2019 £
Income from:							
Donations		110,250	3,782	114,032	312,270	—	312,270
Charitable activities	1	161,024	1,380,438	1,541,462	—	1,335,970	1,335,970
Investments		1,275	—	1,275	671	—	671
Total income		272,549	1,384,220	1,656,769	312,941	1,335,970	1,648,911
Expenditure on:							
Raising funds	2	16,713	—	16,713	21,740	—	21,740
Charitable activities	3	261,327	1,272,361	1,533,688	450,521	1,365,119	1,815,640
Total expenditure		278,040	1,272,361	1,550,401	472,261	1,365,119	1,837,380
Net income (expenditure)		(5,491)	111,859	106,368	(159,320)	(29,149)	(188,469)
Transfers		—	—	—	(4,803)	4,803	—
Net movement in funds		(5,491)	111,859	106,368	(164,123)	(24,346)	(188,469)
Reconciliation of funds:							
Fund balances brought forward at 1 April 2019		576,572	—	576,572	740,695	24,346	765,041
Fund balances carried forward at 31 March 2020		571,081	111,859	682,940	576,572	—	576,572

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 notes to the financial statements on pages 20 to 26 form part of these financial statements.

Balance sheet at 31 March 2020

	Notes	2020 £	2020 £	2019 £	2019 £
Fixed assets					
Tangible fixed assets	6		<u>7,092</u>		<u>9,896</u>
Current assets					
Debtors due within one year	7	65,969		295,364	
Cash at bank and in hand		<u>902,226</u>		<u>502,545</u>	
		968,195		797,909	
Current liabilities					
Creditors: amounts falling due within one year	8	<u>(292,347)</u>		<u>(231,233)</u>	
Net current assets			675,848		566,676
Net assets	9		682,940		576,572
Funds					
Unrestricted funds					
. General fund			571,081		576,572
Restricted funds			111,859		—
Total funds	10		682,940		576,572

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



David Anderson
Chairman

Approved on: 19 August 2020

Statement of cash flows Year to 31 March 2020

	2020 £	2020 £	2019 £	2019 £
Cash flow from operating activities				
Net (expenditure) income	106,368		(188,469)	
Adjustments for:				
. Depreciation	5,411		4,759	
. (Increase) decrease in debtors	229,395		(97,462)	
. Increase (decrease) in creditors	61,114		97,159	
	<u> </u>		<u> </u>	
Net cash (used in) provided by operating activities		402,288		(184,013)
Cash flow from investing activities				
Purchase of tangible fixed assets	<u>(2,608)</u>		<u>(7,966)</u>	
Net cash used in investing activities		<u>(2,608)</u>		<u>(7,966)</u>
Change in cash and cash equivalents in the year		399,680		(191,979)
Cash and cash equivalents at the beginning of the year		<u>502,546</u>		<u>694,525</u>
Cash and cash equivalents at the end of the year		<u>902,226</u>		<u>502,546</u>

Principal accounting policies Year to 31 March 2020

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 2020, with comparative information for the year ended 31 March 2019.

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;
- ◆ estimating the useful economic life of tangible fixed assets; and
- ◆ the factors relating to the trustees' assessment of going concern as explained below.

Assessment of going concern

The trustees have assessed whether the use of the going concern assumption is appropriate in preparing these financial statements. The trustees have made this assessment with respect to a period of one year from the date of approval of these financial statements and have considered the impact of the coronavirus pandemic on the charity's operations. In particular the trustees have considered the charity's forecasts and projections and have taken account international travel restrictions that might impact on delivery of its charitable activities in the shorter term. The charity will continue to take advantage of the momentum it has built with stakeholders and delivery via alternate modes of communication until restrictions are lifted and until it is safe to do so. The trustees have concluded that there is a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. The charity therefore continues to adopt the going concern basis in preparing its financial statements.

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.

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.

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.

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.

1 Charitable activities

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

Current Year	Unrestricted Funds £	Restricted Funds £	Total 2020 £
Africa	—	173,762	173,762
Asia	—	744,144	744,144
Middle East	—	66,432	66,432
Americas	—	396,100	396,100
Non region specific	161,024	—	161,024
	161,024	1,380,438	1,541,462
Prior Year	<i>Unrestricted Funds £</i>	<i>Restricted Funds £</i>	<i>Total 2019 £</i>
<i>Africa</i>	—	243,801	243,801
<i>Asia</i>	—	761,063	761,063
<i>Middle East</i>	—	73,850	73,851
<i>Americas</i>	—	152,169	152,169
<i>Non region specific</i>	—	105,087	105,087
	—	1,335,970	1,335,970

We would like to acknowledge the following funders for their kind contributions towards furthering Inter Mediate objectives in these regions: Ministry of Foreign Affairs (MFA), Finland; 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; Department of Foreign Affairs, Trade and Development, Canada (DFATD); European Union (EU-ERMES).

2 Expenditure on raising funds

Current Year	Unrestricted Funds £	Restricted Funds £	Total 2020 £
Staff related costs	11,121	—	11,121
Other costs	246	—	246
Reallocation of support (see note 6)	5,346	—	5,346
	16,713	—	16,713
Prior Year	<i>Unrestricted Funds £</i>	<i>Restricted Funds £</i>	<i>Total 2019 £</i>
<i>Staff related costs</i>	9,638	—	9,638
<i>Other costs</i>	5,011	—	5,011
<i>Reallocation of support (see note 6)</i>	7,091	—	7,091
	21,740	—	21,740

3 Expenditure on charitable activities

Current Year	Unrestricted Funds £	Restricted Funds £	Total 2020 £
Staff related costs	121,598	498,043	619,641
Mediation activity related			
- Consultants and advisors	51,986	128,503	180,489
- Travel	46,942	302,437	349,379
- Meeting costs	11,349	60,770	72,119
Professional services	—	4,475	4,475
IT & communications	833	2,033	2,866
Other office costs	3,128	3,715	6,843
Reallocation of support (see note 4)	25,491	272,385	297,876
	261,327	1,272,361	1,533,688

Prior Year	Unrestricted Funds £	Restricted Funds £	Total 2019 £
Staff related costs	161,769	372,132	533,901
Mediation activity related			
- Consultants and advisors	101,722	153,491	255,213
- Travel	70,000	389,119	459,119
- Meeting costs	27,143	101,413	128,556
Professional services	5,134	26,600	31,734
IT & communications	6,486	2,406	8,892
Other office costs	2,132	3,301	5,433
Reallocation of support (see note 4)	76,135	316,657	392,792
	450,521	1,365,119	1,815,640

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

Current Year	Unrestricted Funds £	Restricted Funds £	Total 2020 £
Africa	68	125,479	125,547
Asia	96,578	526,750	623,329
Middle East	—	29,840	29,840
Americas	690	298,358	299,048
Non region specific	163,991	291,934	455,925
	261,327	1,272,361	1,533,688

3 Expenditure (continued)

	<i>Unrestricted Funds</i>	<i>Restricted Funds</i>	<i>Total 2019</i>
Prior Year	£	£	£
<i>Africa</i>	3,557	194,046	197,603
<i>Asia</i>	112,761	659,351	772,112
<i>Middle East</i>	20,755	68,500	89,255
<i>Americas</i>	32,848	124,190	157,038
<i>Non region specific</i>	280,600	319,032	599,632
	<u>450,521</u>	<u>1,365,119</u>	<u>1,815,640</u>

4 Support costs

	<i>Raising Funds</i>	<i>Charitable Activities</i>	Total 2020
Current Year	£	£	£
Governance costs			
- Staff related costs	237	13,219	13,456
- Audit fees	173	9,643	9,816
- Trustee costs	4	249	253
Other support costs			
- Staff related costs	2,174	121,146	123,320
- Professional services	448	24,945	25,393
- Premises costs	1,587	88,413	90,000
- IT & communications	303	16,869	17,172
- Other office costs	420	23,392	23,812
	<u>5,346</u>	<u>297,876</u>	<u>303,222</u>

	<i>Raising Funds</i>	<i>Charitable Activities</i>	<i>Total 2019</i>
Prior Year	£	£	£
Governance costs			
- Staff related costs	192	10,660	10,852
- Audit fees	164	9,076	9,240
- Trustee costs	2	109	111
Other support costs			
- Staff related costs	3,819	211,528	215,347
- Professional services	433	24,002	24,435
- Premises costs	1,596	88,404	90,000
- IT & communications	330	18,284	18,614
- Other office costs	555	30,729	31,284
	<u>7,091</u>	<u>392,792</u>	<u>399,883</u>

5 Analysis of staff costs

Staff costs during the period were:

	2020 £	2019 £
Wages and salaries	647,371	652,233
Social security costs	71,603	68,924
Pension costs	32,070	31,938
	751,044	753,095

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:

	2020 £	2019 £
£60,001 - £70,000	1	1
£70,001 - £80,000	2	—
£170,001 - £180,000	1	1

During the year, the average number of staff was 11 (2019 – 10).

The total employment cost (including taxable benefits, employer's national insurance and pension contributions) of the key management personnel for the year was £286,166 (2019 – £253,665).

6 Tangible fixed assets

	Fixtures, fittings and equipment £
Cost	
At 1 April 2019	30,092
Additions	2,608
Disposals	(5,518)
At 31 March 2020	27,182
Depreciation	
At 1 April 2019	20,197
Charge for year	5,411
Disposals	(5,518)
At 31 March 2020	20,090
Net book values	
At 31 March 2020	7,092
At 31 March 2019	9,896

7 Debtors: amounts falling due within one year

	2020 £	2019 £
Prepayments	10,817	11,605
Accrued income	53,205	111,989
Other debtors	1,947	—
Income due for grant funded projects	—	171,770
	65,969	295,364

8 Creditors: amounts falling due within one year

	2020 £	2019 £
Taxation and social security	26,469	20,981
Trade and other creditors	19,020	54,142
Accruals and deferred income	246,858	156,110
	292,347	231,233

Included in creditors is deferred income as set out below:

	2020 £	2019 £
Deferred income at 1 April 2019	74,594	8,936
Deferred in the year	185,030	74,594
Amounts released in the year	(74,594)	(8,936)
Deferred income at 31 March 2020	185,030	74,594

Deferred income comprises grant funding received in advance.

9 Analysis of net assets between funds

Fund balances at 31 March 2020 are represented by:	Unrestricted Funds £	Restricted Funds £	Total 2020 £
Tangible fixed assets	7,092	—	7,092
Net current assets	563,989	111,859	675,848
Total net assets	571,081	111,859	682,940

Fund balances at 31 March 2019 are represented by:	Unrestricted Funds £	Restricted Funds £	Total 2019 £
Tangible fixed assets	9,896	—	9,896
Net current assets	566,676	—	566,676
Total net assets	576,572	—	576,572

10 Movements in Funds

	At 1 April 2019 £	Income £	Expenditure £	Transfers £	At 31 March 2020 £
Current year					
Restricted funds					
. Africa	—	173,762	(125,479)	(48,283)	—
. Asia	—	747,926	(526,750)	(221,176)	—
. Middle East	—	66,432	(29,840)	(36,592)	—
. Americas	—	396,100	(298,358)	(97,742)	—
. Non Region Specific	—	—	(291,934)	403,792	111,859
Total restricted funds	—	1,384,220	(1,272,361)	—	111,859
Unrestricted funds					
. General funds	576,572	272,549	(278,040)	—	571,081
Total unrestricted funds	576,572	272,549	(278,040)	—	571,081
Total funds	576,572	1,656,769	(1,550,401)	—	682,940

	At 1 April 2018 £	Income £	Expenditure £	Transfers £	At 31 March 2019 £
Prior Year					
Restricted funds					
. Africa	—	243,801	(194,046)	(49,755)	—
. Asia	—	761,063	(659,351)	(101,712)	—
. Middle East	—	73,850	(68,500)	(5,350)	—
. Americas	—	152,169	(124,190)	(27,979)	—
. Non Region Specific	24,346	105,087	(319,032)	189,599	—
Total restricted funds	24,346	1,335,970	(1,365,119)	4,803	—
Unrestricted funds					
. General funds	740,695	312,941	(472,261)	(4,803)	576,572
Total unrestricted funds	740,695	312,941	(472,261)	(4,803)	576,572
Total funds	765,041	1,648,911	(1,837,380)	—	576,572

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 element 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 that element of the funding. This element has therefore been transferred into the Non Region Specific category, which is utilised in accordance with donors' requirements.

11 Trustees

No Trustee received any remuneration from the charity during the year (2019 - none). Trustees' reimbursed expenditure during the year totalled £nil (2019 - £nil). The charity has taken out a trustee indemnity insurance policy costing £454 per annum which covers the Trustees up to £1,000,000.

12 Related party transactions

During the year, trustees made unrestricted donations of £75,000 to the charity (2019 - £nil). There were no other related party transactions during the year.

13 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.

14 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.

15 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.