

2021

Finance Report



Company Number: **05072000**

Charity Number: **1106715**

Year Ended: **31 DECEMBER 2021**

Inclusion
international



INCLUSION INTERNATIONAL
(A Company Limited by Guarantee)

CONTENTS

	Page
Reference and Administrative Details of the Charity, its Trustees and Advisers	1
Trustees' Report	2 - 27
Independent Auditors' Report on the Financial Statements	28 - 31
Consolidated Statement of Financial Activities	32
Consolidated Balance Sheet	33
Charity Balance Sheet	34
Consolidated Statement of Cash Flows	35
Notes to the Financial Statements	36 - 52

INCLUSION INTERNATIONAL
(A Company Limited by Guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 DECEMBER 2021

Trustees	T J Gadd J Innes (appointed 9 March 2022) M Mapemba N Osamu J Pinomaa (appointed 24 March 2021) S Swenson
Company registered number	05072000
Charity registered number	1106715
Registered office	The Foundry 17 Oval Way London SE11 5RR
Executive Director	Mrs C Laurin-Bowie
Independent auditors	Peters Elworthy & Moore Chartered Accountants Salisbury House Station Road Cambridge CB1 2LA
Bankers	NatWest Bank PLC Hornchurch Essex RM12 4DF



About this report

The trustees (who are also directors of the company for the purposes of the Companies Act) present their Annual Report, together with the audited Financial Statements of Inclusion International (the company) for the year ended 31 December 2021.

The trustees confirm that the annual report and financial statements of the company comply with:

- the current statutory requirements
- the requirements of the company's governing document
- the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (second edition – October 2019, effective 1 January 2019).

Since the company qualifies as small under Section 383, the Strategic Report required of medium and large companies under The Companies Act 2006 (Strategic Report and Director's Report) Regulations 2013 is not required.

Objectives and activities

In setting objectives and planning the activities of Inclusion International, the trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit.

The charity's objectives are: *“To advance the relief of persons with intellectual disability without regard to nationality, race or creed, by securing on their behalf from all possible sources the provision of residential, educational training, employment and support services”.*

To deliver its objectives, Inclusion International’s strategy falls broadly into 3 themes:

1. Global Advocacy

- Strong and representative voice of self-advocates and families at the UN and other global forums.
- Influencing global processes and ensuring efforts are responsive to the needs of families and self-advocates.
- Working with partners in the cross disability and other human rights networks.

2. Connecting members

- Support and develop regional networks.
- Creation of platforms (conferences/events/online and social media) for shared learning on priority issues.
- Mobilisation of network members on shared priority issues.

3. Projects and Programmes

- Support family and self-advocacy organisations to develop advocacy skills and strategies.
- Programme development to support country led initiatives informed by global knowledge.
- Resource and tools for advocacy and communications.



Response to Covid-19 pandemic

In 2021, despite not being able to travel due to the Covid 19 Pandemic, we have successfully focused on the priorities from our agreed strategy (above) to achieve the charities objectives. We learnt a lot in 2020 about how to do our work virtually and have continued doing so in 2021.

One of the advantages of virtual working is that it has allowed us to engage with more of our members and stakeholders than if we had been relying on face to face meetings. Our plan is to build on this in the future and operate with a mixture of face to face and virtual meetings and conferences. The need to continue working virtually is heightened by significant increases in the cost of air travel.

There has been some significant progress with our strategy and priorities in the last year and the following is a brief description of our activities.

Global advocacy

We have ensured that important issues, including the impact of the pandemic on people with intellectual disabilities and their families, were heard at the UN and at other global organisations.

Some of the highlights from 2021 were:

- ✓ We influenced the Day of General Discussion of the Committee on the Rights of the Child on Alternative care by: launching a call to Action to stop children living in institutions; co-host and participate in global discussions calling attention to the importance of family life, and submitting a paper to the DGD based on the information we received from our network.
- ✓ We contributed to the drafting process and consultations on the General Comment 8 on article 27 (the right to work and employment) of the United Nations (UN) Convention on the Rights of Persons with Disabilities (CRPD).
- ✓ We contributed to the UN CRPD Committee draft guidelines on Deinstitutionalisation and developed a global Self-advocacy report on closing institutions and Living in the community, based on twelve national and regional consultations with self-advocates.
- ✓ We were present, through our President, at the United Nations Climate Change Conference (COP26) calling for inclusive climate policies. This was the first time in the history of COP that a side event on disability rights and inclusion within climate action was held;
- ✓ Our global network was strongly represented at the Conference of State Parties 14 (COSP): Our members were involved in 8 side-events, with almost 600 people participating across the 6 side-events we co-hosted. During COSP week, our live-streams had an additional 9.8k views on Facebook and live-tweeting the events made 74.9K impressions on Twitter.



Connecting members

We continue to give our members opportunities to learn and support each other. We hosted consultations to understand the views and ideas of Self-Advocates and Families on important topics such as political life and deinstitutionalisation. We also drew from the experiences and the advocacy of our members around the world, and linked their priorities to create a single agenda for real change, through our Global Agenda for Inclusive Recovery and the Latin American Report.

In the last year the Trustees continue to work to ensure that our Governance arrangements are fit for purpose, using the principles in the Charity Commission code to drive the way we operate.

Projects and programmes

Despite the pandemic, we have continued to support our member organisations in different ways, through providing tools and resources, technical support, project development, advocacy advice and network contacts. Inclusion International's programme structures work in the following key areas:

Inclusion Works:

Part of the inclusive futures initiative, this programme is testing innovative ways to improve economic empowerment and inclusion for people with disabilities by enabling them to find employment and earn a living. From 2019 – 2021, we engaged over 150 self-advocates in the Inclusion Works project across Kenya, Uganda, Nigeria, and Bangladesh, and supported our members to deliver self-advocate led training on inclusive workplaces to nearly 100 employers across the four project countries. In 2021, self-advocacy groups in the four countries also delivered a series of advocacy interventions about employment in their countries, ranging from media engagement to meetings to government officials.

Empower Us:

This programme is a global resource led by self-advocates to help build self-advocacy and inclusion around the world. Empower Us provides information, practical tools and tips to support the building of self-advocacy for change. As part of the Inclusion Matters project self-advocate groups in Ethiopia, Rwanda and Ghana were created. These groups met regularly to build their advocacy skills. In December 2021 each group underwent a two day Empower Us training led by Empower Us team members in Africa. The Empower Us team also led regional training on Article 19 of the UN Convention on the Rights of Persons with Disabilities (CRPD) with groups in North America, Latin America, Australia and New Zealand and MENA. This training helped self-advocates contribute to a consultation on the UN CRPD Committee guidelines on Deinstitutionalisation.

Projects and programmes

Listen, include, respect:

Together with Down Syndrome International, our network is developing guidelines for organisations to ensure their work is inclusive and that people with an intellectual disability can fully take part. In 2020, we consulted with 900 people to gather experiences of inclusion from self-advocates, family members, supporters and organisational staff across the world. Following consultations, in 2021 we drafted the guidelines and ran another round of consultations with 10 self-advocacy organisations and 10 experts. To ensure the processes outlined in the guidelines worked well we ran six tests of the guidelines working with self-advocates and stakeholders. These tests included creating accessible reports, feeding back on online platform development and creating inclusive surveys.

Catalyst for inclusive education:

This programme is designed to assist our members with initiatives building on larger education reform efforts, as well as to support the development of leaders to effectively bring about inclusive education. In 2020 we agreed a work plan setting the goals and activities for 2020-2022. This year the Catalyst for Inclusive Education held learning webinars (open to our members only) on specific topics of interest for our network, such as strategic litigation to achieve inclusion in education. The Catalyst also supported our members by sharing knowledge, experience, and resources through specific projects on inclusive education.

Families taking action for inclusion:

This programme unites families who share common values of inclusion and supports Inclusion International members in their work with families. We collected the voices of families and organisations that work with families through a survey of organisations in order to launch the new programme in 2022. The programme supports regional summits to harness the collective wisdom of families, produces human rights-based tools for supporting families, and has created a new space to build the capacity of organisations to work with families fighting for inclusion.



Volunteers

In addition to our small and dedicated staff team we would not be able to deliver our strategy without the passion, enthusiasm and hard work of a number of dedicated volunteers.

There are many different ways that volunteers contribute to our work:

- Serving as an Officers (Trustees) or as a member of our Council
- Acting as a subject matter expert supporting our global advocacy work or programme work

The Trustees would like to thank all our volunteers, without whose efforts Inclusion International would have the significantly diminished global voice.



Sue Swenson

President



Mark Mapemba

Vice-President



Nagase Osamu

Secretary General



Tim Gadd

Treasurer



Jyrki Pinomaa

Co-opted Officer

Governance

In the last year the Trustees continue to work to ensure that our Governance arrangements are fit for purpose, using the principles in the Charity Commission code to drive the way we operate.

The Trustees recognised that we need to strengthen our Board and in February 2021 we co-opted Jyrki Pinomaa, President of our European region, to the Board.

We also conducted a recruitment process to find a second person to co-opt to the Board. Jimmy Innes, CEO of Lepra, joined the Board on 28th Feb 2022.

Fundraising



Inclusion International does not currently raise funds in the traditional way for UK based charities, our income comes from our Members, delegate fees from global events or specific grants.

Whilst the Trustees are aware of and support the requirements on charities, much of the guidance and regulation in this area does not apply to our activity.

In conclusion the trustees believe that, whilst 2021 was a challenging year, we have continued to respond well to the pandemic and ensured that the vital work of the Inclusion International network could continue.



Financial Review

The trustees closely monitor the impact of the pandemic on Inclusion International's finances. Our income level in 2021 has been good. We have renewed our funding agreement with our two major organisational support funders and have in addition attracted new grant income in the year.

In 2021 we had four sources of income, these were:

1

Membership

Our members continued to support our work through the payment of fees (\$82,556) and Inclusion Fund contributions (\$27,776)

2

Grant income

income from grants remained strong – details of these grants can be found on page 39.

3

Donations

We received \$3,814 to our Liz Legacy Project Fund.

4

Furlough payments

We received payments from the UK Governments furlough scheme in February and March 2021. The scheme was part of the Pandemic Support available to UK based organisations while the UK was in lockdown.

The trustees would like to thank our members and funders for their support, without which we could not have delivered the successes we achieved in 2021.



Reserves policy

Reserves are amounts of money set aside in one year's accounts, which can be spent in later years. We put some of our money aside into 'designated reserves' to spend on certain things. Our designated reserves are:

- **Developing our website and equipment:** we have re-developed our website and had put the money aside to pay for this
- **Inclusive Education:** we have set aside some funds in 2021 to support our Catalyst for Inclusive Education Programme.
- **Global events:** we have used some of our global events fund on the annual Council meeting. We still have some money set aside to pay for a virtual World Congress and General Assembly in 2022.
- **Solidarity payments:** our members were very generous with their voluntary Inclusion Fund payments in 2021 – we have a designated fund which we expect to spend in 2022.
- **Development fund:** Funding for future organisational and regional development.

The table below shows the total amount of money in each of our designated reserves at the end of 2020 and at the end of 2021.

Designated Reserves	31/12/2021	21/12/2020
Equipment and website	21,057	27,000
Inclusive Education	8,500	10,000
Global Events	40,708	45,190
Solidarity Fund	16,907	32,000
Development Fund	77,320	
Total Designated Reserves	164,492	114,190

The table below shows the total amount of money in our reserves at the end of 2020 and 2021.

Total Funds Available	31/12/2021	21/12/2020
Restricted reserves	601,174	379,101
Designated Reserves	164,492	114,190
Unrestricted Reserves	152,662	149,059
Total Reserves	918,288	642,350

Previously, our policy has been to hold at least \$120,000 of unrestricted reserves – enough money to cover more than 6 months of non-programme expenditure. Since 2019, we agreed to add an extra \$10,000 to this amount each year. Consequently, in 2021 our target was to hold \$150,000 of unrestricted reserves – we have achieved this target. Going forward, the trustees will review whether this target is adequate again later in 2022.

Some key points to note:

There was a surplus in 2021 of \$275,938. That is because the grant money received from the Open Society Foundation (OSF), is recorded as income in 2021, but will be spent over a two-year period until June 2023.

During the year, money we would normally spend on travel and accommodation was used for hosting virtual events and meetings.

The trustees are very aware that Inclusion International relies on our members and grant funders to undertake the charity's work. Along with our staff team, we are working with them to try and reduce the risk of having less money, particularly at this time.

As we work globally, our income is affected by changes in exchange rates. In 2021 the exchange rate worked in our favour; we may not be so lucky in coming years. Where possible, we look to reduce this risk. Our policy is to hold most of our reserves (money we have in the bank) in US dollars.

The World Bank restricted fund is overdrawn as of 31/12/2021. This is due to the timing of some of the project deliverables, as well as the timing of payments to our local partners. This will be rectified in 2022, and it will not affect implementation, or the project end date which is 31/08/2022.

Looking ahead

We are pleased that we have secured funding from our two main organisational support donors with funding agreements until June 2023 and June 2024.

Although we always take a prudent view in our financial plans, we are very optimistic we will be able to secure new funding in 2022. The Trustees review income prospects on a regular basis and make adjustments to our spending plans accordingly. Our current detailed financial plan for 2022 takes into account agreed funding arrangements and a prudent pipeline of new future funding.

Whilst we can do much of our work virtually, we have restarted some face-to-face activity when it is safe to do so.

The Trustees believe that Inclusion International will remain 'a going concern' over the next year – meaning that we will have enough money to keep the organisation going for a year.





Structure, governance and management

Constitution

Inclusion International is registered as a charitable company limited by guarantee, and was set up by a memorandum of association on 12 March

2004.

The council of Inclusion International approved updated articles of association on 1 December

2011

and 25 September

2014.

In 2016, the council was entrusted to update the constitution to reflect the changes to our membership rules. These changes were approved on 30 March

2017.

The company is a registered charity, number

1106715.

Constitution

Membership of Inclusion International is as follows:

Companies act members (as defined by the Companies Act): are the council of Inclusion International for the period they hold office.

Regions: are based on the continents of the world and boundaries defined from time-to-time by the council. The council may, in exceptional circumstances, establish regions based on published criteria. The regions will make their own membership arrangements and, where there is no functioning region, the secretariat will coordinate the full members.

Full members: family or self-advocacy based organisations, recognised as a national organisation or as an organisation responsible for bringing a country-level voice of families of persons with intellectual disabilities and/or self-advocates. To qualify, full members must:

- accept and support the 'statement of unity'
- agree to meet all obligations of full membership, including the payments of such subscriptions as are determined by the council
- participate in the affairs of the charity as a responsible voting member. Full members have voting rights at the general assembly of Inclusion International. Where there is more than one full member in a country, those full members will agree how to share the vote and, in the absence of such agreement, equal fractional votes will be assigned to the constituent organisations.

Affiliate members: organisations with an interest in the affairs of persons with intellectual disability, or a self-advocacy or family organisation which, in either case, accepts and supports the 'statement of unity', but which does not meet all of the requirements for full membership. Affiliated members have no voting rights at the general assembly of Inclusion International.

Individual members: individuals who accept and support the 'statement of unity' and may be admitted as individual members without a vote. An individual member has the right to attend any and all meetings of the assembly.

Trustees and organisational structure



The following trustees served during the year 2021:

- **Sue Swenson**, President
- **Mark Mapemba**, Vice-President
- **Nagase Osamu**, Secretary General
- **Tim Gadd**, Treasurer
- **Jyrki Pinomaa**, co-opted (appointed 24/02/21)

The current trustees are all experienced trustees of other organisations. The trustees are elected by the general assembly of member organisations, or appointed by the trustees.

The trustees met regularly online throughout 2021 in order to monitor the impact of the pandemic on our finances and work programme. Between meetings, other business is conducted by email.

Our global council is elected by our members based on our five regions. Each region has two representatives, one of which is a self-advocate with an intellectual disability. The council is a major link between our members and Inclusion International which ensures the mission, strategy and work of the charity is directly influenced by our members.

The council of Inclusion International (whose members are the constitutional members of the organisation) held several virtual meetings in 2021. These meetings dealt with the broad strategy and direction of Inclusion International.

Inclusion International works collaboratively with member organisations and with worldwide organisations like the United Nations, the World Bank and national development agencies which fund Inclusion International to undertake projects to further their work and influence.



The trustees delegate the day-to-day running of the charity to the Executive Director, Connie Laurin-Bowie and her team. In setting salaries for staff, the trustees take account of a number of different factors including:

- the needs of its beneficiaries and members
- funding available for the role if externally funded
- the overall financial position of the organisation
- the location of the role and the employment laws and employment market conditions in the country where the role is based
- the need to attract the appropriate skills required to manage Inclusion International in a way that achieves its vision, mission and agreed strategy.

Risk management

The trustees regularly review the risks facing Inclusion International. During 2021 the Trustees continued to closely monitor the impact of the Pandemic on our beneficiaries and income. The last review was carried out in January 2022 and identified the following main risks at the present time:



Understanding and dealing with the impact of the pandemic on our work, finances and members. Our income was not adversely impacted by the Pandemic in 2021 and Trustees are closely monitoring future funding.



Ensuring adequate income to continue our programme of work. We continue to seek new sources of funds and have a good track record in attracting grants income. The Trustees are aware of the over reliance on our two main organisational support funding. The Trustees consider 2022 to be a transitional year in which we need to:

- Act to secure more funding to cover core costs
- Ensure our core costs are spent in the best way to deliver our strategy.



Loss of income from membership fees. Financial pressures on member organisations continue to be a risk to the level of fees and donations they have been prepared to make. The Trustees are either directly, or in conjunction with the Council and the Regions, staying in regular contact with our members.



Foreign exchange risk (our accounts are published in US dollars which is the currency of a majority of our income) – we will continue to monitor carefully and take such action as is sensible.



Concerns about security and conflicts in some countries. In addition to the negative impact for our member organisations and people with disabilities in these countries, we know all too well that people with disabilities are proportionally worse off in conflict situations, it could further lead to loss of core income for us.

Risk management continued



Reliance on a very small and dedicated team of staff and volunteers to deliver our programme of work – we need to take action to ensure this risk is reduced as far as possible.



Ensuring the safeguarding of our staff, volunteers, partners and beneficiaries as our work develops – we must have appropriate policies and procedures in place.

The Board regularly reviews the mitigation against these risks and believes the current strategies to mitigate these risks are appropriate.



Plans for future periods

As we continue to manage in the new reality of the Pandemic, our members are learning how to connect and support each other in new and different ways. We know that it is more important than ever to share our strategies and collective voice.

To continue to be a strong and resilient organisation we will continue our efforts in 2022 on building systems and processes to enable our global network to share resources and strategies which make us more effective in moving our agenda forward.

Whilst 2021 was a challenging year, the Trustees believe that we have continued to respond well to the pandemic and ensured that the vital work of the Inclusion International network could continue.



In 2022, we will...

Launch a **new more accessible website** that will be easy to use and reflect the scale and scope of the work we do.

Launch our **Listen Include Respect** Guidelines on Inclusive Participation.

Identify diversified funding sources and ensuring our financial position is sustainable.

We will engage a fundraising expert to help us develop a **new Fundraising Strategy**.

Ensure our governance, systems and communications are fit for purpose, including, **investing in our team** and **strengthening relationships** within our network.

Come together at our **2022 World Congress and our General Assembly** where important decisions will be made and the new **Strategic Plan 2022-2026** will be approved and election will be held to fill vacancies with the Trustees and Council. As we see that the effects of the Pandemic are still prevalent, our plan is to hold this event virtually.

Launch our **Inclusion News channel on YouTube** where we will be interviewing our members and an **Instagram account**.

Launch the **Families Taking Action for Inclusion Program**, including new Community of Practice supporting families.

Provide online training opportunities for our members about our **Empower Us** program.

Expand our working groups to create new opportunities for our members to work together in new topics.

Trustees' responsibilities statement

The trustees (who are also directors of Inclusion International for the purposes of company law) are responsible for preparing the trustees' report and the financial statements, in accordance with applicable law and UK accounting standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year. Under company law, the trustees must not approve the financial statements unless they are satisfied they give a true and fair view of the state of affairs of the charitable company and the group, and of the incoming resources and application of resources, including the income and expenditure of the charitable group for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently
- observe the methods and principles in the charities SORP
- make judgments and accounting estimates that are reasonable and prudent
- prepare the financial statements on the going concern basis, unless it is inappropriate to presume that the charitable group will continue in operation.

The trustees are responsible for keeping adequate accounting records which are:

- sufficient to show and explain the charitable company and the group's transactions
- disclose with reasonable accuracy at any time the financial position of the charitable group
- 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 the group, and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of information to auditors

Each of the persons who are trustees at the time when this trustees' report is approved has confirmed that:

- so far as that trustee is aware, there is no relevant audit information of which the charitable group's auditors are unaware, and
- that trustee has taken all the steps that ought to have been taken as a trustee in order to be aware of any relevant audit information, and to establish that the charitable group's auditors are aware of that information.

AUDITORS

The auditors, Peters Elworthy & Moore, have indicated their willingness to continue in office.

The designated trustees will propose a motion re-appointing the auditors at a meeting of the trustees. *Text*

This report was approved by the trustees, on and signed on their behalf by:



Tim Gadd
29 March 2022

INCLUSION INTERNATIONAL
(A Company Limited by Guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF INCLUSION INTERNATIONAL

OPINION

We have audited the financial statements of Inclusion International (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 December 2021 which comprise the Consolidated Statement of Financial Activities, the Consolidated Balance Sheet, the Charity Balance Sheet, the Consolidated Statement of Cash Flows and the related notes, 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 Group's and of the parent charitable company's affairs as at 31 December 2021 and of the Group's 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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

CONCLUSIONS RELATING TO GOING CONCERN

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

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

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

OTHER INFORMATION

The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' Report thereon. The Trustees are responsible for the other information contained within the Annual Report. 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. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent

INCLUSION INTERNATIONAL
(A Company Limited by Guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF INCLUSION INTERNATIONAL
(CONTINUED)

material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

OPINION 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 for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' Report has 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 Trustees' Report.

We have nothing to report in respect of the following matters in relation to which Companies Act 2006 requires us to report to you if, in our opinion:

- the parent charitable company has not kept adequate and sufficient accounting records, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company 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 Group's and the parent 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 Group or the parent charitable company or to cease operations, or have no realistic alternative but to do so.

AUDITORS' 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 Auditors' Report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in

INCLUSION INTERNATIONAL
(A Company Limited by Guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF INCLUSION INTERNATIONAL
(CONTINUED)

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.

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

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the charitable company through discussions with trustees and other management, and from our knowledge and experience of the charity sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the charitable company, including the Companies Act 2006, Charities Act 2011 and taxation legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence;
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit; and
- we reviewed the minutes of Trustees' meetings to identify and references to non-compliances with laws and regulations

We assessed the susceptibility of the charitable company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we;

- tested journal entries to identify unusual transactions;
- evaluated the assumptions and judgements used by management within significant accounting estimates and assessed whether these indicated evidence of management bias; and
- performed audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with relevant regulators such as the Charity Commission.

INCLUSION INTERNATIONAL
(A Company Limited by Guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF INCLUSION INTERNATIONAL
(CONTINUED)

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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 Auditors' 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, and to the charitable company's trustees, as a body, Part 4 of the Charities (Accounts and Reports) Regulations 2008. 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 Auditors' 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 its members, as a body, for our audit work, for this report, or for the opinions we have formed.



Kelly Bretherick (Senior Statutory Auditor)

for and on behalf of

Peters Elworthy & Moore

Chartered Accountants

Statutory Auditors

Salisbury House

Station Road

Cambridge

CB1 2LA

31 March 2022

INCLUSION INTERNATIONAL
(A Company Limited by Guarantee)
REGISTERED NUMBER: 0507200

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 DECEMBER 2021

	Note	Restricted funds 2021 \$	Unrestricted designated funds 2021 \$	Unrestricted general funds 2021 \$	Total funds 2021 \$	Total funds 2020 \$
INCOME FROM:						
Donations	2	3,814	-	110,332	114,146	159,276
Charitable activities	3	1,233,503	-	-	1,233,503	701,879
Investment	4	-	-	13	13	67
Other income	5	-	-	4,522	4,522	-
TOTAL INCOME		1,237,317	-	114,867	1,352,184	861,222
EXPENDITURE ON:						
Charitable activities	6	936,831	27,018	106,005	1,069,854	1,011,448
TOTAL EXPENDITURE		936,831	27,018	106,005	1,069,854	1,011,448
NET INCOME/ (EXPENDITURE) BEFORE TRANSFERS		300,486	(27,018)	8,862	282,330	(150,226)
Transfers between funds		(77,320)	77,320	-	-	-
NET INCOME/ (EXPENDITURE)		223,166	50,302	8,862	282,330	(150,226)
Other gains		(1,093)	-	(5,299)	(6,392)	9,495
NET MOVEMENT IN FUNDS		222,073	50,302	3,563	275,938	(140,731)
RECONCILIATION OF FUNDS:						
Total funds brought forward		379,101	114,190	149,059	642,350	783,081
TOTAL FUNDS CARRIED FORWARD		601,174	164,492	152,622	918,288	642,350

The notes on pages 36 to 53 form part of these financial statements.

INCLUSION INTERNATIONAL
(A Company Limited by Guarantee)
REGISTERED NUMBER: 05072000

CONSOLIDATED BALANCE SHEET
AS AT 31 DECEMBER 2021

	Note		2021 £	2020 £
CURRENT ASSETS				
Debtors	10	12,090	36,376	
Cash at bank and in hand		964,838	676,482	
		<u>976,928</u>	<u>712,858</u>	
Creditors: amounts falling due within one year	11	(58,640)	(70,508)	
NET CURRENT ASSETS			918,288	642,350
TOTAL NET ASSETS			918,288	642,350
CHARITY FUNDS				
Restricted funds	12		601,174	379,101
Designated funds	12	164,492	114,190	
General funds	12	152,622	149,059	
Total unrestricted funds	12		317,114	263,249
TOTAL FUNDS			918,288	642,350

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies regime.

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:



Mr T J Gadd

Treasurer

Date: 29 March 2022

The notes on pages 36 to 53 form part of these financial statements.

INCLUSION INTERNATIONAL
(A Company Limited by Guarantee)
REGISTERED NUMBER: 05072000

CHARITY BALANCE SHEET
AS AT 31 DECEMBER 2021

	Note	2021 £	2020 £
CURRENT ASSETS			
Debtors	10	12,091	36,377
Cash at bank and in hand		962,833	674,477
		<u>974,924</u>	<u>710,854</u>
Creditors: amounts falling due within one year	11	(58,640)	(70,508)
NET CURRENT ASSETS		916,284	640,346
TOTAL NET ASSETS		916,284	640,346
CHARITY FUNDS			
Restricted funds	12	601,174	379,101
Designated funds	12	164,492	114,190
General funds	12	150,618	147,055
Total unrestricted funds	12	<u>315,110</u>	<u>261,245</u>
TOTAL FUNDS		916,284	640,346

The charity's net movement in funds for the year was £275,938 (2020 - £(140,731)).

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies regime.

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:



Mr T J Gadd

Treasurer

Date: 29 March 2022

The notes on pages 36 to 53 form part of these financial statements.

INCLUSION INTERNATIONAL
(A Company Limited by Guarantee)

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2021

	Note	2021 £	2020 £
CASH FLOWS FROM OPERATING ACTIVITIES			
Net cash used in operating activities	15	288,343	125,535
CASH FLOWS FROM INVESTING ACTIVITIES			
Dividends, interests and rents from investments		13	67
NET CASH PROVIDED BY INVESTING ACTIVITIES			
		13	67
CHANGE IN CASH AND CASH EQUIVALENTS IN THE YEAR			
Cash and cash equivalents at the beginning of the year		676,482	550,880
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR			
	16	964,838	676,482

The notes on pages 36 to 53 form part of these financial statements

INCLUSION INTERNATIONAL
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

1. ACCOUNTING POLICIES

1.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - 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) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Inclusion International meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

The Consolidated Statement of Financial Activities (SOFA) and Consolidated Balance Sheet consolidate the financial statements of the Group and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis.

1.2 BASIS OF CONSOLIDATION

The financial statements consolidate the accounts of Inclusion International and its subsidiary undertaking, International Inclusion Trading Limited.

The charity has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of Financial Activities in these financial statements.

The Statement of Financial Activities for the year dealt with in the accounts of the charity showed net income of \$275,938 (2020 - net expenditure of \$132,280).

1.3 COMPANY STATUS

The charity is a company limited by guarantee. The members of the company are the Trustees named on page 1. 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.

1.4 GOING CONCERN

The Trustees have prepared forecasts through to December 2023 and considered the trading period beyond this. The Trustees have reviewed the cash requirements of the business and expected inflows.

Upon their review, the Trustees believe the charity will have sufficient resources to meet its liabilities as they fall due for the foreseeable future and therefore continue to adopt the going concern basis in preparing the financial statements.

1.5 INCOME

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Membership income is recognised in the period to which it relates to. Any membership income received in advance is deferred.

INCLUSION INTERNATIONAL
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

1. ACCOUNTING POLICIES (CONTINUED)

1.5 INCOME (CONTINUED)

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the Bank.

Grants are included in the Consolidated Statement of Financial Activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance Sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

1.6 EXPENDITURE

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Group's objectives, as well as any associated support costs.

All expenditure is inclusive of irrecoverable VAT.

1.7 GOVERNMENT GRANTS

Non-capital government grants are credited to the Consolidated Statement of Financial Activities as the related expenditure is incurred.

1.8 FOREIGN CURRENCIES

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the reporting date.

Transactions in foreign currencies are translated into sterling at the rate determined at the start of the accounting period. Where the actual exchange rate varies more than 10% from this rate, the exchange rate used in the book entry is amended.

Exchange gains and losses are recognised in the Consolidated Statement of Financial Activities.

1.9 DEBTORS

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

1.10 CASH AT BANK AND IN HAND

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity

INCLUSION INTERNATIONAL
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

1. ACCOUNTING POLICIES (CONTINUED)

1.10 CASH AT BANK AND IN HAND (CONTINUED)

of three months or less from the date of acquisition or opening of the deposit or similar account.

1.11 LIABILITIES AND PROVISIONS

Liabilities 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.

Liabilities are recognised at the amount that the charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Consolidated Statement of Financial Activities as a finance cost.

1.12 FINANCIAL INSTRUMENTS

The Group only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

1.13 OPERATING LEASES

Rentals paid under operating leases are charged to the Consolidated Statement of Financial Activities on a straight line basis over the lease term.

1.14 PENSIONS

The charity contributes to the statutory government backed pension plan (NEST) for its UK based employees. Contributions are charged to the profit and loss account as incurred.

1.15 FUND ACCOUNTING

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Group 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 Group for particular purposes. The costs 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.

INCLUSION INTERNATIONAL
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

2. INCOME FROM DONATIONS

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Donations	-	3,814	3,814	2,262
Solidarity income	-	-	-	81,795
Membership income	82,556	-	82,556	75,219
Inclusion Fund	27,776	-	27,776	-
	<u>110,332</u>	<u>3,814</u>	<u>114,146</u>	<u>159,276</u>
TOTAL 2020	<u>159,276</u>	<u>-</u>	<u>159,276</u>	

During the year, the Council of Inclusion International, based on advice from the Membership Committee, agreed to waive the membership fees, either in total or in part, for 12 organisations with a total value of \$4,966. This is due to these members (7 Full Members and 5 Affiliates) having significant financial difficulties caused by the Global Covid 19 pandemic.

Any fee waiver is applied for one year only, and the members affected have retained their membership benefits and voting rights where applicable.

3. INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Grants for projects	-	1,233,503	1,233,503	701,879
	<u>550</u>	<u>701,329</u>	<u>701,879</u>	
TOTAL 2020	<u>550</u>	<u>701,329</u>	<u>701,879</u>	

INCLUSION INTERNATIONAL
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

4. INVESTMENT INCOME

	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Bank interest	13	13	67
TOTAL 2020	<u>67</u>	<u>67</u>	

5. OTHER INCOMING RESOURCES

	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
UK Government grants	4,522	4,522	-
TOTAL 2020	<u>-</u>	<u>-</u>	

UK government grants represent amounts receivable under the Coronavirus Job Retention Scheme (CJRS) to cover the salaries of furloughed employees in the UK.

6. ANALYSIS OF EXPENDITURE BY ACTIVITIES

	Activities undertaken directly 2021 £	Support costs 2021 £	Total funds 2021 £	Total funds 2020 £
Charitable activities	1,043,510	26,344	1,069,854	1,011,448
TOTAL 2020	<u>991,021</u>	<u>20,427</u>	<u>1,011,448</u>	

Expenditure on charitable activities was \$1,069,854 (2020 - \$1,011,448), of which \$106,005 (2020 - \$89,620) was unrestricted, \$27,018 (2020 - \$Nil) was designated and \$936,831 (2020 - \$996,260) was restricted.

INCLUSION INTERNATIONAL
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

6. ANALYSIS OF EXPENDITURE BY ACTIVITIES (CONTINUED)

ANALYSIS OF DIRECT COSTS

	Activities 2021 £	Total funds 2021 £	Total funds 2020 £
Staff costs	526,922	526,922	482,571
Consultancy	103,971	103,971	81,173
Insurance	2,736	2,736	3,847
General expenses	9,629	9,629	9,282
Publications and printing	7,971	7,971	5,772
Rent	18,265	18,265	17,253
Computer consumables	13,894	13,894	11,106
Telephone and internet	4,037	4,037	2,471
Translation expenses	20,110	20,110	25,009
Travel and accommodation	35,145	35,145	85,380
General assembly	-	-	8,422
Project costs	285,405	285,405	241,574
Membership fees	-	-	2,384
Website and communications	15,425	15,425	14,777
	<u>1,043,510</u>	<u>1,043,510</u>	<u>991,021</u>

ANALYSIS OF SUPPORT COSTS

	Activities 2021 £	Total funds 2021 £	Total funds 2020 £
Audit fees	13,875	13,875	10,900
Accountancy fees	12,469	12,469	9,527
	<u>26,344</u>	<u>26,344</u>	<u>20,427</u>

The increase in costs in 2021 reflects changes to the UK accounting standards and complexity of running international payrolls for non UK based employees.

INCLUSION INTERNATIONAL
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

7. AUDITORS' REMUNERATION

	2021	2020
	£	£
Fees payable to the charity's auditor for the audit of the charity's annual accounts	13,875	10,900
Fees payable to the charity's auditor in respect of:		
All non-audit services not included above	8,751	5,902
	<u>8,751</u>	<u>5,902</u>

8. STAFF COSTS

	Group	Group	Company	Company
	2021	2020	2021	2020
	£	£	£	£
Wages and salaries	479,534	448,769	479,534	448,769
Social security costs	36,413	24,265	36,413	24,265
Contribution to defined contribution pension schemes	10,975	9,537	10,975	9,537
	<u>526,922</u>	<u>482,571</u>	<u>526,922</u>	<u>482,571</u>

The average number of persons employed by the charity during the year was as follows:

	Group	Group	Company	Company
	2021	2020	2021	2020
	No.	No.	No.	No.
Employees	7	8	7	8
	<u>7</u>	<u>8</u>	<u>7</u>	<u>8</u>

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	Group	Group
	2021	2020
	No.	No.
In the band £120,001 - £130,000	-	1
In the band £130,001 - £140,000	1	-

During the year expenses of \$3,143 (2020 - \$1,098) were reimbursed to two (2020 - two) trustees. No remuneration was paid to any trustees during the period in accordance with the Articles of Association.

The key management personnel of the charity comprises the trustees, the Executive Director, Finance and Programmes Manager, Project Manager and Coordinator/Administrator of the charity. The total employee benefits of the key management personnel of the charity were \$253,467 (2020 - \$236,122).

INCLUSION INTERNATIONAL
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

9. INVESTMENT IN SUBSIDIARY

The charity has a wholly owned subsidiary which is incorporated in the UK. Inclusion Trading Limited conducted the running of World Congress held in the UK. A summary of its results is shown below. The accounts have been filed with the Registrar of Companies. The cost of the investment in the subsidiary is \$1 (2020 - \$1).

	2021	2020
	£	£
Profit & Loss Account		
Turnover	-	-
Administrative expenses	-	(34)
Tax on profit/(loss)	-	-
	-	(34)
Balance Sheet		
Current assets	2,005	2,005
Current liabilities	-	-
	2,005	2,005

10. DEBTORS

	Group	Group	Company	Company
	2021	2020	2021	2020
	£	£	£	£
DUE WITHIN ONE YEAR				
Trade debtors	11,700	29,329	11,700	29,329
Other debtors	390	162	390	162
Prepayments and accrued income	-	6,885	1	6,886
	12,090	36,376	12,091	36,377

INCLUSION INTERNATIONAL
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

11. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group 2021	Group 2020	Company 2021	Company 2020
	£	£	£	£
Trade creditors	205	485	205	485
Other creditors	-	3,587	-	3,587
Accruals and deferred income	58,435	66,436	58,435	66,436
	<u>58,640</u>	<u>70,508</u>	<u>58,640</u>	<u>70,508</u>

12. STATEMENT OF FUNDS (GROUP)

STATEMENT OF FUNDS - CURRENT YEAR

	Balance at 1 January 2021	Income	Expenditure	Transfers in/out	Gains/ (Losses)	Balance at 31 December 2021
	£	£	£	£	£	£
UNRESTRICTED FUNDS						
DESIGNATED FUNDS						
Equipment and website	27,000	-	(5,943)	-	-	21,057
Global event	45,190	-	(4,482)	-	-	40,708
Inclusive education	10,000	-	(1,500)	-	-	8,500
Solidarity fund	32,000	-	(15,093)	-	-	16,907
Development fund	-	-	-	77,320	-	77,320
	<u>114,190</u>	<u>-</u>	<u>(27,018)</u>	<u>77,320</u>	<u>-</u>	<u>164,492</u>
GENERAL FUNDS						
Unrestricted funds	147,055	114,867	(106,005)	-	(5,299)	150,618
Subsidiary	2,004	-	-	-	-	2,004
	<u>149,059</u>	<u>114,867</u>	<u>(106,005)</u>	<u>-</u>	<u>(5,299)</u>	<u>152,622</u>
TOTAL UNRESTRICTED FUNDS	<u>263,249</u>	<u>114,867</u>	<u>(133,023)</u>	<u>77,320</u>	<u>(5,299)</u>	<u>317,114</u>

INCLUSION INTERNATIONAL
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

12. STATEMENT OF FUNDS (CONTINUED)

	Balance at 1 January 2021 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 December 2021 £
RESTRICTED FUNDS						
IHC New Zealand	77,320	-	-	(77,320)	-	-
Wellspring	124,791	225,000	(229,923)	-	-	119,868
Sightsavers	1,128	112,231	(112,266)	-	(1,093)	-
Local projects	11,820	70,189	(82,009)	-	-	-
Open Society Foundation (III)	148,515	535,000	(268,420)	-	-	415,095
Norad/IDA	-	136,103	(136,103)	-	-	-
Keystone Human Services	503	-	(503)	-	-	-
UNDP	5,216	-	(5,216)	-	-	-
IDA Listen Include Respect	9,808	10,000	(19,808)	-	-	-
International Labour Office	-	15,000	(15,000)	-	-	-
The World Bank	-	29,980	(39,000)	-	-	(9,020)
Ford Foundation	-	100,000	(28,583)	-	-	71,417
Liz Legacy	-	3,814	-	-	-	3,814
	<u>379,101</u>	<u>1,237,317</u>	<u>(936,831)</u>	<u>(77,320)</u>	<u>(1,093)</u>	<u>601,174</u>
TOTAL OF FUNDS	<u><u>642,350</u></u>	<u><u>1,352,184</u></u>	<u><u>(1,069,854)</u></u>	<u><u>-</u></u>	<u><u>(6,392)</u></u>	<u><u>918,288</u></u>

Charity only funds at the year end are \$916,284 (2020 - \$640,346). This represents the balances listed above excluding the subsidiary balance of \$2,004 (2020 - \$2,004).

INCLUSION INTERNATIONAL
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

12. STATEMENT OF FUNDS (CONTINUED)

STATEMENT OF FUNDS - PRIOR YEAR

	Balance at 1 January 2020 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 December 2020 £
UNRESTRICTED FUNDS						
DESIGNATED FUNDS						
Equipment and website	14,690	-	-	12,310	-	27,000
Global event	27,500	-	-	17,690	-	45,190
Inclusive education	10,000	-	-	-	-	10,000
Solidarity fund	-	-	-	32,000	-	32,000
	<u>52,190</u>	<u>-</u>	<u>-</u>	<u>62,000</u>	<u>-</u>	<u>114,190</u>
GENERAL FUNDS						
Unrestricted funds	132,586	159,893	(89,620)	(62,000)	6,196	147,055
Subsidiary	2,004	-	-	-	-	2,004
	<u>134,590</u>	<u>159,893</u>	<u>(89,620)</u>	<u>(62,000)</u>	<u>6,196</u>	<u>149,059</u>
TOTAL UNRESTRICTED FUNDS	<u>186,780</u>	<u>159,893</u>	<u>(89,620)</u>	<u>-</u>	<u>6,196</u>	<u>263,249</u>

INCLUSION INTERNATIONAL
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

12. STATEMENT OF FUNDS (CONTINUED)

	Balance at 1 January 2020 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 December 2020 £
RESTRICTED FUNDS						
IHC New Zealand	74,069	-	-	-	3,251	77,320
Wellspring	122,099	225,000	(222,308)	-	-	124,791
Sightsavers	1,630	151,200	(151,750)	-	48	1,128
Local projects	-	197,530	(185,710)	-	-	11,820
Open Society Foundation (III)	398,503	-	(249,988)	-	-	148,515
Norad/IDA	-	51,269	(51,269)	-	-	-
Keystone Human Services	-	3,728	(3,225)	-	-	503
UNDP	-	28,328	(23,112)	-	-	5,216
IDA Listen Include Respect	-	44,274	(34,466)	-	-	9,808
	<u>596,301</u>	<u>701,329</u>	<u>(921,828)</u>	<u>-</u>	<u>3,299</u>	<u>379,101</u>
TOTAL OF FUNDS	<u><u>783,081</u></u>	<u><u>861,222</u></u>	<u><u>(1,011,448)</u></u>	<u><u>-</u></u>	<u><u>9,495</u></u>	<u><u>642,350</u></u>

INCLUSION INTERNATIONAL
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

The purposes of the designated funds are as follows:

Equipment and website

To set aside funds for future equipment purchases.

Global Event

Funding for global events (Council, General Assemblies, a future World Congress).

Inclusive Education

To assist our members with initiatives building on larger education reform efforts, as well as to support the development of leaders to effectively bring about inclusive education.

Solidarity fund

Voluntary contributions by members to the work of Inclusion International following changes to the fee structure agreed at the General Assembly in 2016.

Development fund

Funding for future organisational and regional development.

The purposes of the restricted funds are as follows:

IHC New Zealand

To provide a contingency fund for the London office and the Secretariat of Inclusion International. During the year, the original donor approached Inclusion International to offer to remove the restrictions on the grant. As such, the balance was transferred to general funds in the year which the Trustees have agreed to designate for the Development Fund.

Wellspring

To strengthen activism by connecting people, communities and organizations to take action for inclusion, and to build partnerships on key issues to advance advocacy; improve capacity and effectiveness of our impact.

Sightsavers with funding from the Department for International Development (DFID)

To address the lack of access to employment opportunities in open labour markets for persons with disabilities in low income countries. Inclusion International will focus its contributions on the inclusion of people with intellectual disabilities, although the models and learning from this target group will have implications for the broader project.

Local Projects

To promote the implementation of the UNCRPD and in particular article 24 and to empower people with disabilities to become active, contributing members of their communities. The transfer relates to a management fee Inclusion International were entitled to for overseeing the project.

Open Society Foundation

To build the capacity of Inclusion International to identify key issues of discrimination, and to develop tools for self-advocacy and family organisations to use in implementing inclusion.

Norad/IDA

To grow the self-advocacy movement and support the transition to inclusive education in Africa. This project contributes to the overall goal of influencing the disability rights movement to shape the development agenda in Sub-Saharan Africa. Working in Ethiopia, Rwanda and Ghana the project builds on the experience of two global programmes run by Inclusion International – Empower Us, and the Catalyst for Inclusive Education.

INCLUSION INTERNATIONAL
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

Keystone Human Services

To assess country contexts, and to build capacities and technical skills of country level partners.

UNDP

To support further development of practical guidelines for election stakeholders. Inclusion International delivered 10 consultations with persons with intellectual and psychosocial disabilities.

IDA Listen Include Respect

To establish a set of agreed and endorsed guidelines for the inclusion, support and participation of people with intellectual disabilities, including in the employment sector. As self-advocacy leadership develops and the inclusion of persons with an intellectual disability in national, regional and international advocacy work grows, Inclusion International has recognised the need for support in making sure their work is inclusive and that self-advocates with an intellectual disability can participate fully. This project has been jointly implemented with Down Syndrome International (DSI).

International Labour Office

To strengthen the knowledge base on current practices and possible innovations related to building disability inclusive social protection systems. To develop a report on existing support services for persons with intellectual disabilities and their families, and produce accessible material on social protection.

The World Bank

To document the successes of community-led and family centred approaches for mobilising inclusive education advocacy in Africa and Latin America. To create relevant guides and knowledge materials to support the effectiveness of inclusive education advocacy in communities. The fund is in deficit at the year end due to a need to pay partners up front. Future funding will offset the deficit.

Ford Foundation

To strengthen the organisation by supporting the development of a new strategy including a new long term funding strategy.

Liz Legacy

To create a grant to support a group of people with intellectual disabilities to design and deliver their own project to advocate for inclusive employment in their community. It is made up of funds donated in memory of Liz Haverda.

13. CONSOLIDATED ANALYSIS OF NET ASSETS BETWEEN FUNDS

CONSOLIDATED ANALYSIS OF NET ASSETS BETWEEN FUNDS - CURRENT YEAR

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £
Current assets	353,123	623,805	976,928
Creditors due within one year	(36,009)	(22,631)	(58,640)
TOTAL	317,114	601,174	918,288

INCLUSION INTERNATIONAL
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

13. CONSOLIDATED ANALYSIS OF NET ASSETS BETWEEN FUNDS (CONTINUED)

CONSOLIDATED ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR YEAR

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £
Current assets	333,757	379,101	712,858
Creditors due within one year	(70,508)	-	(70,508)
TOTAL	<u>263,249</u>	<u>379,101</u>	<u>642,350</u>

14. CHARITY ANALYSIS OF NET ASSETS BETWEEN FUNDS

CHARITY ANALYSIS OF NET ASSETS BETWEEN FUNDS - CURRENT PERIOD

	Unrestricted funds 2021 \$	Restricted funds 2021 \$	Total funds 2021 \$
Current assets	351,119	623,805	974,924
Creditors due within one year	(36,009)	(22,631)	(58,640)
TOTAL	<u>315,110</u>	<u>601,174</u>	<u>916,284</u>

CHARITY ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR PERIOD

	Unrestricted funds 2020 \$	Restricted funds 2020 \$	Total funds 2020 \$
Current assets	331,753	379,101	710,854
Creditors due within one year	(70,508)	-	(70,508)
TOTAL	<u>261,245</u>	<u>379,101</u>	<u>640,346</u>

INCLUSION INTERNATIONAL
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

15. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES

	Group 2021 £	Group 2020 £
Net income/expenditure for the year (as per Statement of Financial Activities)	282,330	(150,226)
ADJUSTMENTS FOR:		
Dividends, interests and rents from investments	(13)	(67)
Decrease in debtors	24,286	254,694
Increase/(decrease) in creditors	(11,868)	11,639
Foreign exchange movement	(6,392)	9,495
NET CASH PROVIDED BY OPERATING ACTIVITIES	288,343	125,535

16. ANALYSIS OF CASH AND CASH EQUIVALENTS

	Group 2021 £	Group 2020 £
Cash in hand	964,838	676,482
TOTAL CASH AND CASH EQUIVALENTS	964,838	676,482

17. ANALYSIS OF CHANGES IN NET DEBT

	At 1 January 2021 £	Cash flows £	Changes in market value and exchange rate movements £	At 31 December 2021 £
Cash at bank and in hand	676,482	294,748	(6,392)	964,838

INCLUSION INTERNATIONAL
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

18. PENSION COMMITMENTS

The company pays in to the personal pension plan of four employees. The pension cost charge represents contributions payable by the company and amounted to \$10,974 (2020 - \$8,722).

19. OPERATING LEASE COMMITMENTS

At 31 December 2021 the Group and the charity had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	Group 2021 £	Group 2020 £	Company 2021 £	Company 2020 £
Not later than 1 year	2,813	2,813	2,813	2,813

20. OTHER FINANCIAL COMMITMENTS

At 31 December 2021, the Charity was commitment to website development costs of \$15,228.

21. RELATED PARTY TRANSACTIONS

The membership fees are considered to be in the course of normal operations.

During the year the charity received grant income of of \$146,103 from International Disability Alliance (IDA) in respect of two grants awarded to the charity in the previous year. During the year, one of the charity's trustees became the treasurer of IDA.