

**United Nations Association International Service**

**Annual Report and Financial Statements**

**Year Ended 31 March 2019**

**Company registration number: 03467284**

**Charity registration number: 1069182**



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## Welcome to our 2018-19 Annual Report!

It has been a year of change for International Service as we began a process of restructuring and refocusing the organisation.

Our final cohort of ICS volunteers completed their placements in August 2018 bringing us to a total of over 4,000 volunteers placed in 6 countries over 7 years. One of our final ICS projects was our inclusive sports project REACT bringing together young people with and without visual impairment in rural communities in Northern Ghana, using Goalball to challenge stigma and discrimination and encourage inclusion through sport. What a great way to end our contract!

We were all saddened at the sudden loss of our much-valued colleague Eleonore Couldiaty, Country Director of Burkina Faso, in July 2018. In memory of Eleonore we launched the Eleonore Couldiaty Memorial fund which funded 3 projects with partners in Burkina Faso focused on enabling women and people with disabilities to generate an income and become self-sufficient. Thank you to those of you who gave so generously to this fund.

We launched Starting Up, our women in enterprise programme, in Malawi in March 2019 with our first training of disabled people's organisations, enabling them to become lead agencies and mentors in the project delivery moving forwards.

We worked with local partners in Ghana on our girls' education programme FULL G, enabling 38 girls to get back into school or employment.

As we move into 2019-20, we are still in the midst of change. Volunteering remains core to our work across the world, and through our volunteering programmes, we have begun to engage more actively with significant and growing global challenges.

These are challenging times for our sector as we face a re-focusing of time, energy and money on the pressing issues of climate change, humanitarian disasters, war and terrorism across the world. But we firmly believe we should not lose sight of the important work left to do with those living in poverty who have the power to change their lives with just a little input from organisations like International Service.



**Brian Rockliffe**  
Chair of the Board of Trustees



**Jo Baker**  
Chief Executive

## Charity Reference and Administrative Details

<b>Registered name</b>	United Nations Association International Service
<b>Working names</b>	International Service UNAIS
<b>Charity registration number</b>	1069182
<b>Company registration number</b>	03467284
<b>Trustees</b>	Mr. B Rockliffe OBE (Chair) Ms. N Redpath (Treasurer) Mr. B Dignen Professor P Gready Professor J Grugel Mr. C Northcote Ms. N Passman  Ms. C Sayer (resigned 14 July 2018) Ms. K Hyde (resigned 28 August 2019) Mr. L Njenga (resigned 23 September 2019) Mr. L Conlon (resigned 23 September 2019)
<b>Chief Executive Officer</b>	J Baker
<b>Registered office</b>	Second Floor Rougier House 5 Rougier Street York YO1 6HZ
<b>Auditor</b>	Murray Harcourt Limited 6 Queen Street Leeds LS1 2TW
<b>Bank</b>	HSBC 13 Parliament Street York YO1 8RS
<b>Insurance Brokers</b>	Banner Financial Services Group Limited Globe House 24 Turret Lane Ipswich IP4 1DL
<b>Pension Administrators</b>	Aegon Edinburgh Park Edinburgh EH12 9SE

## **Trustees' Annual Report (Including Directors' Report and Strategic Report)**

The Trustees present their report and the audited financial statements of the charity for the year ended on 31 March 2019. The Trustees have adopted the provisions of 'Accounting and Reporting by Charities: Statement of Recommended Practice' (SORP FRS 102) in preparing the annual report and financial statements of the charity.

The financial statements have been prepared in accordance with the accounting policies set out in the notes to the accounts and comply with the charity's governing document, the Charities Act 2011 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 UK and Republic of Ireland.

**The Trustees ensure that the activities of the charity are consistent with its charitable aims and objectives and in agreeing our annual plans, the Trustees have due regard for public benefit as set out in the Charity Commission's general guidance on public benefit.**

### **Our Vision, Mission and Values**

International Service was founded in 1953 under a Memorandum of Association which established our objects and powers and is governed under the Articles of Association. International Service's mission as specified in the Memorandum of Association is 'the relief of poverty, sickness and distress in Africa, Latin America, the Middle East and other such regions as the Trustees from time to time shall decide'.

#### **What we want**

is a world where people living in any form of poverty have the tools to challenge injustice and change their lives for the better.

#### **What we do**

is work alongside change-makers to end poverty and discrimination in communities across the world.

#### **What we value**

Lasting change: because change is only real if it stays that way.

Local solutions: because one size does not fit all.

Human rights: because there is no hierarchy of human worth.

People: because they are at the heart of everything we do.

### **Our Organisational Strategy 2016-19**

**In line with our 2016-19 Organisational Strategy we work in line with the following principles:**

#### **Access to Human Rights**

As human beings, we are all entitled to basic freedoms and protections, regardless of who we are. These fundamental entitlements are our human rights. But the reality is that not all human beings are able to exercise their rights. Due to circumstance, prejudice, poverty or behaviour of others, many are blocked from living life free from fear, discrimination or restriction.

International Service puts human rights at the centre of what we do. Our work focuses on increasing people's access to their rights and enabling them to change their futures for the better. We focus on people's rights because increasing understanding of and access to rights is the key to sustainable and lasting change. Our livelihoods projects enable people to earn a fair income in the short-term, but by raising awareness about their right to earn an income and participate in society, we empower them for the long-term.

**Working in Partnership**

All our projects are delivered in partnership with local organisations who understand the specific challenges their communities face. We find organisations who are already making change and bring our decades of experience and development expertise to work in partnership with them. Our input enables them to reach more people, work more effectively, and have a greater impact in their community.

For us, a successful partnership is one that comes to a natural end. We work with our partners so that one day we won't have to. With more skills, more funding and more resources, our partners can continue to change their communities for the better long after our partnership ends.

**Volunteering for Change**

Volunteering is key to how we deliver our projects. At International Service we strive to deliver effective, inclusive volunteering programmes globally to promote active citizenship, youth development, and leverage the impact of our development projects.

We strive to enable a diverse and inclusive group of volunteers to gain new skills and contribute to the communities we work with and support the personal and professional development of our volunteers throughout their volunteering journey with us. Volunteering provides peoplepower, ideas and momentum, enabling our partners to become more sustainable in their work and have a greater impact in their communities.

The extensive network of active citizens we have built through volunteering is a source of continuous support for the work of International Service in the UK and overseas.

**Global Goals for Sustainable Development**

International Service continues to focus on contributing towards the achievement of five Sustainable Development Goals:

**Global Goal 1: No Poverty** - To end poverty in all its forms everywhere.

**Global Goal 4: Quality Education** - To ensure inclusive and equitable quality education and promote lifelong learning opportunities for all.

**Global Goal 5: Gender Equality** - To achieve gender equality and empower all women and girls.

**Global Goal 10: Reduced Inequalities** - To reduce inequality within and among countries.

**Global Goal 16: Peace, Justice and Strong Institutions** - To promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels.

## Our Impact in 2018-19

**In 2018-19 International Service worked in partnership with 15 local organisations, reaching over 89,000 people in Burkina Faso, Ghana, Malawi and Rwanda. We launched several new projects, focusing on economic empowerment of women and people with disabilities, and continued to leverage the impact of our development work through International Citizen Service, placing 282 young people on volunteering placements.**

**In 2018-19 International Service:**

- reached **89,629** people through our work
- partnered with **15** local organisations to deliver **13** projects
- facilitated **948** hours of awareness raising and peer education
- provided **1,550** hours of training to communities and partners
- delivered over **60** hours of inclusive sports training
- developed **543** educational resources
- carried out **95** research projects
- and developed **80** community networks

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## Ghana

- **20,421** people reached
- **28** hours of peer education
- **91** hours of awareness raising
- **1,162** hours of training
- **111** resources developed
- **23** research projects
- **14** community networks

**In Ghana, our projects reached over 20,000 people and were delivered in partnership with 5 local organisations:**

- **PagSung Association**
- **The Ghana Blind Union**
- **the Non-Formal Education Division (NFED)**
- **The Presbyterian Community Based Rehabilitation (CBR)**
- **Youth Alive Ghana**

**Ghana is one of Africa's fastest growing economies and often seen as a development success story. But its development has been uneven: poverty in Ghana's Northern Region is two to three times higher than in the South. Equally, not all groups have benefited equally from Ghana's recent growth, with women and people with disabilities being left behind.**

**This is partly because Northern Ghana continues to be reliant on agriculture as a source of income. Agriculture is labour intensive and seasonal, with over 90% of the female labour force involved in agriculture. Due to the instability of this income, many women don't have the means to send their children to school.**

**For the 10% of the population living with disabilities, there are even fewer options. Whilst the Ghanaian government has introduced legislation to protect the rights of people with disabilities, stigma means that many live their entire lives excluded from their communities.**

In 2018-19 our work in Ghana focused on working with those left behind by Ghana's development success. We worked with partners to enable out-of-school girls and young women to gain skills needed to start employment or re-enter education; and we worked with a women's cooperative to improve their business practices and the quality of cosmetics they produce, so that they can earn a living. And we trained local communities and volunteers in inclusive sports and invited community members to join in inclusive sport games, to reduce the stigma around disability.

## REACT

In Ghana, over **300,000** people live with severe visual impairment. Due to a lack of understanding about disability, they are often undervalued by society and excluded from their community.

The REACT project was launched in Northern Ghana in April 2018. REACT brought together a group of British and Ghanaian volunteers, half of whom were partially sighted, for a **9-week project** to combat disability stigma. Working with Team GB Paralympian Georgie Bullen and two partner organisations - Ghana Blind Union and CBR - REACT volunteers used goalball to tackle negative attitudes that leave people with disabilities behind, in Sandema and Tamale in Northern Ghana.

Goalball is a sport designed for visually impaired players: teams of three try to roll their ball towards the opposing teams' goal, while defending their own.

As well as providing **60 hours** of goalball training to local people, our volunteers spent time on the radio and in communities, challenging the ingrained attitudes that lead to disability stigma.

Volunteer Richard explains:

"I think we challenged attitudes just by being there. As a visually impaired person, telling people that I'd been to university, that I'd won medals for goalball, made people re-think what they thought people with disabilities were able to do."

Our volunteers directly reached over **4,000 people**. But the story didn't stop there. Projects like REACT are designed to continue having an impact long after volunteers leave. We created 6 inclusive sports teams in the communities and distributed the resources goalball teams and schools need to continue practising. This means that communities have the ability to continue using sport as a tool for change.

REACT was a pilot of Fair Play, our broader inclusive sports programme which uses different inclusive sports to tackle the stigma that leads to people with disabilities being left behind across Sub-Saharan Africa. Our first Fair Play project will be launched in Malawi in August 2019.

## FULL-G

FULL-G (Functional Literacy and Livelihoods for Girls) was a pilot for our new education programme that works with out-of-school girls and young women to develop practical and life skills to allow them to become financially self-sufficient.

FULL-G ran between April 2018 and March 2019 and was delivered in partnership with the Non-Formal Education Division in Beo Kumbusgu in Ghana's Upper East Region.

In developing communities, girls are too often blocked from education and left behind. This can be the result of anything from child marriage or early pregnancy, to the social taboo around periods. But whatever the cause, being held back education leads to girls falling into a cycle of poverty from which they are not equipped to break free.

In Ghana, over **600,000** girls are out of school. While Ghana has been very successful at increasing primary education enrolment, this is not spread evenly across the country. Poorer, rural communities in the North have fallen behind the south: in the Upper East where the project was implemented, just under 60% of woman and girls over 6 have never attended school.



During the project, **40 out-of-school girls** took part in 36 weeks of lessons in literacy and numeracy and vocational training in cloth weaving, encouraging them to reintegrate into school, or progress into vocational training or work.

At the end of the project 100% of the participants could write at least a little, with over a half saying they can write very well. This is in comparison to only 14% at the start. The number of girls and women who said they could not write at all has reduced from 5 to 0.

In terms of numeracy skills, the number of participants who said they were confident when working with numbers grew from 19% to 86%, with those who said they were not at all confident with numbers dropping from 5 to 1.

The number of participants with a skill they could use to earn money has increased from 31% at the start to 94% at the end of FULL-G. **97% of the girls who completed the project plan to continue vocational training or return to education.**

The girls and young women also attended 6 hours of sessions on sexual and reproductive health and rights, delivered by a qualified health worker. The sessions addressed a variety of issues to empower the participants to make informed decisions regarding their reproductive health and rights.

To gain community support for girls' education we delivered one community awareness raising event and 3 sensitisation sessions on the radio, reaching 700 local people.

**FULL-G was a pilot phase of Get Set, our girls' education and training programme. It focuses on equipping girls and young women to complete an education and develop practical skills to earn a living.**

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## Burkina Faso

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- **63,089** people reached
- **72** hours of peer education
- **159** hours of awareness raising
- **289** hours of training
- **358** resources developed
- **52** research projects
- **43** community networks

Despite significant development progress across the country, Burkina Faso remains in the bottom 10 countries in the world according to the UN Human Development Index, with nearly 45% of the population living below the poverty line.

With 71% of its population dependent on agriculture, many families need their children to work in the fields. The resulting lack of education means that children grow up to be adults who can't access decent work. And they, in turn, will rely on their children to bring in an income.

People with disabilities fare even worse: discrimination means that over 88% of disabled people in Burkina Faso have never attended school. This means they are even more likely to lack the skills they need to earn an income and escape poverty.

In 2018-19 International Service worked in partnership with 5 local organisations to break this cycle of poverty:

- **Action Sociale De Koudougou (ASK)**
- **Association Manegbzanga de Loumbila (AML)**

- **Handicap Solidaire Burkina (HSB)**
- **Kabeela**
- **Union des Groupements Feminins/Ce Dwane Nyee (UGF/CDN)**

Throughout the year, our work reached over 100,000 people across Burkina Faso, with projects focusing on economic empowerment of women and the rights of people with disabilities.

We worked with a cooperative uniting women producing shea butter to deliver business skills training to their members and identify and access new markets for their products. And the Eleonore Couldiaty Fund we created following the loss of our beloved colleague has since contributed to the work of three women's rights organisations in Burkina Faso. Disability inclusion has always been a major focus of our work in Burkina Faso, and last year we continued to work with local disabled people's organisations to encourage more people living with disabilities to play sports, and change communities' perception of disability through inclusive sports clubs and community events.

### **The Eleonore Couldiaty Transformation Fund**

In July last year, we lost an adored and deeply respected colleague Eleonore Couldiaty. Eleonore was a passionate force for good in Burkina Faso. She touched hundreds of lives across the world, from partners to colleagues to the local people she worked with every day.

To honour Eleonore's memory and to ensure we could continue her incredible work, we launched the Eleonore Couldiaty Transformation Fund. The fund was launched to support small projects focused on the causes that Eleonore was most passionate about. Because gender equality and women's rights were one of the causes closest to Eleonore's heart, we decided to focus the first round of funding on organisations that are working to promote women and women's rights in Burkina Faso.

Following a first round of applications, grants were awarded to three organisations in Burkina Faso:

#### **Handicap Solidaire Burkina (HSB)**

HSB is an organisation based in a rural area of Pabré. The organisation is led, staffed and managed by people with disabilities. HSB provides support for people with disabilities and works to challenge disability stigma.

We have awarded HSB 90,000 FCFA for their solar cooking system project. This project will enable disabled women to generate an income and increase their wellbeing. The money will be spent on the production and marketing of innovative solar cooking systems, and the hall in which the women will make them.

The hall will provide a safe space for 12 disabled women to produce and market solar cooking kits and thermos baskets. And as a bonus, the solar kits help to protect the environment by encouraging the use of renewable energy.

#### **Tigoung Nonma**

A further 90,000 FCFA has been awarded to a cooperative of disabled artisans called Tigoung Nonma, based in Ouagadougou.

Tigoung Nonma seeks to provide sustainable incomes for disabled artisans by enabling them to participate in the international fair-trade movement. The stigma attached to disability in Burkina Faso makes it difficult for people with disabilities to find work. It is through the production and sale of fair-trade goods that Tigoung Nonma empowers its members to become autonomous, enabling their participation in the socio-economic development of their country.

Their funding will be used to buy cooking materials to improve Tigoung Nonma's catering service, increasing their capacity and, as a result, their incomes. Around 10 disabled women work directly for the catering service, and another 60 members of the cooperative will benefit indirectly from the project.

## Kabeela

Kabeela is a women's organisation that seeks to promote women's socio-economic position in society. Kabeela has been awarded 85,800 FCFA for a training session on transforming shea butter into soap. This will mean that more women can learn a trade that can enable them to increase their income.

Based in Ziniaré, Kabeela has been tackling gender inequality and promoting women's rights for over 20 years. With this grant, 25 women will be trained in how to transform shea butter into cosmetics and soap. As a direct effect, Kabeela's women will acquire valuable skills to improve the quality and the packaging of soap and cosmetic shea butter, enabling them to make enough money to support their families.

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## Rwanda

- 188 hours of awareness raising
- 253 hours of peer education
- 138 hours of training
- 74 resources developed
- 20 research projects
- 17 community networks

Since the genocide in 1994, Rwanda has introduced economic and structural reforms to reduce inequality, especially gender inequality. While women make up over 50% of Rwanda's parliament, women in rural areas have yet to see the benefits. Despite being one of the fastest-growing economies in Central Eastern Africa, more than 60% of the population live below the poverty line.

In Rwanda we continued to work with two local partners, **LUTI (Let Us Transform Life Initiative)** and **Kopakama Coffee Cooperative** and focused on working with young people and sustainable livelihoods. We worked with children living on the streets through sports and classroom activities so that they could gain the skills and confidence needed to re-enter school. We used youth clubs to educate young people on human reproduction and methods of contraception to reduce the number of unplanned pregnancies in the local communities and continued to place young people on work experience placements with local businesses so that they can find suitable employment upon leaving education. Through our work with coffee farmers, we offered training in finance and business management and encouraged more women to join the co-operative.

We also formed an exciting new partnership with **North Star**, a local Yorkshire-based coffee roastery. North Star maintain the highest standard of transparency and their ethical approach ensures the land and people growing their coffees are treated with respect and consideration.

North Star will donate £1 from every bag of their Rwanda Twumba coffee sold toward Firm Foundation, our business coaching project, due to launch in Rwanda in August 2019.

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## Malawi

- 6,119 people reached
- 87 hours of awareness raising
- 70 hours of peer education
- 21 hours of training
- 6 community networks

The Malawian government has recently begun to focus on tackling poverty by investing more in the development of women and girls. This is a positive step but there are other challenges that also need to be addressed.

Children and young people still struggle to access education, as poverty forces many families to send their children to work, rather than school. Girls and children with disabilities face additional challenges. Despite changes to the law, child marriage and high rates of teenage pregnancy mean many girls are pulled out of school; meanwhile, discrimination and a lack of support mean many children with disabilities don't attend school at all.

International Service began our operations in Malawi in 2017. We have since developed projects with several local organisations, focusing on Malawi's Central Region. In 2018-19 we worked in partnership with 5 local organisations, and implemented projects in the area of child education, disability rights and livelihoods. We organised community events to support girls' education and held Girls' Clubs through which young people learned about gender equality and sexual and reproductive health rights. And following the launch of Starting Up, our new enterprise programme in Malawi, we delivered business training to disabled peoples' organisations to enable them to support their members to make a fair living.

Our partners in Malawi:

- **Centre for Youth Empowerment and Civic Education (CYECE)**
- **Small and Medium Enterprise Development Institute (SMEDI)**
- **Youth Net and Counselling (YONECO)**
- **FEDOMA**
- **Association of People with Physical Disabilities (APDM)**
- **Disabled Women in Development (DIWODE)**

## **Starting Up**

Starting Up, our women in enterprise programme, was launched in Malawi in March 2019 with first round of training for disabled people's organisations (DPOs). As a result of the training, the disabled people's organisations will have the necessary knowledge and skills to become lead agencies and mentors in the project delivery.

**Starting Up is an entrepreneurship programme aiming to enable women with disabilities to start their own small enterprise.**

People have a right to work. But for those with disabilities, this right is frequently denied. According to the International Labour Organisation, about 80% of disabled people globally are of working age, but unemployment rates among them are very high. The stigma around gender and disability means disabled women are not given the training and support they need to earn an income through employment or business.

Although local DPOs in Malawi are working with disabled women, they do not have the skills, knowledge or experience to support them into work or business.

Starting Up aims to fill this knowledge and skills gap by providing business training to DPOs in three of the poorest communities in southern Malawi - FEDOMA (Federation of Disability Organisations in Malawi), Association of People with Physical Disabilities, and Disabled Women in Development so that they can then support disabled women to become micro-entrepreneurs or move into employment, helping to create a route out of poverty. The training covers a full range of essential business skills and relies of the use of practical exercises to help ground the learning.

Providing training to local organisations working with disabled people makes this project sustainable by empowering them to independently continue to train and support their members in the future.

## International Citizen Service

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Volunteering is key to how we deliver our projects. For years, International Service has been at the forefront of inclusive youth volunteering, combining young people's passion and enthusiasm with our partners' knowledge and experience to deliver positive and lasting change. Through volunteering with our partners, young people not only provide the peoplepower, ideas and momentum that our partners need, but also become equipped with the skills and perspective to become change-makers on a local and global level.

International Service began offering volunteering placements under the UK government-funded International Citizen Service (ICS) in 2011. ICS brings together volunteers aged 18 to 35 from across the UK, with volunteers from a range of developing host countries, giving them the chance to develop their skills while making a positive contribution in some of the world's poorest communities. In addition, ICS encourages volunteers to apply the skills, confidence and knowledge they gained through 'action at home' activities upon their return home.

In 2018-19, we facilitated **282** volunteering placements in Ghana, Burkina Faso, Malawi and Rwanda through ICS:

- **138** volunteers from the UK
- **41** volunteers from Ghana
- **54** volunteers from Burkina Faso
- **23** volunteers from Malawi
- **26** volunteers from Rwanda

Having successfully delivered ICS for seven years, and following the UK government's review of the programme, International Service concluded our delivery of ICS in line with our contractual obligations in October 2018.

Between 2011 and 2018, International Service facilitated over 4,000 ICS placements in 6 countries. We are proud of all the incredible work our volunteers and partners have achieved in the last seven years, and will continue to work with and support the thousands of ICS volunteers that form our alumni network in the UK and overseas, and are a source of continuous support to International Service.

Volunteering will remain vital to how International Service operates and we are looking forward to using our extensive experience in facilitating volunteering placements to deliver community-based projects and provide development opportunities to young people in the future.

## Global Disability Summit

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On 24 July 2018, the UK government co-hosted its first ever Global Disability Summit with the International Disability Alliance and the Government of Kenya.

International Service CEO Jo Baker joined over 1000 other delegates from governments, donors, private sector, and charities and organisations of people with disabilities at the summit which took place at the Queen Elizabeth Olympic Park in London.

The Global Disability Summit resulted in 170 sets of ambitious commitments, and over 320 organisations and governments, including International Service, signed up to the Summit's Charter for Change – an action plan to implement the UN Convention on the Rights of Persons with Disabilities.

Among the most significant pledges made were commitments to pass transformative new laws to protect the rights of people with disabilities, and assurances to help those affected by humanitarian crises. There were also commitments to help millions of persons with disabilities access affordable assistive technology.

## **Our People**

### **Office Volunteers**

International Service was founded by volunteers over 65 years ago and the unique contribution they make remains vital to our impact today - our work would not be possible without their hard work and dedication.

Volunteers continue to give their time, skills and expertise by supporting International Service in the UK and project countries. In 2018-19, **18** office volunteers donated **2,285** hours of their time to International Service, with an approximate monetary value of **£18,760**.

At International Service we are dedicated to our office volunteers and care about their development. Each volunteer receives role-specific training, ongoing support from their supervisor and regular feedback on their work, as well as a work reference, should they need one in the future.

### **Our Staff**

Across 2018-19 International Service employed **36** staff members: **18** in our UK head office and **18** in our in-country offices in Burkina Faso, Ghana, Malawi, Rwanda and the Occupied Palestinian Territories.

At International Service we recognise that without the dedication of our staff, we would not be able to deliver meaningful development impact. All our staff are highly motivated professionals whose professional development and the maintenance of healthy work-life balance is supported by the organisation.

International Service continued to hold **Living Wage**, **Mindful Employer** and **Disability Confident** accreditations.

## **International Aid Transparency Initiative**

International Service is one of over 1,000 organisations publishing data about development resources we distribute or spend through our activities to the International Aid Transparency Initiative (IATI). IATI is a global, voluntary initiative to create transparency in the records of how aid money is spent. The initiative seeks to improve the transparency of aid, development and humanitarian resources in order to increase their effectiveness in tackling poverty. IATI brings together donor and recipient countries, civil society organisations and experts in aid information who are committed to working together to increase the transparency and openness of aid.

## **Safeguarding and Safety & Security**

### **Safeguarding**

Following the safeguarding crisis in the international aid sector in 2018, International Service completed a full review of our safeguarding policy and procedures ensuring it was fully compliant with safeguarding best practice, principles and legal requirements, and that it covered the full range of potential safeguarding risks. As BOND, The UK Charities Commission and DFID continue to review Safeguarding practice, and new standards and due diligence checks are introduced, International Service is committed to adopting and implementing these across our work.

As well as our staff, all volunteers, partner organisations, visitors to the field and host families continued to receive safeguarding training and are expected to understand and sign our safeguarding policy and code of conduct before working with International Service.

At International Service we are committed to actively implementing our Safeguarding Policy in our day to day practice. We believe Safeguarding is everyone's business, and that preventing harm and protecting the most vulnerable members of our society must be inherent in all our work.

Our current Safeguarding Statement is available on our website, alongside a link to our full Safeguarding Policy.

There have been no breaches by staff of the organisation's Safeguarding Policy in 2018-19.

### **Safety and Security**

The security situation remained calm in most of the countries where International Service operated, with the exception of Burkina Faso where the ongoing presence of Islamist terror groups has led to several terror attacks on civilians and security personnel, with partial state of emergency imposed in some of the northern provinces in December 2018. Our last cohort of ICS volunteers to Burkina Faso left in June 2018 and the operations at our Ouagadougou office were able to continue normally.

Security plans for each country of operation were regularly updated throughout the period. All International Citizen Service volunteers received training in safety and security both pre-placement and in-country. Security updates were sent regularly to all volunteers and staff in-country. Staff travelling overseas were routinely briefed on the security situation in their destination by the organisation's Global Safety and Security Specialist, and all new starters received a safeguarding and safety briefing upon the start of engagement.

There were no critical incidents or crises affecting International Service volunteers or in-country staff.

### **Our Plans for 2019-20**

#### **Fair Play**

Disability inclusion is a complex issue, and there's no simple solution. But, when it comes to the stigma that blocks people with disabilities from having a voice in their communities, there are simple approaches that can transform lives.

For over 12 years, we've used sport as a way to challenge this stigma. This year, we launched REACT, a unique project which brought together visually impaired and fully sighted volunteers to coach goalball, a sport designed for people with visual impairments.

Now we're ready to roll out our inclusive sports programme on a wider scale. **September 2019** will see the launch of our Fair Play programme in Malawi. Fair Play Malawi will use sitting volleyball, an inclusive sport suitable for people with a wide range of disabilities and will be delivered with two local partners:

- the Malawi Paralympic Committee and
- Association of the Physically Disabled in Malawi

#### **Arts & Minds**

In Ghana, a lack of understanding from families and communities means that people with mental ill health are among the most marginalised in society. It means that people with mental ill health can find themselves forced to stay in their homes or taken to the so-called prayer camps in an attempt to cure their 'curse.' Although Ghana passed a Mental Health Bill in 2012, resources to support mental health are still scarce.

Our Arts & Minds programme will launch in Ghana's Upper East region in **August 2019** and will be implemented with the Sirigu Women's Organisation for Pottery and Art (SWOPA).

Arts & Minds is a programme that promotes wellbeing through creativity. It combines mental health care training and traditional Ghanaian art to influence public perception about mental health and support individuals with mental ill health, creating a more inclusive approach to mental health.

As well as SWOPA, we will work with the health and education authorities and the regional mental health specialist to train teachers, health workers and local leaders to identify common mental health issues and support individuals.

## **Firm Foundation**

While Rwanda has made great strides in its development, extreme poverty is still a pressing concern. Tackling this through inclusive economic growth is a main theme of Rwanda's successive development plans, with empowering women to create businesses through entrepreneurship an explicit strategy for the country's economic transformation.

Our economic empowerment programme, Firm Foundation, will launch in Rwanda in **August 2019** in partnership with **the Young Women's Christian Association Rwanda**. Firm Foundation aims to equip women who live in poverty despite running their own small business to achieve their business goals, such as increased profits and growth, so they can earn their way out of poverty.

Firm Foundation relies on a combination of innovative entrepreneurship coaching and more established interventions, such as livelihoods training and mentoring from a more experienced businessperson.

The programme will be delivered in Rwanda's Kicukiro District and engage 45 women.

## **European Solidarity Corps**

Building on our extensive experience of placing youth volunteers on development projects overseas, International Service will begin the delivery of our first European Solidarity Corps project in the summer of 2019.

Our first European Solidarity Corps project will be delivered in partnership with Palestine Sports for Life, a Ramallah-based organisation working to support their local communities through sport.

The European Solidarity Corps is a volunteering programme funded by the European Commission. It offers international opportunities for young people aged 18-30 to volunteer on community development projects within the European Union and selected neighbouring countries.

Through our European Solidarity Corps projects, young volunteers will:

- support our partners to challenge some of the most pressing social and environmental issues we are facing for the benefit of local communities,
- take part in an enriching intercultural exchange through living and working overseas and develop a sense of solidarity with young people in other EU and neighbouring countries
- develop personal and professional skills and boost their employability.

Throughout the next year, we will expand our European Solidarity Corps programme to other European and neighbouring countries.

## **Financial Review**

### **2018-19 Financial Summary**

During the year, £584,998 was raised in unrestricted funds, £11,336 of this was voluntary income. A further £23,496 was raised in restricted funding bringing the total incoming resources to £608,494.



Expenditure totalled £921,533 comprising £891,204 in unrestricted expenditure and £30,329 in restricted expenditure.

The total funds brought forward at 1 April 2018 amounted to £1,058,318, which when added to the deficit in year of £313,039 results in a carried forward surplus in reserves of £745,279 (total funds) of which £743,291 was unrestricted at 31 March 2019.

### **Principal Risks and Uncertainties**

In recent years, we have been largely dependent on the ICS contract with Voluntary Service Overseas (VSO) which concluded in 2018. The Department for International Development (DFID) funds ICS and VSO is the main contract holder, we were Sub Contractors. A smaller interim contract was issued to VSO in spring 2019 and VSO then sub-contracted with two large organisations. International Service is not involved in this. DFID has announced outline plans for a subsequent programme. If considered in line with the Charity's objectives, International Service will consider applying to be part of this programme. However, any subsequent programme would not commence until early 2020 at the earliest and consequently the Charity's income from this key area of work has ceased at this time.

We are now implementing a strategy to diversify income streams and reduce overheads. The Charity has implemented a Business Continuity Plan based on developing other opportunities and seeking alternative sources of income. The plan is underpinned by a conservative going concern cash flow projection which extends to November 2020 and includes a cash flow projection scenario which does not include any ICS income and only includes secured income from other sources. A growing portfolio of Erasmus+ programming forms a key part of this.

The inherent risk of corruption, fraud and error are mitigated by having tight financial procedures including full reconciliation of country accounts, annual external audit of accounts in each country in addition to the organisational audit, and mandatory training for all staff.

### **Reserves Policy**

The Trustees have developed a policy to ensure that, in the event of a break or cessation in funding, there are sufficient reserves to allow International Service to continue to operate until:

- a) Further funding is secured, or
- b) To allow the organisation to wind up while meeting its obligations to staff, partners and beneficiaries.

A level of reserves has been agreed that will allow the organisation to continue to operate without funding for a minimum of twelve months. In addition to this, an element of the reserves will be used to fund Business Development including pre-financing new programmes when necessary, particularly any secured on a payment-by-results basis.

Based on these requirements, we have estimated that the free reserves need to be an amount of £530,200 which we have exceeded. Actual free reserves at 31 March 2019, excluding amounts represented by fixed assets, totalled £733,303.

### **Fundraising**

Most of our income came from contracts and we do not actively fundraise. In the 2018-19 financial year, International Service received £11,336 through individual donations, community fundraising activities and legacies.

## **Structure, Governance and Management**

### **Governing Documents**

International Service is a charitable company limited by guarantee, incorporated on 18 November 1997 and registered as a charity on 20 April 1998.

The company was established under a Memorandum of Association which established the objects and powers of the charitable company and is governed under its Articles of Association. In the event of the company being wound up, members are required to contribute an amount not exceeding £1.

### **Board of Trustees**

Our Board of Trustees is responsible for providing leadership and for overseeing the governance and strategic direction of International Service. They make sure that the organisation is sustainable, spends money wisely in furtherance of its purpose with a focus on public benefit, is managed effectively and is legally compliant. In doing so the Board are required to be transparent, accountable and demonstrate integrity.

Trustees are also Directors for the purposes of company law, appointed under requirement of the Memorandum and Articles of Association and the organisation's own internal processes.

The Board work to the standards contained in the Charity Governance Code for larger Charities.

### **Recruiting and Appointing of Trustees**

The Charity maintains a register of existing Trustee skills, knowledge, experience and interests. If any skills are lost through retirement or there are skills gaps, then we seek to recruit suitable new Trustees. Potential Trustees are required to formally express an interest in the role, are interviewed by existing Trustees and are proposed at a Board Meeting before appointment.

### **Trustee Induction**

New Trustees are given a comprehensive induction to the organisation and the role of Trustee and asked to familiarise themselves with relevant Charity Commission Guides such as the Essential Trustee, together with:

- The main documents which set out the operational framework for the charity including the Memorandum and Articles
- Resourcing and current financial position as set out in the accounts
- The Strategic Direction and current Annual Plan including objectives
- International Service Policies and Procedures; and
- The Risk Register

### **Board Meetings**

The Board of Trustees meet six times per annum and hold an Annual General Meeting in November each year to review the Independent Auditor's Report, approve the full Trustees Annual Report and Accounts and appoint Auditors for the coming year.

Board Meetings are the main opportunity for Trustees to maintain good governance, scrutinise reports from the Chief Executive and wider Senior Leadership Team and review performance.

### **Conflicts of Interest**

The Trustees have a legal obligation to act in the best interest of International Service and, in accordance with the Memorandum of Association, avoid situations where there may be potential conflict of interest or loyalty.

The Charity has a Conflict of Interest Policy and Procedure and a register of any conflicts of interest is maintained. New Trustees are asked to declare any conflicts and at the beginning of every Board Meeting Trustees are asked to declare any new, or changes to, declarations for further consideration which is duly noted.

Our Trustees are unpaid. Details of expenses and any related party transactions are disclosed in notes 10 and 22 to the accounts.

There are no Persons of Significant Control (PSC).

### **Senior Leadership Team**

The Trustees delegate responsibility for the ongoing leadership and management to the Chief Executive, whom they appoint. The Chair of the Board assumes line management of the Chief Executive.

The Chief Executive is supported by the Deputy Director and the charity's staff and volunteers. Trustees are involved in the recruitment of Senior Managers. The members of the charity's Senior Leadership Team are:

- Jo-Anne Baker, Chief Executive
- Michael Dockar, Deputy Chief Executive

### **Arrangements for setting pay of key management personnel**

To achieve its objectives, the Charity needs to attract and retain strong-performing senior leadership. The CEO's salary and benefits are determined by the Board, individually benchmarked and positioned based on roles with similar responsibilities.

The salaries of Senior Managers, and all other staff, are set within graded pay bands which are annually reviewed in light of income and inflation. International Service is an accredited Living Wage Employer.

### **Risk Management**

The Charity maintains a detailed organisational Risk Register covering governance, operational, safety and security, funding, financial, compliance and external risks. Each risk and any associated actions have an owner. Risks and progress against action points are reviewed and updated before every Board Meeting. Trustees are presented with a report on any changes and high-risk areas in Board Meetings for discussion.

The full Risk Register is always available to Trustees.

Due to the nature and location of our work safety and security is vitally important. The Charity works with an external Global Safety and Security Specialist and we have detailed security plans for each country of operation. Activities are subject to risk assessments and training is mandatory for all staff.

## Statement of Trustees' Responsibilities

The Trustees (who are also Directors of United Nations Association International Service for the purposes of company law) are responsible for preparing the Trustees' Annual Report (including the Strategic Report) and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires 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 incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them continuously;
- observe the methods and principles in the Charities SORP 2015 (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The Trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. 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 charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

In so far as the Trustees are aware:

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

In approving the Trustees' Annual Report, we also approve the Strategic Report included therein, in our capacity as Company Directors.

On behalf of the board



B Rockliffe  
Chair

Dated: 22 November 2019

## **Independent Auditor's Report to the Members of International Service**

### **Opinion**

We have audited the financial statements of United Nations Association International Service (the 'charitable company') for the year ended 31 March 2019 which comprise the Statement of Financial Activities (Including Income and Expenditure Account), the Balance Sheet, the Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. 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 2019, and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### **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.

However, it is not possible to predict with certainty the potential impact of future developments in both the charitable company's trading environment or in the broader economy. Because of this, the above statements should not be interpreted as a guarantee that the charitable company will continue to operate as a going concern.

## **Other information**

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report, 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' Annual Report (Including Directors' Report and Strategic Report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Directors' Report have been prepared in accordance with applicable legal requirements.

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

In the light of our 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 Strategic Report and the Directors' 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 directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

## **Responsibilities of trustees**

As explained more fully in the Statement of Trustees' Responsibilities set out on page 20, 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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

## **Use of this 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.

*Murray Harcourt Limited*

Steven Williams FCA  
Senior Statutory Auditor  
For and on behalf of Murray Harcourt Limited  
Registered Auditors

6 Queen Street  
Leeds  
LS1 2TW

*29<sup>th</sup> November 2019*

United Nations Association International Service  
Statement of Financial Activities (Including Income and Expenditure Account)  
For the year ended 31 March 2019

	Note	Unrestricted funds £	Restricted funds £	Total 2019 £	Total 2018 £
<b>Income from:</b>					
Donations and legacies	2	11,336	-	11,336	12,346
Charitable activities	3	555,998	23,496	579,494	2,622,787
Other trading activities	4	17,664	-	17,664	-
<b>Total income</b>		<b>584,998</b>	<b>23,496</b>	<b>608,494</b>	<b>2,635,133</b>
<b>Expenditure on:</b>					
Raising funds		-	-	-	-
Charitable activities	5	891,204	30,329	921,533	2,308,520
<b>Total expenditure</b>		<b>891,204</b>	<b>30,329</b>	<b>921,533</b>	<b>2,308,520</b>
<b>Net (expenditure)/income</b>		<b>(306,206)</b>	<b>(6,833)</b>	<b>(313,039)</b>	<b>326,613</b>
<b>Transfers between funds</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net movement in funds</b>	17	<b>(306,206)</b>	<b>(6,833)</b>	<b>(313,039)</b>	<b>326,613</b>
<b>Reconciliation of funds:</b>					
Total funds brought forward	17	1,049,497	8,821	1,058,318	731,705
<b>Total funds carried forward</b>	17	<b>743,291</b>	<b>1,988</b>	<b>745,279</b>	<b>1,058,318</b>

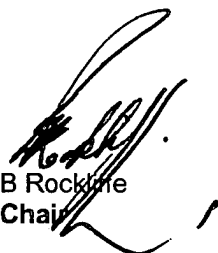
The Statement of Financial Activities includes all gains and losses recognised during the year.



	Note	2019 £	2018 £
<b>Fixed assets</b>			
Tangible assets	12	9,988	24,822
		<u>9,988</u>	<u>24,822</u>
<b>Current assets</b>			
Debtors	13	35,624	548,613
Cash at bank and in hand	14	750,230	1,042,697
		<u>785,854</u>	<u>1,591,310</u>
<b>Creditors: amounts falling due within one year</b>	15	(50,563)	(557,814)
<b>Net current assets</b>		<u>735,291</u>	<u>1,033,496</u>
<b>Total assets less current liabilities</b>		<u>745,279</u>	<u>1,058,318</u>
<b>Net assets</b>		<u>745,279</u>	<u>1,058,318</u>
<b>Charity Funds</b>			
Restricted funds	17	1,988	8,821
Unrestricted funds	17	743,291	1,049,497
		<u>745,279</u>	<u>1,058,318</u>
<b>Total charity funds</b>	17	<u>745,279</u>	<u>1,058,318</u>

The financial statements were approved and authorised for issue by the Board on 22/11/2019.

Signed on behalf of the Board of Trustees

  
B Rockliffe  
Chair

The notes on pages 27 to 40 form part of these financial statements.

Company registration number: 03467284

	Note	2019 £	2018 £
<b>Cash flow from operating activities</b>	19	<b>(42,467)</b>	246,529
Interest paid		-	-
<b>Net cash flow from operating activities</b>		<b>(42,467)</b>	246,529
<b>Cash flow from investing activities</b>			
Payments to acquire tangible fixed assets		-	(15,895)
<b>Net cash flow from investing activities</b>		-	(15,895)
<b>Cash flow from financing activities</b>			
Repayment of concessionary loans		(250,000)	(455,000)
<b>Net cash flow from financing activities</b>		<b>(250,000)</b>	(455,000)
<b>Net decrease in cash and cash equivalents</b>		<b>(292,467)</b>	(224,366)
<b>Cash and cash equivalents at 1 April</b>		<b>1,042,697</b>	1,267,063
<b>Cash and cash equivalents at 31 March</b>	14	<b>750,230</b>	1,042,697

## **1 Summary of significant accounting policies**

### **(a) General information and basis of preparation**

United Nations Association International Service is a company limited by guarantee registered in the United Kingdom. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity. The address of the registered office is:

Second Floor, Rougier House  
5 Rougier Street  
York  
YO1 6HZ

The nature of the charity's operations and principal activities are set out in the Trustees' Annual Report.

The charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Practice.

The financial statements are prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The financial statements are prepared in sterling which is the functional currency of the charity and rounded to the nearest £1.

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

### **(b) Funds**

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The cost of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

## **1 Summary of significant accounting policies (continued)**

### **(c) Income recognition**

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

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

Donated facilities and donated professional services are recognised in income at their fair value when their economic benefit is probable, it can be measured reliably and the charity has control over the item. Fair value is determined on the basis of the value of the gift to the charity. A corresponding amount is recognised in expenditure.

No amount is included in the financial statements for volunteer time in line with the SORP (FRS 102).

Fixed asset gifts in kind are recognised when receivable and are included at fair value. They are not deferred over the life of the asset.

Income from government and other grants is recognised at fair value when the charity has entitlement after any performance conditions have been met, it is probable that the income will be received and the amount can be measured reliably. If entitlement is not met then these amounts are deferred.

Income tax recoverable in relation to investment income under Gift Aid or deeds of covenant is recognised at the time of the donation.

### **(d) Expenditure recognition**

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably. It is categorised under the following headings:

- Expenditure on raising funds; and
- Expenditure on charitable activities.

Irrecoverable VAT is charged as an expense against the activity for which expenditure arose.

### **(e) Support costs allocation**

Support costs are those that assist the work of the charity but do not directly represent charitable activities and include office costs, governance costs and administrative payroll costs. They are incurred directly in support of expenditure on the objects of the charity and include project management carried out at headquarters. Where support costs cannot be directly attributed to particular headings they have been allocated to cost of raising funds and expenditure on charitable activities on a basis consistent with use of the resources.

Fundraising costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities.

The analysis of these costs is included in note 6.

## **1 Summary of significant accounting policies (continued)**

### **(f) Governance costs**

These represent costs incurred by finance, human resources, audit and directorate departments, attributable to the management of the charity's assets, organisational administration and compliance with constitutional and statutory requirements.

### **(g) Tangible fixed assets**

Tangible fixed assets are stated at cost less accumulated depreciation and accumulated impairment losses. Cost includes costs directly attributable to making the asset capable of operating as intended.

Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost, less estimated residual value, of each asset on a systematic basis over its expected useful life as follows:

Fixtures and fittings	over 3 years straight line
Motor vehicles	over 3 years straight line

### **(h) Debtors and creditors receivable / payable within one year**

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

### **(i) Cash at bank and in hand**

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening the deposit or similar account.

### **(j) Concessionary loans**

Concessionary loans include those payable to a third party which are interest free or below market interest rates and are made to advance charitable purposes. Where the loan is repayable on demand within one year, the loan is measured at cost, less impairment. Where the loan is repayable after more than one year the charity has opted, in accordance with section 21.26 of the SORP (FRS 102), to initially recognise and measure the loans at the amount received, with the carrying amount adjusted in subsequent years to reflect repayments and any accrued interest outstanding.

### **(k) Impairment**

Assets not measured at fair value are reviewed for any indication that the asset may be impaired at each balance sheet date. If such indication exists, the recoverable amount of the asset, or the asset's cash generating unit, is estimated and compared to the carrying amount. Where the carrying amount exceeds its recoverable amount, an impairment loss is recognised in profit or loss unless the asset is carried at a revalued amount where the impairment loss is a revaluation decrease.

## **1 Summary of significant accounting policies (continued)**

### **(l) Leases**

Rentals payable and receivable under operating leases are charged to the SoFA on a straight line basis over the period of the lease.

### **(m) Foreign currency**

Foreign currency transactions are initially recognised by applying to the foreign currency amount the spot exchange rate between the functional currency and the foreign currency at the date of the transaction.

Monetary assets and liabilities denominated in a foreign currency at the balance sheet date are translated using the closing rate.

### **(n) Employee benefits**

When employees have rendered service to the charity, short-term employee benefits to which the employees are entitled are recognised at the undiscounted amount expected to be paid in exchange for that service.

The charity operates a defined contribution plan for the benefit of its employees. Contributions are expensed as they become payable.

### **(o) Tax**

The charity is an exempt charity within the meaning of schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

### **(p) Going concern**

The financial statements have been prepared on a going concern basis as the Trustees believe that no material uncertainties exist. The Trustees have considered the level of funds held and the expected level of income and expenditure up to November 2020. The Trustees are conscious that a significant proportion of the Charity's income has historically been generated through the DFID International Citizens' Service programme ("ICS") and have taken steps to diversify income streams and to restructure the organisation reducing costs and streamlining work strands. The Trustees have prepared cash flow forecast scenarios which incorporate the cessation of the ICS contract from autumn 2018 which is described within the Principal Risk and Uncertainties section on page 17 and concluded that sufficient resources exist to enable the Charity to pay its debts as they fall due for a period to at least November 2020 whilst the income diversification plan will be fully implemented. Accordingly, the Trustees have prepared the financial statements on a going concern basis.

### **(q) Judgements and key sources of estimation uncertainty**

The Trustees have reviewed the areas of potential estimation uncertainty at the reporting date and do not consider there to be any areas that give rise to a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

## 1 Summary of significant accounting policies (continued)

### (r) Financial instruments

The charity only has financial assets and liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of financing transactions that do not qualify as concessionary loans, which are subsequently measured at amortised cost using the effective interest method.

## 2 Income from donations and legacies

	2019 £	2018 £
Gift aid	1,014	(565)
IVO4ALL	-	4,002
Other income	10,322	8,909
	<u>11,336</u>	<u>12,346</u>

Income from donations and legacies was £11,336 (2018 - £12,346) of which £11,336 (2018 - £12,346) was attributable to unrestricted funds.

## 3 Income from charitable activities

	2019 £	2018 £
DFID funding ICS	565,080	2,607,940
Palestine ABS	5,196	3,601
Palestine Jerusalem School	-	3,611
Palestine Sunflower Association	-	1,692
Palestine River Company	-	743
SDG Project	-	2,000
FULL G	4,933	3,200
Eleonore Couldiaty Transformation Fund	285	-
Starting Up	4,000	-
	<u>579,494</u>	<u>2,622,787</u>

Income from charitable activities was £579,494 (2018 - £2,622,787) of which £23,496 (2018 - £37,810) was attributable to restricted and £555,998 (2018 - £2,584,977) was attributable to unrestricted funds.

## 4 Income from other trading activities

	2019 £	2018 £
Rental income	17,664	-
	<u>17,664</u>	<u>-</u>

Income from other trading activities was £17,664 (2018 - £nil) of which £17,664 (2018 - £nil) was attributable to unrestricted funds.

## 5 Analysis of expenditure on charitable activities

	Youth volunteering £	Total 2019 £	Total 2018 £
<b>Direct expenditure</b>			
Staff costs	254,946	<b>254,946</b>	607,041
Other costs	352,651	<b>352,651</b>	1,335,707
Exchange rate differences	24,551	<b>24,551</b>	48,510
	<u>632,148</u>	<u><b>632,148</b></u>	<u>1,991,258</u>
 Support costs (note 6)	 289,385	 <b>289,385</b>	 317,262
	<u>921,533</u>	<u><b>921,533</b></u>	<u>2,308,520</u>

Expenditure on charitable activities was £921,533 (2018 - £2,308,520) of which £30,329 (2018 - £28,989) was attributable to restricted and £891,204 (2018 - £2,279,531) was attributable to unrestricted funds.

## 6 Allocation of support costs

Support cost	Basis of allocation	Youth volunteering £	Total 2019 £	Total 2018 £
Staff costs	Allocated	260,909	<b>260,909</b>	287,528
Other costs	on time	5,509	<b>5,509</b>	8,577
Governance (note 7)	Location	22,967	<b>22,967</b>	21,157
		<u>289,385</u>	<u><b>289,385</b></u>	<u>317,262</u>
Total				

## 7 Governance costs

		2019 £	2018 £
Staff costs		<b>17,865</b>	14,387
Auditor's remuneration	9	<b>4,000</b>	4,900
Board expenses		<b>1,102</b>	1,288
Legal expenses		-	582
		<u><b>22,967</b></u>	<u>21,157</u>



## 8 Net income for the year

Net income is stated after charging / (crediting):

	2019 £	2018 £
Depreciation of tangible fixed assets	13,980	15,215
Loss on disposal of tangible fixed assets	854	-
Operating lease rentals	67,499	66,514
Net losses on foreign exchange	<u>24,551</u>	<u>48,510</u>

## 9 Auditor's remuneration

	2019 £	2018 £
Fees payable to the charity's auditor (and its associates) for the audit of the charity's annual accounts	<u>4,000</u>	<u>4,900</u>

## 10 Trustees' and key management personnel remuneration and expenses

The Trustees neither received nor waived any remuneration during the year (2018 - £Nil).

The key management personnel of the organisation comprise the members of the Senior Leadership Team. The total amount of employee benefits received by key management personnel was £158,399 (2018 - £174,732). In addition, the organisation paid employer's NIC contributions of £16,859 (2018 - £18,923) in respect of key management personnel remuneration.

Expenses are paid on behalf of the Trustees and members of the management committee in respect of attendance at head office meetings. Total expenses amounted to £1,022 (2018 - £1,288).

## 11 Staff costs and employee benefits

The total staff costs and employee's benefits was as follows:

	2019 £	2018 £
Wages and salaries	456,140	785,544
Social security	42,340	76,365
Defined contribution pension costs	35,240	47,047
	<u>533,720</u>	<u>908,956</u>

There was an average of 10 (2018 - 20) employees at the head office and 6 overseas workers during the Year (2018 - 24).

# 11 Staff costs and employee benefits (continued)

The number of employees who received total employee benefits (excluding employer pension costs) of more than £60,000 is as follows:

	2019 Number	2018 Number
£70,001 - £80,000	1	1
	<u>1</u>	<u>1</u>

# 12 Tangible fixed assets

	Fixtures and fittings £	Motor vehicles £	Total £
<b>Cost or valuation:</b>			
At 1 April 2018	99,419	8,800	108,219
Additions	-	-	-
Disposals	(4,340)	-	(4,340)
At 31 March 2019	<u>95,079</u>	<u>8,800</u>	<u>103,879</u>
<b>Depreciation:</b>			
At 1 April 2018	74,597	8,800	83,397
Charge for the year	13,980	-	13,980
Eliminated on disposals	(3,486)	-	(3,486)
At 31 March 2019	<u>85,091</u>	<u>8,800</u>	<u>93,891</u>
<b>Net book value:</b>			
At 31 March 2019	<u>9,988</u>	<u>-</u>	<u>9,988</u>
At 31 March 2018	<u>24,822</u>	<u>-</u>	<u>24,822</u>

# 13 Debtors

	2019 £	2018 £
Trade debtors	576	215,039
Other debtors	13,711	7,500
Prepayments and accrued income	<u>21,337</u>	<u>326,074</u>
	<u>35,624</u>	<u>548,613</u>

**14 Cash at bank and in hand**

	2019 £	2018 £
Cash in hand	1,727	1,615
UK account balances	741,896	881,759
Field account balance	6,607	159,323
	<u>750,230</u>	<u>1,042,697</u>

**15 Creditors: amounts falling due within one year**

	2019 £	2018 £
Trade creditors	23,019	54,690
Other tax and social security	17,256	103,597
Other creditors	2,417	137,124
Accruals and deferred income	7,871	12,403
Concessionary loans payable (note 16)	-	250,000
	<u>50,563</u>	<u>557,814</u>

**16 Concessionary loans payable**

	2019 £	2018 £
Pre-financing – ICS 2	-	250,000
	<u>-</u>	<u>250,000</u>

During the period, £250,000 of the pre-financing loan was repaid. No interest is charged on the Pre-financing balance.

## 17 Fund reconciliation

### Unrestricted funds

	Balance at 1 April 2018 £	Income £	Expenditure £	Transfers £	Balance at 31 March 2019 £
General fund	1,049,497	584,998	(891,204)	-	743,291
	<u>1,049,497</u>	<u>584,998</u>	<u>(891,204)</u>	<u>-</u>	<u>743,291</u>

### Restricted funds

	Balance at 1 April 2018 £	Income £	Expenditure £	Transfers £	Balance at 31 March 2019 £
ICS – REACT	3,621	9,082	(12,703)	-	-
Palestine ABS	-	5,196	(5,196)	-	-
SDG Project	2,000	-	(2,000)	-	-
FULL G	3,200	4,933	(6,145)	-	1,988
Starting Up	-	4,000	(4,000)	-	-
Eleonore Couldiaty Transformation Fund	-	285	(285)	-	-
	<u>8,821</u>	<u>23,496</u>	<u>(30,329)</u>	<u>-</u>	<u>1,988</u>
	<u>1,058,318</u>	<u>608,494</u>	<u>(921,533)</u>	<u>-</u>	<u>745,279</u>

## 17 Fund reconciliation (continued)

Comparative information in respect of the preceding period is as follows:

### Unrestricted funds

	Balance at 1 April 2017 £	Income £	Expenditure £	Transfers £	Balance at 31 March 2018 £
General fund	731,705	2,597,323	(2,279,531)	-	1,049,497
	<u>731,705</u>	<u>2,597,323</u>	<u>(2,279,531)</u>	<u>-</u>	<u>1,049,497</u>

### Restricted funds

	Balance at 1 April 2017 £	Income £	Expenditure £	Transfers £	Balance at 31 March 2018 £
ICS – REACT	-	22,963	(19,342)	-	3,621
Palestine ABS	-	3,601	(3,601)	-	-
Jerusalem School	-	3,611	(3,611)	-	-
Sunflower Assoc	-	1,692	(1,692)	-	-
Riyer Company	-	743	(743)	-	-
SDG Project	-	2,000	-	-	2,000
FULL G	-	3,200	-	-	3,200
	<u>-</u>	<u>37,810</u>	<u>(28,989)</u>	<u>-</u>	<u>8,821</u>
	<u>731,705</u>	<u>2,635,133</u>	<u>(2,308,520)</u>	<u>-</u>	<u>1,058,318</u>

## 17 Fund reconciliation (continued)

### Movements in restricted funds

An explanation of each of the restricted funds is as follows for the year ending 31 March 2019:

#### ICS - REACT

REACT was an inclusive sports project in Ghana, and the pilot for our Fair Play inclusive sports in development programme. The project brought together a group of British and Ghanaian volunteers, half of who were partially sighted, for a 9-week project using Goal Ball to challenge disability stigma and promote inclusion in communities.

#### Palestine ABS

International Service was commissioned by Alternative Business Solutions (ABS) to deliver 7 OSATs (organisational self-assessment tool) for local NGO's, producing reports and recommendations for each organisation to enable them to develop their skills in key organisational management, functional and delivery areas.

#### SDG Project

Working alongside City of York Council and local partners, this project aimed to embed the SDGs (sustainable development goals) locally. Through research, analysis and mapping the SDGs to local strategies and plans, the project built understanding of the goals and their relevance to the City of York, UK and how they can contribute to change.

#### FULL G

FULL G (Functional Literacy and Livelihoods for Girls) is an education programme working with out of schoolgirls and young women to develop practical life skills, enabling them to become more self-sufficient, whilst tackling discriminatory attitudes in communities.

#### Starting Up

Funded by Souter, this project trained disabled peoples organisations to become trainers, and developed their business skills and knowledge, enabling them to support local women with disabilities to set up and develop small enterprises.

#### Eleonore Couldiaty Transformation Fund

Following the loss of our beloved and respected colleague Eleonore Couldiaty, Country Director in Burkina Faso, International Service and Eleonore's family established the Eleonore Couldiaty Transformation fund – funded through donations from colleagues, partners and friends. The fund supported three projects in 2018/19 focused on gender equality and women's rights.

## 18 Analysis of net assets between funds

Fund balances at 31 March 2019 are represented by:

	Unrestricted funds £	Restricted funds £	Total £
Fixed assets	9,988	-	9,988
Current assets	783,866	1,988	785,854
Current liabilities	(50,563)	-	(50,563)
Total	743,291	1,988	745,279

## 18 Analysis of net assets between funds

Comparative information in respect of the preceding period is as follows:

	Unrestricted funds £	Restricted funds £	Total £
Fixed assets	24,822	-	24,822
Current assets	1,582,489	8,821	1,591,310
Current liabilities	(557,814)	-	(557,814)
<b>Total</b>	<b>1,049,497</b>	<b>8,821</b>	<b>1,058,318</b>

## 19 Reconciliation of net income to net cash flow from operating activities

	2019 £	2018 £
Net (expenditure)/income for year	(313,039)	326,613
Depreciation and impairment of tangible fixed assets	13,980	15,215
Loss on disposal of fixed assets	854	-
Decrease in debtors	512,989	58,832
Decrease in creditors	(257,251)	(154,131)
<b>Net cash flow from operating activities</b>	<b>(42,467)</b>	<b>246,529</b>

## 20 Pensions and other post-retirement benefits

### Defined contribution pension plans

The charity operates a defined contribution pension plan for its employees. The amount recognised as an expense in the period was £35,240 (2018 - £47,047).

As at 31 March 2019 unpaid contributions included within other creditors amounted to £2,417 (2018 - £7,985).

## 21 Commitments

### Operating leases

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

	2019 £	2018 £
Not later than one year	49,040	47,750
Later than one and not later than five years	31,875	74,375
Later than five years	-	-
	<u>80,915</u>	<u>122,125</u>

The operating lease charge in the Statement of Financial Activities was £67,499 (2018 - £66,514).

Following the end of the reporting period, the charity entered into an agreement to terminate one of its property leases early. Had this agreement been enacted prior to the end of the reporting period, the above lease commitment disclosure would be reduced to £34,873, all falling due within one year.

## 22 Related party transactions

There were no related party transactions made during the period (2018 - £nil).

## 23 Financial instruments

The carrying amounts of the charity's financial instruments are as follows:

	2019 £	2018 £
<i>Financial assets</i>		
Debt instruments measured at amortised cost:		
- Trade debtors (note 13)	576	215,039
- Other debtors (note 13)	13,711	7,500
- Accrued income	-	309,358
	<u>14,287</u>	<u>531,897</u>
<i>Financial liabilities</i>		
Measured at amortised cost		
- Trade creditors (note 15)	23,019	54,690
- Other creditors (note 15)	2,417	137,124
- Accruals (note 15)	7,871	12,403
	<u>33,307</u>	<u>204,217</u>
Loan commitments measured at cost less impairment		
- Concessionary loans payable	-	250,000
	<u>-</u>	<u>250,000</u>

Impairment losses recognised on trade debtors totalled £Nil (2018 - £Nil).