

INTERNATIONAL CHILDRENS CARE (UK)
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Mr Rick Fleck Mr Kent Greve Pastor Errol Blackburn Ms S Dzirambe Mr W Bullock
Charity number	1099151
Company number	04566231
Principal address	PO Box 4243 Warfield Berkshire RG429QQ
Registered office	4 Marigold Drive Bisley Surrey UK GU24 9SF
Independent examiner	Frances Wilde FCCA DChA Warner Wilde Chartered Certified Accountants 4 Marigold Drive Bisley Surrey GU24 9SF
Bankers	Barclays Bank Plc 2-4 Church Street Caversham Reading West Berkshire RG4 7AE
Solicitors	Third Sector Law 28-30 High Street Guildford Surrey GU1 3EL

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TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)
FOR THE YEAR ENDED 31 DECEMBER 2019

The trustees present their report and financial statements for the year ended 31 December 2019.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's [governing document], the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)".

Objectives and activities

The charity's objects are:

1. To relieve hardship and distress of children anywhere in the world, particularly as a result of being orphaned or otherwise without parental support, by providing children's care facilities and programs including orphanages anywhere in the world, and establishing adoption programs and services, as appropriate.
2. To provide financial support and administration for the operation of children's care facilities and programs, and for the establishment and maintenance of adoption programs and services.

There has been no change in these activities during the year.

The general aims of the Charity are as follows:

1. To provide financial help and assistance to secure, established and organised children's villages that provide a fulfilling and happy family home for orphaned and abandoned children in developing nations.
2. To support the operation of facilities that have 'family style' homes, whereby a local family takes care of 8-10 children, providing a loving environment for those children to call 'home'.
3. To give every child in these facilities an opportunity to further their education to a university education level if they so desire and funding is available to support them.
4. To work to connect children in these facilities with caring sponsors in the UK who want to establish a relationship with a child. Child Sponsors are encouraged to correspond with the child. This connection is important to these children, as ICC works to help the child build a positive self image.
5. To provide childcare that fully develops each child's potential for happiness and security in his/her formative years, whilst preserving his/her natural culture and heritage.

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT)
FOR THE YEAR ENDED 31 DECEMBER 2019

Achievements and performance

Significant Highlights from 2018 include the following:

- 1) Secure destruction of over ten years of paper records to comply with GDPR.
- 2) Setting up of new Promotional/Marketing Team in Wales.
- 3) Two new Trustees appointed to comply with C.C. requirements for greater number of UK based Trustees to than USA based ones.
- 4) Division of roles made possible by the increase in Trustees as follows: Mr Wilmoth Bullock, an Accountant, to have overall responsibilities for Financial Management and will work closely with our Appointed Accountants. Ms Shorai Dzirambe, an Health and Social Care Quality Compliance Consultant, will have overall responsibilities for all Compliance matters. Pastor Errol Blackburn continues with Operations and Marketing Management. The above roles are ably supported by Ms Clare Barry, our Office Administrator. Our USA Colleagues Mr Kent Greve and Mr Rick Fleck continue to support us with their vast experience within the Charity Sector as well as providing Oversight and Guidance.
- 5) Mr Bullock and Ms Dzirambe did an amazing job, maintaining the Marketing and Promotion functions while Pastor Blackburn was recovering from a serious motor accident.
- 6) Participation in Charity Today's "Charity Week Promotion."
- 7) Requests for funding and Oversight from an Orphanage in Madagascar.
- 8) Requests for New Children's Villages, including offer of land, in the following countries:
 - a. Zimbabwe
 - b. Zambia
 - c. Malawi
- 9) Assisted a number of small organizations, which provide Education and feeding services in Africa, in their plans for UK Charitable status.

Financial review

The charity has maintained its positive fund balance in 2019. £26,243 (2018: £4,486) has been paid to projects during the year.

The reserves at the year end stand at £6,989.

Reserves policy

It is the policy of the charity that unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to between three and six month's expenditure. The trustees consider that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the charity's current activities while consideration is given to ways in which additional funds may be raised.

The trustees have assessed the major risks to which the charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

Plans for the future

Promoting the charity by means of Social Media Marketing
Promoting the charity with church visits Increase visibility in the churches with posters & leaflets
Better use of relevant and Inhouse printed media, such as a Church's nation-wide inhouse magazine.
Increase visibility through Ambassador/Volunteers activity Increase sponsorship
Google Ads Marketing

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT)
FOR THE YEAR ENDED 31 DECEMBER 2019

Structure, governance and management

The charity is a company limited by guarantee.

The trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

Mr Rick Fleck

Mr Kent Greve

Pastor Errol Blackburn

Ms S Dzirambe

Mr W Bullock

The trustees are selected by voting members.

None of the trustees has any beneficial interest in the company. All of the trustees are members of the company and guarantee to contribute £1 in the event of a winding up.

The charity belongs to a network of International Children's Care (ICC) support partners, which are located in Europe, the Americas and Asia. The ICC corporate office is located in the United States. While each partner office, including ICC UK, is an independent entity, the corporate office coordinates the support of ICC children's projects around the world.

The trustees' report was approved by the Board of Trustees.

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Pastor Errol Blackburn
Trustee
Dated:

INDEPENDENT EXAMINER'S REPORT
TO THE TRUSTEES OF INTERNATIONAL CHILDRENS CARE (UK)

I report to the trustees on my examination of the financial statements of International Childrens Care (UK) (the charity) for the year ended 31 December 2019.

Responsibilities and basis of report

As the trustees of the charity (and also its directors for the purposes of company law) you are responsible for the preparation of the financial statements in accordance with the requirements of the Companies Act 2006 (the 2006 Act).

Having satisfied myself that the financial statements of the charity are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of the charity's financial statements carried out under section 145 of the Charities Act 2011 (the 2011 Act). In carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from the trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently no opinion is given as to whether the accounts present a 'true and fair' view and the report is limited to those matters set out in the statement below.

Independent examiner's statement

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

- 1 accounting records were not kept in respect of the charity as required by section 386 of the 2006 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination; or
- 4 the financial statements have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the financial statements to be reached.

Frances Wilde FCCA DChA

Warner Wilde
Chartered Certified Accountants
4 Marigold Drive
Bisley
Surrey
GU24 9SF

Dated:

INTERNATIONAL CHILDRENS CARE (UK)**STATEMENT OF FINANCIAL ACTIVITIES
INCLUDING INCOME AND EXPENDITURE ACCOUNT*****FOR THE YEAR ENDED 31 DECEMBER 2019***

		Unrestricted funds general 2019 £	Unrestricted funds designated 2019 £	Restricted funds 2019 £	Total 2019 £	Unrestricted funds general 2018 £	Unrestricted funds designated 2018 £	Restricted funds 2018 £	Total 2018 £
	Notes								
<u>Income from:</u>									
Donations and legacies	3	18,715	2,020	14,587	35,322	6,622	2,470	10,621	19,713
Investments	4	2	-	-	2	17	-	-	17
Total income		18,717	2,020	14,587	35,324	6,639	2,470	10,621	19,730
<u>Expenditure on:</u>									
Raising funds	5	907	-	-	907	1,465	-	-	1,465
Charitable activities	6	16,026	-	26,243	42,269	14,047	-	4,486	18,533
Total resources expended		16,933	-	26,243	43,176	15,512	-	4,486	19,998
Net income/(expenditure) for the year/ Net movement in funds		1,784	2,020	(11,656)	(7,852)	(8,873)	2,470	6,135	(268)

INTERNATIONAL CHILDRENS CARE (UK)

STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2019

Net income/(expenditure) for the year/ Net movement in funds	1,784	2,020	(11,656)	(7,852)	(8,873)	2,470	6,135	(268)
Fund balances at 1 January 2019	(14,402)	11,533	17,710	14,841	(5,529)	9,063	11,575	15,109
Fund balances at 31 December 2019	<u>(12,618)</u>	<u>13,553</u>	<u>6,054</u>	<u>6,989</u>	<u>(14,402)</u>	<u>11,533</u>	<u>17,710</u>	<u>14,841</u>

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

BALANCE SHEET

AS AT 31 DECEMBER 2019

	Notes	2019 £	£	2018 £	£
Fixed assets					
Tangible assets	10		117		235
Current assets					
Debtors	11	3,018		1,626	
Cash at bank and in hand		4,143		13,880	
		<u>7,161</u>		<u>15,506</u>	
Creditors: amounts falling due within one year	12	<u>(289)</u>		<u>(900)</u>	
Net current assets			6,872		14,606
Total assets less current liabilities			<u>6,989</u>		<u>14,841</u>
Income funds					
Restricted funds	13		6,054		17,710
Unrestricted funds			935		(2,869)
			<u>6,989</u>		<u>14,841</u>

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 December 2019.

The trustees acknowledge their responsibilities for ensuring that the charity keeps accounting records which comply with section 386 of the Act and for preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its incoming resources and application of resources, including its income and expenditure, for the financial year in accordance with the requirements of sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

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

The financial statements were approved by the Trustees on

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 Pastor Errol Blackburn
Trustee

Company Registration No. 04566231

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

1 Accounting policies

Charity information

International Childrens Care (UK) is a private company limited by guarantee incorporated in England and Wales. The registered office is 4 Marigold Drive, Bisley, Surrey, GU24 9SF, UK.

1.1 Accounting convention

The accounts have been prepared in accordance with the charity's Memorandum and Articles of Association, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2016). The charity is a Public Benefit Entity as defined by FRS 102.

The charity has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

The charity meets its day to day working capital requirements through its own cash reserves and occasional support from a related organisation ICC USA.

The trustees have prepared projected cash flow information for the period ending 12 months from the date of these accounts.

On the basis of this cash flow information, the trustees consider that the charity will continue to operate at a modest surplus.

On this basis, the trustees consider it appropriate to prepare the accounts on the going concern basis. The accounts do not include any adjustments that would result from withdrawal of support from ICC USA..

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the accounts.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charity.

1.4 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2019

1 Accounting policies

(Continued)

Legacies are recognised when the amount to be received is reasonably certain. This is usually on receipt of notification from the executor of an amount to be received.

1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Plant and machinery	4 years straight line
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The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

1.7 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.9 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at the recoverable amount.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2019

1 Accounting policies

(Continued)

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price and subsequently carried at the payable amount.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amount payable.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

1.10 Debtors

Debtors and prepayments are recognised at the amount due.

1.11 Creditors

Creditors are recognised where the charity has a present obligation arising from a past event and the amount can be reliably measured or estimated.

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

INTERNATIONAL CHILDRENS CARE (UK)**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)*****FOR THE YEAR ENDED 31 DECEMBER 2019*****3 Donations and legacies**

	Unrestricted funds general 2019 £	Unrestricted funds designated 2019 £	Restricted funds 2019 £	Total 2019 £	Unrestricted funds general 2018 £	Unrestricted funds designated 2018 £	Restricted funds 2018 £	Total 2018 £
Donations and gifts	18,715	2,020	14,587	35,322	6,622	2,470	10,621	19,713

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2019

4 Investments

	Unrestricted funds general 2019 £	Unrestricted funds general 2018 £
Interest receivable	2	17
	<u>2</u>	<u>17</u>

5 Raising funds

	Unrestricted funds general 2019 £	Unrestricted funds general 2018 £
<u>Fundraising and publicity</u>		
Advertising	907	1,465
	<u>907</u>	<u>1,465</u>

6 Charitable activities

	Operating costs 2019 £	Operating costs 2018 £
Depreciation and impairment	117	117
Children's programmes	26,243	4,486
	<u>26,360</u>	<u>4,603</u>
Share of support costs (see note 7)	12,565	11,479
Share of governance costs (see note 7)	3,344	2,451
	<u>42,269</u>	<u>18,533</u>
Analysis by fund		
Unrestricted funds - general	16,026	14,047
Restricted funds	26,243	4,486
	<u>42,269</u>	<u>18,533</u>

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2019

7 Support costs

	Support costs	Governance costs	2019	Support costs	Governance costs	2018
	£	£	£	£	£	£
Office costs	8,480	-	8,480	8,195	-	8,195
Storage	156	-	156	175	-	175
Travel	2,902	-	2,902	1,892	-	1,892
Telephone and IT	412	-	412	204	-	204
Miscellaneous	71	-	71	383	-	383
Printing and stationery	544	-	544	630	-	630
Independent Examiner's fee	-	642	642	-	84	84
Bank charges and interest	-	270	270	-	189	189
Bookkeeping and management accounts	-	2,148	2,148	-	2,178	2,178
Trustee expenses	-	284	284	-	-	-
	<u>12,565</u>	<u>3,344</u>	<u>15,909</u>	<u>11,479</u>	<u>2,451</u>	<u>13,930</u>
Analysed between Charitable activities	<u>12,565</u>	<u>3,344</u>	<u>15,909</u>	<u>11,479</u>	<u>2,451</u>	<u>13,930</u>

8 Trustees

None of the trustees (or any persons connected with them) received any remuneration during the year, but one trustee was reimbursed a total of £1,178 travelling expenses (2018- £814).

9 Employees

There were no employees during the year.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2019

10 Tangible fixed assets

	Plant and machinery £
Cost	
At 1 January 2019	469
At 31 December 2019	469
Depreciation and impairment	
At 1 January 2019	235
Depreciation charged in the year	117
At 31 December 2019	352
Carrying amount	
At 31 December 2019	117
At 31 December 2018	235

11 Debtors

	2019 £	2018 £
Amounts falling due within one year:		
Other debtors	2,838	1,391
Prepayments and accrued income	180	235
	3,018	1,626

12 Creditors: amounts falling due within one year

	2019 £	2018 £
Accruals and deferred income	289	900

INTERNATIONAL CHILDRENS CARE (UK)**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 DECEMBER 2019****13 Restricted funds**

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Movement in funds				Movement in funds			
	Balance at 1 January 2018	Incoming Resources	Project Payments	Balance at 1 January 2019	Incoming Resources	Project Payments	Transfers	Balance at 31 December 2019
	£	£	£	£	£	£	£	£
Cambodia	3,901	10	-	3,910	-	-	(3,910)	-
Columbia	173	158	(183)	148	71	(200)	-	19
Congo	1,209	2,995	(1,221)	2,983	6,119	(7,849)	1,447	2,700
Dominican Republic	579	2,445	(280)	2,744	3,346	(4,665)	-	1,425
Ghana	919	511	(967)	464	297	(653)	-	108
Guatemala	1,401	1,546	(1,377)	1,570	1,985	(5,194)	2,487	848
India	580	1,640	-	2,220	1,629	(5,725)	2,487	611
Mexico	-	185	-	185	603	(542)	-	246
Romania	341	1,092	(458)	975	537	(1,415)	-	97
Thailand	1,408	39	-	1,447	-	-	(1,447)	-
Phillipines	1,064	-	-	1,064	-	-	(1,064)	-
	<u>11,575</u>	<u>10,621</u>	<u>(4,486)</u>	<u>17,710</u>	<u>14,587</u>	<u>(26,243)</u>	<u>-</u>	<u>6,054</u>

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2019

14 Analysis of net assets between funds

	Unrestricted funds £	Designated funds £	Restricted funds £	Total £
Fund balances at 31 December 2019 are represented by:				
Tangible assets	117	-	-	117
Current assets/(liabilities)	818	-	6,054	6,872
	<u>935</u>	<u>-</u>	<u>6,054</u>	<u>6,989</u>