

2022

Finance Report



Company Number: **05072000**

Charity Number: **1106715**

Year Ended: **31 DECEMBER 2022**

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 - 26 |
| Independent Auditors' Report on the Financial Statements | 27 - 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 - 53 |

INCLUSION INTERNATIONAL
(A Company Limited by Guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 DECEMBER 2022

| | |
|----------------------------------|---|
| Trustees | T J Gadd J Innes M Mapemba N Osamu J Pinomaa 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 |

Acronym List

Inclusion International is involved in many global processes that have long technical titles. Throughout this report the trustees apply commonly used acronyms. Acronyms make sentences shorter and as a result, easier to read. They may also help you to recognise when these structures are referenced outside of the context of this report.

| | |
|--------------|--|
| COSP | <u>Conference of the States Parties</u> |
| CRPD | <u>Convention on the Rights of Persons with Disabilities</u> |
| DRF | <u>Disability Rights Fund</u> |
| HI | <u>Humanity Inclusion</u> |
| IDA | <u>International Disability Alliance</u> |
| OHCHR | <u>Office of the High Commissioner on Human Rights</u> |
| OSF | <u>Open Society Foundation</u> |
| SORP | <u>Statement of Recommended Practice</u> |
| UN | <u>United Nations</u> |
| WHO | <u>World Health Organisation</u> |



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 2022.

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:

Global Advocacy

- Strong and representative voice of self-advocates and families at the United Nations (UN) and other global forums.
- Influence global processes and ensuring efforts are responsive to the needs of families and self-advocates.
- Work with partners in the cross-disability and other human rights networks.

Connecting Members

- Support and develop regional networks.
- Create platforms (conferences/events/online and social media) for shared learning on priority issues.
- Mobilise network members on shared priority issues.
- Create spaces for shared learning and cooperation.

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.
- Lead projects which demonstrate good practice and learning.

Global Advocacy

Inclusion International's advocacy work was guided by global events and processes such as the war in Ukraine, and the development of the Deinstitutionalisation guidelines by the Convention on the Rights of Persons with Disabilities (CRPD) Committee. Some highlights from 2022 are:

- ✓ We contributed to the finalisation of the CRPD Committee guidelines on deinstitutionalisation, including in emergencies. We also supported the submissions from our network in the drafting process through national consultations and direct submissions. The main achievement is the recognition of the role of families.
- ✓ We joined the Community2030 initiative focusing on support systems for community inclusion. As part of this topic, we contributed to the consultation processes of the Office of the High Commissioner on Human Rights (OHCHR) and the special rapporteur on the rights of persons with disabilities related to their reports on support, care and services transformation.
- ✓ We influenced the World Health Organisation (WHO) report on Health Equity for Persons with Disabilities by ensuring the inclusion of key issues faced by people with intellectual disabilities in accessing health. Our members were also involved in the process through the participation in the regional consultations led by WHO.
- ✓ Our network was represented at the Global Disability Summit: we have contributed to the menu of commitments drafting processes and our members were present at the event as speakers.
- ✓ We used the Conference of the States Parties (COSP) to the CRPD to launch and promote our Listen, Include, Respect Guidelines with many stakeholders. During the conference, our network was involved in 5 side-events, including an event on the war in Ukraine and its impact on people with intellectual disabilities and their families.



Connecting Members

In 2022 we held a virtual General Assembly with nearly 200 participants, including over 65% of our Full Members. A new **Strategic Plan for 2023-2028** was approved, as well as position papers on Inclusive Employment and Inclusive Education.

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.

As a global network, connecting members and regions to each other to share experiences and learning from one another is an important part of what we do. In 2022, we helped members learn and share with each other by creating new spaces where they can connect, collaborate, and support one another. At the regional level, our Regional Representatives to Council worked hard to bring together the members in their regions. They hosted regular online meetings for networking and sharing, or to talk about specific topics that are important in the region. At the global level, we brought together members to collaborate in working groups and discussion groups on different topics that matter to our network.

Projects and Programmes

Our projects and programmes give our members access to the resources and technical support they need to do work on topics that are important to them. The projects also help to provide evidence of good practices which can be replicated and used in different contexts and countries. Together they provide a body of information and knowledge which informs the work of our network.

Inclusion International's programme structures work in the following key areas:

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 2022 the Catalyst for Inclusive Education supported the development of the first draft of our new Position Paper on Inclusive Education that was then consulted upon within our entire membership with support from the Council. Catalyst also supported the development of tools and resources that members in Latin America and Africa developed to help other organisations support families to advocate for inclusive education at local and national level. Inclusion International's members who are part of Catalyst also participated in key events linked to global mechanisms such as HLPF and the events in preparation for the Global Disability Summit. Throughout the year, Catalyst members used this platform to continue exchanging on their work 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. In 2022, our members asked for the Families Taking Action for Inclusion programme to create new opportunities to come together, give members a chance to share their work with families, and to host open discussions about new ways to support families. The Families Discussion Group was created to respond to this need, serving as a new space for the network to share and learn together. The Families Discussion Group focused on 2 topics in 2022 - supporting families in crisis situations, and facilitating peer support for families. Members in Japan, Nicaragua, Lebanon, Ethiopia, Canada, and the United Arab Emirates shared their work with families, and members from around the world came together for interesting discussions and learned from each other's experiences.

Projects and Programmes

Empower Us: This programme supports our members to develop self-advocate leadership. It is led by people with intellectual disabilities who are self-advocates. Through Empower Us, Inclusion International members are supported to grow their self-advocacy work through training for people with intellectual disabilities, their supporters, resources, mentorship, and other strategies based on the needs of the member organisation. Empower Us programming has been delivered in every region of the world, with more than 200 self-advocate leaders trained. In 2022 regional networks of self-advocates came together to start to make strategies for their work in Latin America and in Africa. Empower Us training took place in Rwanda, Ghana and Ethiopia through the Inclusion Matters project.

Inclusion Matters: This project focuses on strengthening the disability movement in sub-Saharan Africa. It builds the capacity of self-advocates and professionals to engage in advocacy, and contributes to technical capacity development on inclusive education for people with intellectual disabilities, both at the national and regional level. In 2022 the project kept providing spaces for learning and sharing experiences about inclusive education and self-advocacy through training, workshops and in-person exchanges. In addition, this year there

were strategic opportunities for connecting and sharing both themes with the rest of the region, in order to provide sustainability to the learning created through the project.

World Bank: The “Empowering Families to leverage community resources for inclusion in education.” is a small research project that was conducted to:

- Map out the strategies that families of children with intellectual disabilities are using in their communities to push for inclusive education – this includes the ways that families connect with each other to do local advocacy on education and how families work with other stakeholders in the local community.
- Share these strategies with other members in the region, who can support families in new communities to replicate those models.
- Create tools for families that will support them in their work to advocate for and be local leaders in inclusive education in their communities
- Connect members to share knowledge on how to turn the voices and experiences of families at the grassroots level into national level policy advocacy.

Projects and Programmes

Inclusion Works: This project came to a close in 2022, wrapping up 3 years of work on inclusive employment. Through the project, our members in Kenya, Uganda, Nigeria, and Bangladesh trained over 100 businesses about how to make their workplaces more inclusive and created a guide for employers about inclusion at work. More than 130 self-advocates took part in discussions about real jobs for real pay, and their self-advocacy groups talked to their governments, media, and businesses about their right to work. Over 95 people with intellectual disabilities also got access to training that will help them get a job through this project. Inclusion International members spread the word about inclusive participation by training over 50 organisations about inclusion in their work and sharing data on their exclusion from development funding.



Self-advocates from Inclusion Uganda talk about their right to work on Ugandan TV programme “Tukole” on Delta TV.



SEID's self-advocacy group in Bangladesh had an advocacy meeting with their government.

Listen, Include, Respect: In 2022, as a result of two years of consultations with Inclusion International and Down Syndrome International's members, the global guidelines on inclusive participation were launched along with a set of resources on the LIR website. Listen Include Respect are guidelines for organisations on how to make sure people with intellectual disabilities are included and can take part in activities and decision making.

They provide guidance on:

- accessible information
- inclusive meetings
- good support
- inclusive leadership
- accessible workplaces



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.

Governance



Sue Swenson
President



Mark Mapemba
Vice-President



Nagase Osamu
Secretary General



Tim Gadd
Treasurer



Jyrkii Pinomaa
Co-opted Officer



Jimmy Innes
Co-opted Officer

In the last year the Trustees continued 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 co-opted Jimmy Innes, CEO of Lepira, who joined the Board on 28 Feb 2022.

We also found the need to ensure that we always have a Vice President and will therefore revise the Articles of Association to that effect.

Fundraising



Inclusion International does not currently raise funds in the traditional way for UK based charities, our income comes from our Members, donations or project 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 2022 we engaged a fundraising expert to help us develop a new Fundraising Strategy. This process resulted in 3 fundraising priorities for 2023:

- Setting up an entity in the United States which could help us secure donations from American foundations and philanthropists.
- Developing the business model around providing services related to the use of the Listen Include Respect guidelines. This could potentially become income generating for us in the future.
- Expanding partnerships in Europe (in Brussels and with the European Union).



Financial Review

The trustees closely monitor the impact of the pandemic and the global economic crisis on Inclusion International's finances. Our income level in 2022 has been good. We have received a new grant from Open Society Institute (OSF) of the amount of \$300,000.

The purpose of the grant is to support the general work of the organisation. We have in addition received new grant funding from Sightsavers, Disability Rights Fund (DRF) and the Finnish Ministry of Foreign Affairs through the International Disability Alliance (IDA).

In 2022 we had 3 main sources of income, these were:

1

Membership

Our members continued to support our work through the payment of fees (\$80,129) and Inclusion Fund contributions (\$42,510).

2

Grant income

Income from grants remained strong – details of these grants can be found in the statement of funds section of the financial report.

3

Donations

We received \$10,000 in donations from The Arc Thrift Store.

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 2022.



Some Key Points to Note:



There was a deficit in 2022 of 78,501. That is because the whole grant money from Open Society Foundation was received in 2021, but it will be spent over a two-year period until June 2023.



Our travel related costs were higher than in 2021, and more in line with pre-pandemic expenditure. We have also noted that cost for international travel has increased significantly in 2022.



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. 2022 has been a particularly hard year to predict exchange rate movements. 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.

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:** this year we have spent money on our re-developed website, as well as equipment for staff members.
- **Solidarity payments:** our members were very generous with their voluntary Inclusion Fund payments in 2021 – we have a designated fund which we have spent in 2022 to support our project and programmes.
- **Inclusive Education:** we have spent money to support our Catalyst for Inclusive Education Programme.
- **Contingency Fund:** we have used some of the fund for essential travel as part of the governance of the organisation after the pandemic.

The table below shows the total amount of money in each of our Designated Reserves at the end of 2021 and at the end of 2022.

| Designated Reserves | 31/12/2022 | 31/12/2021 |
|----------------------------------|----------------|----------------|
| Equipment and website | 7,571 | 21,057 |
| Inclusive Education | | 8,500 |
| Global Events | 55,708 | 40,708 |
| Solidarity Fund | | 16,907 |
| Development Fund | 53,819 | 77,320 |
| Total Designated Reserves | 117,098 | 164,492 |

The table below shows the total amount of money in our reserves at the end of 2021 and 2022.

| Total Funds Available | 31/12/2022 | 31/12/2021 |
|-----------------------|----------------|----------------|
| Restricted reserves | 568,754 | 601,174 |
| Designated Reserves | 117,097 | 164,492 |
| Unrestricted Reserves | 151,931 | 152,622 |
| Total Reserves | 837,782 | 918,228 |

Our policy has been to hold at least \$150,000 of **Unrestricted** Reserves – enough money to cover more than 6 months of non-programme expenditure. We have achieved this target. Going forward, the trustees will review whether this target is adequate again later in 2023.

Looking Ahead

We have funding from our 2 main organisational support donors with funding agreements until June 2023 and June 2024.

We have taken a very cautious view in our financial plans, but we remain optimistic that we will be able to secure new funding in 2023. The Trustees review income prospects on a regular basis and make adjustments to our spending plans accordingly. Our current detailed financial plan for 2023 takes into account agreed funding arrangements and a prudent pipeline of new future funding. In 2023 we have signed a three-year contract with Humanity Inclusion (HI) for a project in Jordan about closing institutions in the total amount of 264,213 Euros.

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.**

Membership

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 in that region for membership purposes.

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 1 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.

Organisational Structure



Trustees served during the year 2022:

- **Sue Swenson**, President
- **Mark Mapemba**, Vice-President
- **Nagase Osamu**, Secretary General
- **Tim Gadd**, Treasurer
- **Jyrki Pinomaa**, co-opted
- **Jimmy Innes**, co-opted
- (appointed on 28th Feb 2022).

The current trustees are all experienced trustees of other organisations. They are elected by the General Assembly of member organisations, or appointed by the trustees. They met regularly online throughout 2022 in order to monitor the impact of the pandemic on our finances and work programme. The Trustees met face-to-face once in 2022, in London. Between meetings, other business is conducted by email.

Our global council is elected by our members based on our 5 regions. Each region has 2 representatives, one of which is a self-advocate with an intellectual disability. The council is a major link between our members and helps ensure the mission, strategy and work of the charity is directly influenced by our members. The council (whose members are the constitutional members of the organisation) held a virtual Council meeting in 2022 ahead of the General Assembly.

The Network held a General Assembly in November 2022. At the General Assembly the President, the Vice President and the Secretary General were all re-elected. In addition, the General Assembly approved a recommendation of the Nominating Committee to extend Tim Gadd's term as Treasurer until the 2022 annual accounts has been signed.



The members also approved a proposal to change the constitution so that a Vice-President and a President-Elect or Past-President can be in place at the same time.

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 mitigation against risks facing Inclusion International. The last review was carried out in January 2023 and identified the following main risks:

Ensuring adequate income to continue our programme of work. We continue to seek new sources of funds and have a good track record of attracting grants income. The Trustees are aware of the over reliance on our 2 main funding sources. 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 can make. The Trustees are either directly, or together 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 this closely.

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, it could further lead to loss of core income for us.

Reliance on a very small and dedicated team of staff and volunteers to deliver our programme of work. We will try to reduce this risk as far as possible.

Ensuring the safeguarding of our staff, volunteers, partners and beneficiaries. We must have appropriate policies and procedures in place.

Plans for the Future

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 2023 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.

In 2023, we will...

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

Start preparations for the next **World Congress** and General Assembly, which will be held at the end of 2024, or early in 2025.

Implement the new **Strategic Plan** that was approved by the General Assembly. Part of the strategy is about how we involve more members in the work of the network. In 2023 we will establish committees and groups to create new opportunities for our members to get involved in the work of the network

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

Launch a new **Learning Platform**.

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

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.

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



28 March 2023



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 2022 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 2022 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 and the Charities Act 2011.

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.

INCLUSION INTERNATIONAL
(A Company Limited by Guarantee)

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

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 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.

INCLUSION INTERNATIONAL
(A Company Limited by Guarantee)

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

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 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

INCLUSION INTERNATIONAL
(A Company Limited by Guarantee)

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

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.

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.

INCLUSION INTERNATIONAL
(A Company Limited by Guarantee)

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

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

Date: 30 March 2023

INCLUSION INTERNATIONAL
(A Company Limited by Guarantee)

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND
EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 DECEMBER 2022**

| | Note | Unrestricted general funds 2022 \$ | Unrestricted designated funds 2022 \$ | Restricted funds 2022 \$ | Total funds 2022 \$ | Total funds 2021 \$ |
|---|------|--|---|-----------------------------------|---------------------------|---------------------------|
| INCOME FROM: | | | | | | |
| Donations | 2 | 132,656 | - | 94 | 132,750 | 114,146 |
| Charitable activities | 3 | - | - | 957,003 | 957,003 | 1,233,503 |
| Investment | 4 | 146 | - | - | 146 | 13 |
| Other income | 5 | 422 | - | - | 422 | 4,522 |
| TOTAL INCOME | | 133,224 | - | 957,097 | 1,090,321 | 1,352,184 |
| EXPENDITURE ON: | | | | | | |
| Charitable activities | 6 | 84,899 | 67,394 | 989,517 | 1,141,810 | 1,069,854 |
| TOTAL EXPENDITURE | | 84,899 | 67,394 | 989,517 | 1,141,810 | 1,069,854 |
| NET (EXPENDITURE)/INCOME | | 48,325 | (67,394) | (32,420) | (51,489) | 282,330 |
| Transfers between funds | 12 | (20,000) | 20,000 | - | - | - |
| NET MOVEMENT IN FUNDS BEFORE OTHER RECOGNISED LOSSES | | 28,325 | (47,394) | (32,420) | (51,489) | 282,330 |
| OTHER RECOGNISED LOSSES: | | | | | | |
| Other gains/(losses) | 12 | (27,012) | - | - | (27,012) | (6,392) |
| NET MOVEMENT IN FUNDS | | 1,313 | (47,394) | (32,420) | (78,501) | 275,938 |
| RECONCILIATION OF FUNDS: | | | | | | |
| Total funds brought forward | 12 | 152,622 | 164,492 | 601,174 | 918,288 | 642,350 |
| Net movement in funds | 12 | 1,313 | (47,394) | (32,420) | (78,501) | 275,938 |
| TOTAL FUNDS CARRIED FORWARD | 12 | 153,935 | 117,098 | 568,754 | 839,787 | 918,288 |

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 2022

| | Note | 2022 \$ | 2021 \$ |
|--|------|----------------|----------------|
| CURRENT ASSETS | | | |
| Debtors | 10 | 182,547 | 12,090 |
| Cash at bank and in hand | | 751,210 | 964,838 |
| | | <u>933,757</u> | <u>976,928</u> |
| Creditors: amounts falling due within one year | 11 | (93,970) | (58,640) |
| NET CURRENT ASSETS | | 839,787 | 918,288 |
| TOTAL ASSETS LESS CURRENT LIABILITIES | | 839,787 | 918,288 |
| TOTAL NET ASSETS | | 839,787 | 918,288 |
| CHARITY FUNDS | | | |
| Restricted funds | 12 | 568,754 | 601,174 |
| Unrestricted funds | | | |
| Designated funds | 12 | 117,098 | 164,492 |
| General funds | 12 | 153,935 | 152,622 |
| Total unrestricted funds | 12 | <u>271,033</u> | <u>317,114</u> |
| TOTAL FUNDS | | 839,787 | 918,288 |

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: 28 March 2023

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 2022

| | Note | 2022 \$ | 2021 \$ |
|--|------|----------------|----------------|
| FIXED ASSETS | | | |
| Investments | 9 | 1 | 1 |
| | | <u>1</u> | <u>1</u> |
| CURRENT ASSETS | | | |
| Debtors | 10 | 182,548 | 12,090 |
| Cash at bank and in hand | | 749,205 | 962,833 |
| | | <u>931,753</u> | <u>974,923</u> |
| Creditors: amounts falling due within one year | 11 | (93,971) | (58,640) |
| | | <u>837,782</u> | <u>916,283</u> |
| NET CURRENT ASSETS | | 837,782 | 916,283 |
| TOTAL ASSETS LESS CURRENT LIABILITIES | | 837,783 | 916,284 |
| TOTAL NET ASSETS | | 837,783 | 916,284 |
| CHARITY FUNDS | | | |
| Restricted funds | 12 | 568,754 | 601,174 |
| Unrestricted funds | | | |
| Designated funds | 12 | 117,098 | 164,492 |
| General funds | 12 | 151,931 | 150,618 |
| | | <u>269,029</u> | <u>315,110</u> |
| Total unrestricted funds | 12 | 269,029 | 315,110 |
| TOTAL FUNDS | | 837,783 | 916,284 |

The charity's net movement in funds for the year was \$(78,501) (2021 - \$275,938).

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: 28 March 2023

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 2022

| | 2022 | 2021 |
|---|-------------|-------------|
| | \$ | \$ |
| CASH FLOWS FROM OPERATING ACTIVITIES | | |
| Net cash used in operating activities | (213,774) | 288,343 |
| | <hr/> | <hr/> |
| CASH FLOWS FROM INVESTING ACTIVITIES | | |
| Dividends, interests and rents from investments | 146 | 13 |
| | <hr/> | <hr/> |
| NET CASH PROVIDED BY INVESTING ACTIVITIES | 146 | 13 |
| | <hr/> | <hr/> |
| CHANGE IN CASH AND CASH EQUIVALENTS IN THE YEAR | (213,628) | 288,356 |
| Cash and cash equivalents at the beginning of the year | 964,838 | 676,482 |
| | <hr/> | <hr/> |
| CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR | 751,210 | 964,838 |
| | <hr/> <hr/> | <hr/> <hr/> |

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 2022

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 charity 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, Inclusion International 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 deficit of \$78,501 (2021 - income \$275,938).

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 2024 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.

INCLUSION INTERNATIONAL
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

1. ACCOUNTING POLICIES (CONTINUED)

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.

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.

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

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.

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 FOREIGN CURRENCIES

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

Transactions in foreign currencies are translated into dollars at the rate ruling on the date of the transaction.

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

1.8 INVESTMENTS

Investments in subsidiaries are valued at cost less provision for impairment.

INCLUSION INTERNATIONAL
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

1. ACCOUNTING POLICIES (CONTINUED)

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 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.

INCLUSION INTERNATIONAL
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

1. ACCOUNTING POLICIES (CONTINUED)

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.

2. INCOME FROM DONATIONS AND LEGACIES

| | Unrestricted funds 2022 \$ | Restricted funds 2022 \$ | Total funds 2022 \$ | Total funds 2021 \$ |
|-------------------|---|---|--|--|
| Donations | 10,017 | 94 | 10,111 | 3,814 |
| Membership income | 80,129 | - | 80,129 | 82,556 |
| Inclusion Fund | 42,510 | - | 42,510 | 27,776 |
| | <u>132,656</u> | <u>94</u> | <u>132,750</u> | <u>114,146</u> |
| TOTAL 2021 | <u><u>110,332</u></u> | <u><u>3,814</u></u> | <u><u>114,146</u></u> | |

3. INCOME FROM CHARITABLE ACTIVITIES

| | Restricted funds 2022 \$ | Total funds 2022 \$ | Total funds 2021 \$ |
|---------------------|---|--|--|
| Grants for projects | 957,003 | 957,003 | 1,233,503 |
| | <u>957,003</u> | <u>957,003</u> | <u>1,233,503</u> |
| TOTAL 2021 | <u><u>1,233,503</u></u> | <u><u>1,233,503</u></u> | |

INCLUSION INTERNATIONAL
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

4. INVESTMENT INCOME

| | Unrestricted funds 2022 \$ | Total funds 2022 \$ | Total funds 2021 \$ |
|---------------|---|--|------------------------------|
| Bank interest | 146 | 146 | 13 |
| | <u>13</u> | <u>13</u> | |
| TOTAL 2021 | <u>13</u> | <u>13</u> | |

5. OTHER INCOMING RESOURCES

| | Unrestricted funds 2022 \$ | Total funds 2022 \$ | Total funds 2021 \$ |
|----------------------|---|--|------------------------------|
| UK Government grants | - | - | 4,522 |
| Services | 422 | 422 | - |
| | <u>422</u> | <u>422</u> | <u>4,522</u> |
| TOTAL 2021 | <u>4,522</u> | <u>4,522</u> | |

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

INCLUSION INTERNATIONAL
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

6. ANALYSIS OF EXPENDITURE BY ACTIVITIES

| | Activities undertaken directly 2022 \$ | Support costs 2022 \$ | Total funds 2022 \$ | Total funds 2021 \$ |
|-----------------------|---|--|--|--|
| Charitable activities | 1,121,593 | 20,217 | 1,141,810 | 1,069,854 |
| TOTAL 2021 | <u>1,043,510</u> | <u>26,344</u> | <u>1,069,854</u> | |

Expenditure on charitable activities was \$1,141,810 (2021 - \$1,069,854) of which \$84,899 (2021 - \$106,005) was unrestricted, \$67,394 (2021 - \$27,018) was designated and \$989,517 (2021 - \$936,831) was restricted.

ANALYSIS OF DIRECT COSTS

| | Activities 2022 \$ | Total funds 2022 \$ | Total funds 2021 \$ |
|----------------------------|-----------------------------------|--|--|
| Staff costs | 407,143 | 407,143 | 526,922 |
| Consultancy | 222,823 | 222,823 | 103,971 |
| Insurance | 2,350 | 2,350 | 2,736 |
| General expenses | 30,003 | 30,003 | 9,629 |
| Publications and printing | 5,240 | 5,240 | 7,971 |
| Rent | 16,237 | 16,237 | 18,265 |
| Computer consumables | 12,241 | 12,241 | 13,894 |
| Telephone and internet | 3,883 | 3,883 | 4,037 |
| Translation expenses | 6,984 | 6,984 | 20,110 |
| Travel and accommodation | 157,656 | 157,656 | 35,145 |
| Project costs | 236,600 | 236,600 | 285,405 |
| Legal costs | 811 | 811 | - |
| Website and communications | 19,622 | 19,622 | 15,425 |
| | <u>1,121,593</u> | <u>1,121,593</u> | <u>1,043,510</u> |
| TOTAL 2021 | <u>1,043,510</u> | <u>1,043,510</u> | |

INCLUSION INTERNATIONAL
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

6. ANALYSIS OF EXPENDITURE BY ACTIVITIES (CONTINUED)

ANALYSIS OF SUPPORT COSTS

| | Activities 2022 \$ | Total funds 2022 \$ | Total funds 2021 \$ |
|------------------|-----------------------------------|--|--|
| Audit fees | 17,723 | 17,723 | 13,875 |
| Accountancy fees | 2,494 | 2,494 | 12,469 |
| | <u>20,217</u> | <u>20,217</u> | <u>26,344</u> |
| | <u>26,344</u> | <u>26,344</u> | |
| TOTAL 2021 | | | |

7. AUDITORS' REMUNERATION

| | 2022 \$ | 2021 \$ |
|---|--------------------|--------------------|
| Fees payable to the charity's auditor for the audit of the charity's annual accounts | 17,723 | 13,875 |
| Fees payable to the charity's auditor in respect of: All non-audit services not included above | 4,363 | 8,751 |

INCLUSION INTERNATIONAL
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

8. STAFF COSTS

| | Group 2022 | Group 2021 | Company 2022 | Company 2021 |
|--|-----------------------|---------------|-------------------------|-----------------|
| | \$ | \$ | \$ | \$ |
| Wages and salaries | 376,659 | 479,534 | 376,659 | 479,534 |
| Social security costs | 23,152 | 36,413 | 23,152 | 36,413 |
| Contribution to defined contribution pension schemes | 7,332 | 10,975 | 7,332 | 10,975 |
| | 407,143 | 526,922 | 407,143 | 526,922 |

During the year one individual received redundancy pay of \$25,068 (2021: \$Nil) which represents \$17,743 statutory redundancy pay and \$7,325 ex-gratia payment.

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

| | Group 2022 | Group 2021 | Company 2022 | Company 2021 |
|-----------|-----------------------|---------------|-------------------------|-----------------|
| | No. | No. | No. | No. |
| Employees | 5 | 7 | 5 | 7 |

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

| | Group 2022 | Group 2021 |
|-----------------------------------|-----------------------|---------------|
| | No. | No. |
| In the band \$130,001 - \$140,000 | 1 | 1 |

During the year expenses of \$9,509 (2021 - \$3,143) were reimbursed to five (2021 - 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 \$246,479 (2021 - \$253,467).

INCLUSION INTERNATIONAL
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

9. FIXED ASSET INVESTMENTS

| | Investments in subsidiary companies \$ |
|---------------------|---|
| CHARITY | |
| COST | |
| At 1 January 2022 | 1 |
| AT 31 DECEMBER 2022 | <u>1</u> |

PRINCIPAL SUBSIDIARIES

The following was a subsidiary undertaking of the charity:

| Name | Company number | Holding | Included in consolidation |
|---------------------------|---------------------------|----------------|--------------------------------------|
| Inclusion Trading Limited | 10706721 | 100% | Yes |

The financial results of the subsidiary for the year were:

| Name | Net assets \$ |
|---------------------------|--------------------------|
| Inclusion Trading Limited | 2,005 |

INCLUSION INTERNATIONAL
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

10. DEBTORS

| | Group 2022 | Group 2021 | Company 2022 | Company 2021 |
|----------------------------|-----------------------|---------------|-------------------------|-----------------|
| | \$ | \$ | \$ | \$ |
| DUE WITHIN ONE YEAR | | | | |
| Trade debtors | 182,547 | 11,700 | 182,547 | 11,699 |
| Other debtors | - | 390 | - | 390 |
| Prepayments | - | - | 1 | 1 |
| | <u>182,547</u> | <u>12,090</u> | <u>182,548</u> | <u>12,090</u> |

11. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

| | Group 2022 | Group 2021 | Company 2022 | Company 2021 |
|------------------------------------|-----------------------|---------------|-------------------------|-----------------|
| | \$ | \$ | \$ | \$ |
| Trade creditors | - | 205 | - | 205 |
| Amounts owed to group undertakings | - | - | 1 | 1 |
| Accruals | 93,970 | 58,435 | 93,970 | 58,434 |
| | <u>93,970</u> | <u>58,640</u> | <u>93,971</u> | <u>58,640</u> |

INCLUSION INTERNATIONAL
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

12. STATEMENT OF FUNDS

STATEMENT OF FUNDS - CURRENT YEAR

| | Balance at 1 January 2022 \$ | Income \$ | Expenditure \$ | Transfers in/out \$ | Gains/ (Losses) \$ | Balance at 31 December 2022 \$ |
|---------------------------------|---------------------------------------|----------------|-------------------|---------------------------|--------------------------|--|
| UNRESTRICTED FUNDS | | | | | | |
| DESIGNATED FUNDS | | | | | | |
| Equipment and website | 21,057 | - | (18,486) | 5,000 | - | 7,571 |
| Global event | 40,708 | - | - | 15,000 | - | 55,708 |
| Inclusive education | 8,500 | - | (8,500) | - | - | - |
| Solidarity fund | 16,907 | - | (16,907) | - | - | - |
| Development fund | 77,320 | - | (23,501) | - | - | 53,819 |
| | <u>164,492</u> | <u>-</u> | <u>(67,394)</u> | <u>20,000</u> | <u>-</u> | <u>117,098</u> |
| GENERAL FUNDS | | | | | | |
| Unrestricted funds | 150,618 | 133,224 | (84,899) | (20,000) | (27,012) | 151,931 |
| Subsidiary | 2,004 | - | - | - | - | 2,004 |
| | <u>152,622</u> | <u>133,224</u> | <u>(84,899)</u> | <u>(20,000)</u> | <u>(27,012)</u> | <u>153,935</u> |
| TOTAL UNRESTRICTED FUNDS | <u>317,114</u> | <u>133,224</u> | <u>(152,293)</u> | <u>-</u> | <u>(27,012)</u> | <u>271,033</u> |
| RESTRICTED FUNDS | | | | | | |
| Wellspring | 119,868 | 225,000 | (236,868) | - | - | 108,000 |
| Sightsavers Inclusion Works | - | 51,672 | (51,672) | - | - | - |
| Open Society Foundation (III) | 415,095 | - | (268,450) | - | - | 146,645 |
| Norad/IDA | - | 145,629 | (145,629) | - | - | - |

INCLUSION INTERNATIONAL
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

12. STATEMENT OF FUNDS (CONTINUED)

STATEMENT OF FUNDS - CURRENT YEAR (continued)

| | Balance at 1 January 2022 \$ | Income \$ | Expenditure \$ | Transfers in/out \$ | Gains/ (Losses) \$ | Balance at 31 December 2022 \$ |
|---|---------------------------------------|-------------------------|---------------------------|---------------------------|--------------------------|--|
| The World Bank | (9,020) | 98,104 | (89,084) | - | - | - |
| Ford Foundation | 71,417 | - | (71,417) | - | - | - |
| Liz Legacy | 3,814 | 94 | (3,908) | - | - | - |
| DRF Guidelines | - | 21,100 | (10,213) | - | - | 10,887 |
| IDA/MFA Finland | - | 16,000 | (12,778) | - | - | 3,222 |
| International Rescue Committee | - | 500 | (500) | - | - | - |
| Open Society Foundation General Support | - | 300,000 | - | - | - | 300,000 |
| Sightsavers Technical Partnership | - | 98,998 | (98,998) | - | - | - |
| | <u>601,174</u> | <u>957,097</u> | <u>(989,517)</u> | <u>-</u> | <u>-</u> | <u>568,754</u> |
| TOTAL OF FUNDS | <u><u>918,288</u></u> | <u><u>1,090,321</u></u> | <u><u>(1,141,810)</u></u> | <u><u>-</u></u> | <u><u>(27,012)</u></u> | <u><u>839,787</u></u> |

Charity only funds at the year end are \$837,783 (2021 - \$916,284). This represents the balances listed above excluding the subsidiary balance of \$2,004 (2021 - \$2,004).

INCLUSION INTERNATIONAL
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

12. STATEMENT OF FUNDS (CONTINUED)

STATEMENT OF FUNDS - PRIOR 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> |
| RESTRICTED FUNDS | | | | | | |
| IHC New Zealand | 77,320 | - | - | (77,320) | - | - |
| Wellspring | 124,791 | 225,000 | (229,923) | - | - | 119,868 |
| Sightsavers Inclusion Works | 1,128 | 112,231 | (112,266) | - | (1,093) | - |

INCLUSION INTERNATIONAL
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

12. STATEMENT OF FUNDS (CONTINUED)

STATEMENT OF FUNDS - PRIOR YEAR (CONTINUED)

| | Balance at 1 January 2021 \$ | Income \$ | Expenditure \$ | Transfers in/out \$ | Gains/ (Losses) \$ | Balance at 31 December 2021 \$ |
|----------------------------------|---------------------------------------|-------------------------|---------------------------|---------------------------|--------------------------|--|
| 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> |

INCLUSION INTERNATIONAL
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

12. STATEMENT OF FUNDS (CONTINUED)

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:

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.

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.

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.

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.

DRF Guidelines

To organise consultations with self-advocates to review the draft Guidelines on Deinstitutionalization, and

INCLUSION INTERNATIONAL
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

12. STATEMENT OF FUNDS (CONTINUED)

to develop an accessible version of the guidelines.

IDA/MFA Finland

To build and launch the Listen Include Respect website, including practical guidelines on inclusive participation and the creation of training modules on inclusive participation.

International Rescue Committee

To provide technical advice to IRC in developing an inclusive consultation process for self-advocates.

Open Society Foundation General Support

To provide general support to the work of Inclusion International.

Sightsavers Technical Partnership

To build the capacity of Sightsavers staff to understand better the barriers experienced by people with intellectual disabilities and to develop the skills and knowledge of process that will enable greater inclusion of people with intellectual disabilities within Sightsavers' programmes.

IHC New Zealand

To provide a contingency fund for the London office and the Secretariat of Inclusion International. During the prior 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 2021 which the Trustees have agreed to designate for the Development Fund.

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.

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).

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.

Local Projects

To promote the implementation of the UNCRPD and in particular article 24 and to empower people with

INCLUSION INTERNATIONAL
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

12. STATEMENT OF FUNDS (CONTINUED)

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.

13. ANALYSIS OF NET ASSETS BETWEEN FUNDS

ANALYSIS OF NET ASSETS BETWEEN FUNDS - CURRENT YEAR

| | Unrestricted funds 2022 \$ | Restricted funds 2022 \$ | Total funds 2022 \$ |
|-------------------------------|-------------------------------------|-----------------------------------|------------------------------|
| Current assets | 365,004 | 568,754 | 933,758 |
| Creditors due within one year | (93,971) | - | (93,971) |
| TOTAL | <u>271,033</u> | <u>568,754</u> | <u>839,787</u> |

ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR 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 | <u>317,114</u> | <u>601,174</u> | <u>918,288</u> |

INCLUSION INTERNATIONAL
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

14. 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 \$7,332 (2021 - \$10,974).

15. OPERATING LEASE COMMITMENTS

At 31 December 2022 the Group and the charity had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

| | Group 2022 \$ | Group 2021 \$ | Company 2022 \$ | Company 2021 \$ |
|-----------------------|-----------------------------------|---------------------|-------------------------------------|-----------------------|
| Not later than 1 year | 2,813 | 2,813 | 2,813 | 2,813 |

16. OTHER FINANCIAL COMMITMENTS

At the 31 December 2022, the Charity was committed to website development costs of \$0 (\$15,228).

17. 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 \$161,629 (2021: \$146,103) from International Disability Alliance (IDA) in respect of two grants awarded to the charity in the previous year. The restrictions of these grants were inline with the charitable activities of Inclusion International. One of the charity's trustees is the treasurer of IDA. The