

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

**Annual Report and
Financial Statements**

31 March 2023

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

Charity Registration Number
1143848 (England and Wales)

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Reference and administrative information

Trustees	David Anderson (Chairman) Valerie Amos (appointed 23 January 2023) Mark Carleton-Smith (appointed 4 April 2023) Gilles de Kerchove David Matthews (appointed 23 February 2023) Eamonn McGrath (retired 31 May 2023) Karyl Nairn Sebastian Roberts (retired 9 March 2023) Jasmine Zerini (retired 31 May 2023)
Chief Executive	Jonathan Powell
Charity registration number	1143848 (England and Wales)
Company registration number	07583904
Registered Address	3 Dean Trench Street London SW1P 3HB
Independent Auditor	Buzzacott LLP 130 Wood Street London EC2V 6DL
Banker	Coutts & Co 440 Strand London WC2R 0QS

The Trustees present their report and the independently audited financial statements of IM01 Limited (operating as "Inter Mediate" or "IM") for the year ended 31 March 2023. These have been prepared in accordance with the accounting policies set out on pages 17 to 19 and comply with the charitable company's memorandum and articles of association, applicable laws and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102).

The report has been prepared in accordance with Part 8 of the Charities Act 2011 and also constitutes a directors' report as required by section 418 of the Companies Act 2006.

Structure, governance and management

Inter Mediate is registered with Companies House (on 30 March 2011) and the Charity Commission (on 19 September 2011). The constitution of Inter Mediate is filed with Companies House and provides inter alia for the appointment and removal of the Trustees who constitute directors of the charity for the purposes of the Companies Act 2006.

The charity is a company limited by guarantee governed by a Board comprised of its Trustees that may consist of between 3-8 members. There are currently eight Trustees. On the anniversary of incorporation, at least one third of the Trustees retires by rotation, and may be eligible for re-election. During the course of the year two Trustees were re-elected, and two Trustees were appointed in January and February 2023. Two Trustees stepped down in May 2023. A Trustee may serve for a period of up to eight years in total. The chairman is elected from the Board of Trustees. Inter alia the Trustees set the policy and strategy of the charity, and review its progress. They hold at least two meetings per year, and additional meetings can be arranged as required.

The composition of the Board of Trustees, both in regard to numbers and the mix of skills and experience, is kept under review. When circumstances justify or vacancies arise, individuals with appropriate qualifications are invited to become Trustees and are elected by existing Trustees or otherwise as the constitution provides. All Trustees are unpaid.

The Inter Mediate Board has two committees with delegated responsibility for oversight of key areas of Inter Mediate's work. The Finance & Audit (F&A) committee met in June 2022, July 2022 and February 2023. The Chair of the F&A meets quarterly with IM's management team to review the management accounts, budgets and cashflow. A Risk & Crisis Management (RCM) Committee meets to consider IM's risks, security and mitigation strategies. The R&C met in March 2022, September 2022, and Jan 2023. Both Committees report to the full Board.

Inter Mediate has in place a set of principles which are applied for identifying transactions and decisions in which individuals may have a personal interest, and a process for managing potential conflicts of interest. These principles apply to individuals at all levels in the decision-making process, including Trustees, employees and external advisors.

Day-to-day management of Inter Mediate is delegated to the Chief Executive, who works with his staff and external specialists and mediators.

Structure, governance and management (continued)

The Trustees who served throughout the year and up to the date of approval of this report and financial statements were:

David Anderson
Karyl Nairn
Gilles de Kerchove
Valerie Amos (appointed 23 Jan 2023)
David Matthews (appointed 23 Feb 2023)
Mark Carleton-Smith (appointed 4 Apr 2023)
Jasmine Zerini (retired 31 May 2023)
Eamonn McGrath (retired 31 May 2023)
Sebastian Roberts (retired 9 Mar 2023)

Tragically, on 9 March 2023 Inter Mediate learned of the untimely death of RCM chair Major General Sebastian Lechmere Roberts, KCVO, OBE. His loss is deeply mourned, both for his tremendous contribution to Inter Mediate over his six years of service on the board, and for his great kindness and generosity to staff.

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

Key management personnel

The Trustees consider that they, together with the Chief Executive and senior management team, comprise the key management of the charity in charge of directing and controlling, running and operating the charity on a day to day basis.

The remuneration of key management personnel is set and approved by the Trustees. Remuneration is set in the context of market rates and industry benchmarks and is reviewed annually by senior management.

Risk Management

The Trustees have assessed the major risks to which the charity is exposed, in particular those relating to the specific operational areas of the charity, and its donations and finances. The key areas of risk continue to be: 1) risk to personnel undertaking work in the field; 2) risks to internal stability and planning arising from a restricted portfolio of funding sources or restrictions on project delivery; 3) risk to continuity of operations should our Chief Executive be incapacitated for any reason; 4) risk to security, reputation and freedom of action from adverse publicity and 5) risk from new legislation to our freedom of action and institutional relationships. These risks were reviewed throughout the year including a comprehensive review of the IM Risk Register.

Risk Management (continued)

The first area of risk is mitigated by rigorous security and risk assessment undertaken around staff travel. The charity has developed good sources of up to the minute security intelligence from multiple sources. Detailed risk assessment procedures are followed and involve senior management and, when required, Board input and approval. Proper preparation, including regular access to hostile environment training, is undertaken with staff prior to travel and strict communication plans are put in place for trip durations.

The second area of risk is mitigated by strong financial planning and review procedures. The Board consider a financial report at every meeting and are consulted outside meetings where necessary. A full budget for the year is agreed by the Board with particular attention paid to spread of funders and new donor relationship development. Over the last eight years the charity has instituted a pricing model designed to enable the organisation to recover the majority of its core costs through project delivery, aiming for circa 25% or less on average to be covered through core financing.. IM has also sought to strengthen and diversify its sources of both project and core funding. This has proved a successful approach over time, and positions the charity with appropriate resources to be able to respond to opportunities as they arise, or mitigate the impact of force majeure events impacting project spend patterns. IM continues to engage closely with peers and donors on project delivery and financing in the context of major developments in the peace and security field.

The third area of risk is partially managed through the procedures we have in place around travel risk and security and through steps taken to leverage and support the role of the current Chief Executive. The senior staff aim to undertake a regular review of his travel and other commitments with a view to reducing these wherever possible. IM travel patterns have returned to pre-Covid levels.

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

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

The Board is assisted by the Risk & Crisis Management committee. The purpose of the committee is to dedicate board level expertise, resource and support to the senior staff team on risk issues. The committee undertakes ongoing review of the risk register, considers overall security and risk procedures and is available during crisis management as necessary.

Public benefit

The Trustees consider that they have complied with section 4 of the Charities Act 2011 with regard to the guidance on public benefit published by the Charity Commission. The paragraphs below demonstrate the public benefit arising through the charity's activities, namely to create the conditions for the lasting resolution of violent conflict, the advancement of conflict resolution and reconciliation through dialogue and mediation.

Objectives and Activities

As a neutral and non-partisan organisation the charity's objective is to help create the conditions for the lasting resolution of violent conflict, the advancement of conflict resolution and reconciliation through dialogue and mediation.

The four main strategic objectives are to:

- ◆ build trust between parties to a conflict by helping build the relationships that will underpin a channel of communication between the sides;
- ◆ open sustainable and effective channels of communication between parties by acting as a mediator or intermediary or advisor to the relevant parties;
- ◆ prepare parties for effective participation in negotiations through promoting best practice, training and sharing lessons learned; and
- ◆ initiate effective negotiations between parties by engaging in sustained, low-profile, in-country engagement to support the emergence of lasting peace settlements.

To this end Inter Mediate has carried out the activities described below:

Achievements, performance and future plans

Overview

In 2022-23, Inter Mediate maintained a steady portfolio of work, to deepen our relationships with existing interlocutors and respond to urgent requests for peace strategy and mediation support. We continue to work proactively to connect with NGO and Government actors around the world. This enables us to enhance our work and increase awareness of our provision within circles most likely to wish to access it.

Projects and partnerships

During the course of the year, Inter Mediate ran nine funded projects in the Americas, Africa, the Middle East, and Asia. Most of these have continued into the current year. Inter Mediate staff provided strategic guidance, negotiation training and technical assistance to governments and opposition groups. Working with an expanding network of negotiation, conflict resolution and country specialists, Inter Mediate effectively leveraged the experience of its staff to maximise our reach and impact. Inter Mediate has also maintained very high standards of discretion and confidentiality. Appropriate information management and the protection of politically sensitive discussions are at the core of the organisation's ability to operate effectively. Since Inter Mediate continues to combine both remote and in-person work in the wake of Covid 19, the organisation has sought expert advice on upgrading our hardware and software security, and provided training to staff on managing new technological risks from hacking to phishing.

Achievements, performance and future plans (continued)

Projects and partnerships (continued)

Inter Mediate has also devoted energies and resources to scope whether its support could help reduce violence and advance peace efforts in new conflict settings. This due diligence activity, which is critical to establishing relationships and identifying opportunities for engagement, underpins the organisation's ability to then raise government funding for longer-term projects. Inter Mediate was approached with at least three active new project possibilities over the year.

As before, Inter Mediate will continue to pursue its objectives around the world. We will also explore additional opportunities to engage in existing and new regions particularly in situations where no dialogue between the sides exists or where Inter Mediate's expertise can add significant value to current efforts.

In 2022-23, Inter Mediate continued to play a central role to help foster coordination and best practice in the field. This includes ongoing collaboration within a group of peer organisations and peace donors to discuss how peace delivery and peace financing could be protected in a post-Covid world. Inter Mediate is a central part of a long-term cooperative exercise between donors and peer organisations to collect evidence of the impact of our work and construct it into a strong political case for continuing to finance independent peacemaking organisations.

In June 2022 Inter Mediate conducted a future-facing strategy exercise to build on its achievements and explore the opportunities and delivery platforms that should define the next phase of its life. This exercise produced a five-year strategic plan to invest in thematic areas emerging as key focal areas for policy makers and donors, including nuclear risk reduction in Europe and Asia, and the threat from non-State armed actors. This work will be managed through recruitment of at least one new senior specialist. This strategy will also see Inter Mediate investing in strengthening future peace leadership, including by supporting a Peace Fellowship programme in partnership with Yale University's Jackson Institute for Global Affairs, and investing in a Peace Legacy project to capture the lessons of peacemaking from the Good Friday Agreement onwards.

Donors and fundraising

Inter Mediate's project funding base remained consistent with previous years.

The Board remains focused on maintaining a strong balance sheet, and so the charity continued to engage private donors and foundations with a view to raising more unrestricted funds in the future. To protect the organisation against political turbulence emerging from the war in Ukraine, amongst other challenges to government peace financing, Inter Mediate has developed a funding proposition designed specifically to encourage the private sector and private foundations to engage in and support peacemaking activities, and will focus on building longer-term partnerships and funding platforms with private investors.

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

Achievements, performance and future plans (continued)

Staff matters and Operations

The charity has encouraged staff to use the training budget to avail themselves of courses supporting continuing personal and professional development and will continue to do so. IM continues operating a hybrid working model, combining work from home and office work, thus promoting a healthy and productive work-life balance.

Future plans

As in previous years, Inter Mediate will continue to research, evaluate and respond to conflict situations around the world, identifying situations in which the charity can play a useful role – understanding that establishing new project relationships may take more time in contexts where travel restrictions still apply.

Inter Mediate has reached its twelfth year of operations and has successfully implemented a controlled approach to growth of its internal staff team. We have increased our core team by one, enabling good management of the workload. In the coming year, we intend on increasing staff by two. This will enable us to strengthen both our projects and operations teams to deliver projects and support the organisation.

Financial review

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

During 2022-23, Inter Mediate received a total income of £1,670,697 (2022 - £1,406,681) comprising unrestricted private donations of £324,977 (2022 - £62,500), grants of £1,342,745 (2022 - £1,344,082) and investment income of £2,974 (2022 - £99). Of the grant funding £1,185,799 (2022 - £1,136,925) was restricted to specific purposes and subject to donor-imposed conditions. Details of these restricted funds can be found in Note 12 to the financial statements.

During the year, £1,401,894 (2022 - £1,198,257) was spent on restricted projects across Africa, Asia, the Middle East, the Americas and on other multi-region and thematic work, with a further £156,946 (2022 - £207,153) spent on unrestricted charitable activities. In addition, the charity spent £12,384 (2022 - £5,719) on its fundraising effort.

The result for the year was a surplus of £99,473 (2022 – deficit of £4,448).

Total funds of the charity at 31 March 2023 were £673,056 (2022 - £573,583), comprising restricted funds of £50,061 (2022 - £76,777) and unrestricted funds of £622,995 (2021 - £496,806). These funds are represented by tangible fixed assets with a net book value of £4,311 (2022 - £1,711) and net current assets of £668,745 (2022 - £571,872).

The Trustees are keen to encourage the company's efficient running, to remain confident of meeting its forward commitments, and to provide assurance to its staff, partners and beneficiaries about its stability in the event of any significant delay in receipt of, reduction in, or cancellation of grant income.

Financial review (continued)

As a result, the Trustees have concluded that the company should maintain a reserve with the objective that it has sufficient unrestricted funds to enable it to meet its anticipated operating costs for at least the following four months. The minimum level of free reserves required for this purpose was set at £360,000 for the 2022-23 Financial Year and was revised to £480,000 for the 2023-24 Financial Year. Reserves are held as cash at bank so that they are available for use to meet the charity's obligations and commitments, should the necessity arise. IM has re-examined its reserves policy within the 2023-24 Financial Year in light of rising costs of doing business and the need to explore new areas for potential project growth and development. As an outcome of this review, IM has determined that in addition to four months' running costs it will also seek to build and maintain reserves of unrestricted donations to fund future years' core costs not covered by project specific grants.

The unrestricted fund of £622,995 (2022 - £496,806) represented by tangible fixed assets of £4,311 (2022 - £1,711) and free reserves of £618,684 (2022 - £495,095). The free reserves are higher than the minimum level of free reserves set by the Trustees, which will provide capacity for developing new programmes, additional flexibility in situations where donors pay in arrears, continuity between government funding cycles and confidence during the current climate of uncertainty brought on by the global pandemic.

All committed liabilities are covered either in reserve or by available resources.

The Trustees have concluded that there are no material uncertainties related to events or conditions that may cast significant doubt on the ability of the Charity to continue as a going concern. The Trustees are of the opinion that the Charity will have sufficient resources to meet its liabilities as they fall due.

Statement of Trustees' responsibilities

The Trustees (who are also directors of Inter Mediate for the purposes of company law) are responsible for preparing the Trustees' report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the income and expenditure of the charitable company for that period. Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the income and expenditure of the charitable company for that period.

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

- ◆ select suitable accounting policies and then apply them consistently;
- ◆ observe the methods and principles in the Statement of Recommended Practice (Accounting and Reporting by Charities) (the Charities' SORP);
- ◆ make judgements and estimates that are reasonable and prudent;

Statement of Trustees' responsibilities (continued)

- ◆ state whether applicable United Kingdom Accounting Standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- ◆ prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

Provision of information to auditors

Each of the Trustees confirms that:

- ◆ so far as the Trustee is aware, there is no relevant audit information of which the charitable company's auditor is unaware; and
- ◆ the Trustee has taken all the steps that he/she ought to have taken as a Trustee in order to make himself/herself aware of any relevant audit information and to establish that the charitable company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of section 418 of the Companies Act 2006.

In preparing the Trustees' report advantage has been taken of the small companies' regime. This report was approved by the Board of Trustees on _____ and signed on their behalf by:



Chairman

30 August 2023

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

Opinion

We have audited the financial statements of Inter Mediate (the 'charitable company') for the year ended 31 March 2023, which comprise the statement of financial activities, the balance sheet, the statement of cash flows, the principal accounting policies and the notes to the financial statements. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- ◆ give a true and fair view of the state of the charitable company's affairs as at 31 March 2023 and of its income and expenditure for the year then ended;
- ◆ have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- ◆ have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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 charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information

The Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the other information. The other information comprises the information included in the annual report and financial statements, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Other information (continued)

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

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

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' report. We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- ◆ adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- ◆ the financial statements are not in agreement with the accounting records and returns; or
- ◆ certain disclosures of Trustees' remuneration specified by law are not made; or
- ◆ we have not received all the information and explanations we require for our audit; or
- ◆ the Trustees were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemptions in preparing the Trustees' report and from the requirement to prepare a strategic report.

Responsibilities of Trustees

As explained more fully in the Trustees' responsibilities statement, the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Responsibilities of Trustees (continued)

In preparing the financial statements, the Trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

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 obtained an understanding of the legal and regulatory frameworks that are applicable to the charitable company and determined that the most significant frameworks which are directly relevant to specific assertions in the financial statements are those that relate to the reporting framework (Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Companies Act 2006), those that relate to data protection (General Data Protection Regulation), overseas and international law.
- ◆ We understood how the charity is complying with those legal and regulatory frameworks by making enquiries of management and those responsible for legal and compliance procedures.
- ◆ identified laws and regulations were also communicated within the audit team and the team remained alert to instances of non-compliance throughout the audit.

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 their knowledge of actual, suspected and alleged fraud; and

Auditor's responsibilities for the audit of the financial statements (continued)

- ◆ 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:

- ◆ performed analytical procedures to identify any unusual or unexpected relationships;
- ◆ tested journal entries to identify unusual transactions;
- ◆ assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias;
- ◆ tested authorisation controls on expenditure items, to check that all expenditure was approved in line with the charitable company's financial procedures;
- ◆ agreed financial statement disclosures to underlying supporting documentation;
- ◆ read the minutes of meetings of those charged with governance; and
- ◆ enquired of management as to actual and potential litigation and claims.

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 Trustees 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 auditor's report.

Use of our report

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



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

Statement of financial activities for the year to 31 March 2023
(including Income and Expenditure Account)

	Notes	Un-restricted funds £	Restricted funds £	Total funds 2023 £	Un-restricted funds £	Restricted funds £	Total funds 2022 £
Income from:							
Donations	1	324,977	—	324,977	62,500	—	62,500
Charitable activities	2	156,946	1,185,799	1,342,745	207,157	1,136,925	1,344,082
Investments	3	2,975	—	2,975	99	—	99
Total income		484,898	1,185,799	1,670,697	269,756	1,136,925	1,406,681
Expenditure on:							
Raising funds	4	12,384	—	12,384	5,719	—	5,719
Charitable activities	5	156,946	1,401,894	1,558,840	207,153	1,198,257	1,405,410
Total expenditure		169,330	1,401,894	1,571,224	212,872	1,198,257	1,411,129
Net income (expenditure)		315,568	(216,096)	99,473	56,884	(61,332)	(4,448)
Transfers		(189,379)	189,379	—	(54,323)	54,323	—
Net movement in funds		126,189	(26,716)	99,473	2,561	(7,009)	(4,448)
Reconciliation of funds:							
Fund balances brought forward at 1 April 2022		496,806	76,777	573,583	494,245	83,786	578,031
Fund balances carried forward at 31 March 2023		622,995	50,061	673,056	496,806	76,777	573,583

There is no difference between the net movement in funds stated above and the historical cost equivalent.

All of the charity's activities derived from continuing operations during the above financial periods.

The notes to the financial statements on pages 21 to 28 form part of these financial statements.

Balance sheet at 31 March 2023

	Notes	2023 £	2023 £	2022 £	2022 £
Fixed assets					
Tangible fixed assets	8		<u>4,311</u>		<u>1,711</u>
Current assets					
Debtors due within one year	9	204,030		164,859	
Cash at bank and in hand		<u>944,580</u>		<u>812,863</u>	
		1,148,610		977,722	
Current liabilities					
Creditors: amounts falling due within one year	10	<u>(479,865)</u>		<u>(405,850)</u>	
Net current assets			<u>668,745</u>		<u>571,872</u>
Net assets	11		<u>673,056</u>		<u>573,583</u>
Funds					
Unrestricted funds					
. General fund			622,995		496,806
Restricted funds			<u>50,061</u>		<u>76,777</u>
Total funds	12		<u>673,056</u>		<u>573,583</u>

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



Chairman

Approved on: 30 Aug 2023

Statement of cash flows Year to 31 March 2023

	2023 £	2023 £	2022 £	2022 £
Cash flow from operating activities				
Net expenditure	99,473		(4,448)	
Adjustments for:				
. Depreciation	1,684		2,997	
. Increase in debtors	(39,171)		(58,667)	
. Increase (Decrease) in creditors	74,015		(259,084)	
Net cash provided by (used in) operating activities		136,001		(319,202)
Cash flow from investing activities				
Purchase of tangible fixed assets	(4,284)		(1,412)	
Net cash used in investing activities		(4,284)		(1,412)
Change in cash and cash equivalents in the year		131,717		(320,614)
Cash and cash equivalents at the beginning of the year		812,863		1,133,477
Cash and cash equivalents at the end of the year		944,580		812,863

No separate reconciliation of net debt has been prepared as there is no difference between the net cash (debt) of the charity and the above cash and cash equivalents.

Principal accounting policies Year to 31 March 2023

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the accounts are laid out below.

Basis of preparation

These accounts have been prepared for the year to 31 March 2023, with comparative information for the year ended 31 March 2022.

The accounts have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant accounting policies below or the notes to these accounts.

The accounts have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) (Charities SORP FRS 102) second edition issued in October 2019, the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

The charity constitutes a public benefit entity as defined by FRS 102.

The accounts are presented in sterling and are rounded to the nearest pound.

Critical accounting estimates and areas of judgement

Preparation of the accounts requires the Trustees and senior management to make significant judgements and estimates.

The items in the accounts where these judgements and estimates have been made include:

- ◆ the allocation of overheads and governance costs between charitable expenditure categories;
- ◆ estimating the useful economic life of tangible fixed assets; and
- ◆ the factors relating to the Trustees' assessment of going concern as explained below.

Assessment of going concern

The Trustees have assessed whether the use of the going concern assumption is appropriate in preparing these financial statements. The Trustees have made this assessment with respect to a period of one year from the date of approval of these financial statements. The Trustees have concluded that there is a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. The charity therefore continues to adopt the going concern basis in preparing its financial statements.

Income

Donations have been credited to the statement of financial activities on an accruals basis. Revenue grants are credited to the Statement of Financial Activities (SOFA) when the charity is considered to have entitlement to the assets, it is probable that the resources will be received, and the monetary value of income can be measured with sufficient reliability. Income is deferred only where the donor has imposed restrictions on the expenditure of resources which amount to pre-conditions for use which have not been met at the balance sheet date (e.g. the receipt in advance of a grant for expenditure in a future accounting period).

Grants from government and other agencies have been included either as income from activities in furtherance of the charity's objectives where these amount to support for specific activities and services, or as donations where the money is given in response to an appeal or with greater freedom of use, for example monies for core funding.

Restricted grants for which the main driver for the charity's entitlement to income is based on staff time delivered on the project are treated as performance related grants and the income is recognised in accordance with the underlying activity. Where funds are received in advance of activity, the income is deferred to a future accounting period.

Expenditure

Expenditure has been charged to the Statement of Financial Activities on an accruals basis.

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to the expenditure. All expenditure is accounted for on an accruals basis and includes irrecoverable value added tax.

Expenditure includes the following:

- ◆ The costs of generating funds represent the salaries, direct costs and overheads associated with generating income.
- ◆ The costs of charitable activities, which comprise expenditure on the charity's primary charitable purpose i.e. conflict resolution, reconciliation and peace building. These include support costs, which represent the staff costs incurred directly providing support for the charity's programmes. Support costs include general management, information technology, communications, insurance and other office support for the charity's programmes.

Allocation of support and governance costs

Support costs represent indirect charitable expenditure. In order to carry out primary purposes of the charity it is necessary to provide support such as general management, information technology, communications, insurance and other office support. These costs are allocated between activities they are supporting on the basis of staff numbers employed during the period and the effort and time required to support that activity.

Support costs include the costs incurred in the governance of the charity and its assets.

Allocation of support and governance costs (continued)

Expenditure is allocated to the particular activity on a direct basis or by allocation based on an estimate of the time spent by each member of staff on each activity or on an estimate of the proportion of costs relating to that activity.

Foreign exchange differences

Foreign currency transactions are translated into sterling at the rates ruling when they occurred. Foreign currency monetary assets and liabilities are translated at the rates ruling at the balance sheet date. Any differences are taken to the Statement of Financial Activities.

Tangible fixed assets and depreciation

All assets with a cost greater than £1,000 and a life expectancy exceeding one year are capitalised.

Tangible fixed assets are included at cost. Depreciation of tangible fixed assets is provided at the following annual rates in order to write off each asset over its estimated useful life:

Fixtures, fittings and equipment - 25% straight line.

Pensions

The charity is part of an occupational pension scheme, which is a defined contribution scheme. The cost of contributions payable by the charity to the scheme is charged to the income and expenditure account as incurred.

Unrestricted funds

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of the general objectives of the charity.

Restricted funds

Restricted funds are funds that can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the funder/donor or when funds are raised for particular restricted purposes.

Debtors

Debtors are recognised at their settlement amount, less any provision for non-recoverability. Prepayments are valued at the amount prepaid. They have been discounted to the present value of the future cash receipt where such discounting is material.

Principal accounting policies Year to 31 March 2023

Cash at bank and in hand

Cash at bank and in hand represents such accounts and instruments that are available on demand or have a maturity of less than three months from the date of acquisition. Deposits for more than three months but less than one year have been disclosed as short-term deposits. Cash placed on deposit for more than one year is disclosed as a fixed asset investment.

Creditors and provisions

Creditors and provisions are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Creditors and provisions are recognised at the amount the charity anticipates it will pay to settle the debt. They have been discounted to the present value of the future cash payment where such discounting is material.

1 Donations and legacies

	Unrestricted Funds £	Restricted Funds £	Total 2023 £
Current Year			
Donations receivable	324,977	—	324,977
	<i>Unrestricted Funds £</i>	<i>Restricted Funds £</i>	<i>Total 2022 £</i>
<i>Prior year</i>			
Donations receivable	62,500	—	62,500

2 Charitable activities

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

	Unrestricted Funds £	Restricted Funds £	Total 2023 £
Current Year			
Africa	—	462,041	462,041
Asia	—	236,211	236,211
Americas	—	408,251	408,251
Europe	—	79,296	79,296
Multi region and thematic	156,946	—	156,946
	156,946	1,185,799	1,342,745
	<i>Unrestricted Funds £</i>	<i>Restricted Funds £</i>	<i>Total 2022 £</i>
<i>Prior Year</i>			
Africa	—	391,683	391,683
Asia	—	568,230	568,230
Middle East	—	3,050	3,050
Americas	—	160,812	160,812
Europe	—	13,150	13,150
Multi region and thematic	207,157	—	207,157
	207,157	1,136,925	1,344,082

We would like to acknowledge the following funders for their kind contributions towards furthering Inter Mediate objectives in these regions: Ministry of Foreign Affairs (MFA), Finland; Ministry of Foreign Affairs (MFA), Norway; Foreign, Commonwealth & Development Office (FCDO), UK; Ministry of Foreign Affairs (MFA), Sweden; Ministry of Foreign Affairs (MFA), The Netherlands;; European Union; Ministry for Foreign Affairs (MFA), Ireland; The Pan American Development Foundation (PADF) and PAX Sapiens.

3 Investments

	Unrestricted Funds £	Restricted Funds £	Total 2023 £
Current Year			
Income from investments	2,975	—	2,975
	<i>Unrestricted Funds £</i>	<i>Restricted Funds £</i>	<i>Total 2022 £</i>
<i>Prior Year</i>			
Income from investments	99	—	99

4 Expenditure on raising funds

	Unrestricted Funds £	Restricted Funds £	Total 2023 £
Current Year			
Staff related costs	8,678	—	8,678
Other costs	48	—	48
Reallocation of support (see note 6)	3,658	—	3,658
	12,384	—	12,384
	<i>Unrestricted Funds £</i>	<i>Restricted Funds £</i>	<i>Total 2022 £</i>
<i>Prior Year</i>			
Staff related costs	4,060	—	4,060
Reallocation of support (see note 6)	1,659	—	1,659
	5,719	—	5,719

5 Expenditure on charitable activities

	Unrestricted Funds £	Restricted Funds £	Total 2023 £
Current Year			
Staff related costs	72,843	650,662	723,505
Mediation activity related			
- Consultants and advisors	10,634	94,988	105,622
- Travel	19,278	172,195	191,473
- Meeting costs	18,573	165,904	184,477
Professional services	1,142	10,199	11,341
IT & communications	151	1,345	1,496
Other office costs	1,014	9,056	10,070
Reallocation of support (see note 6)	33,311	297,545	330,856
	156,946	1,401,894	1,558,840

5 Expenditure on charitable activities (continued)

	<i>Unrestricted Funds £</i>	<i>Restricted Funds £</i>	<i>Total 2022 £</i>
<i>Prior Year</i>			
Staff related costs	94,750	548,075	642,825
<i>Mediation activity related</i>			
- Consultants and advisors	14,931	86,368	101,299
- Travel	27,766	160,611	188,377
- Meeting costs	8,009	46,327	54,335
<i>Professional services</i>	980	5,667	6,647
<i>IT & communications</i>	105	608	713
<i>Other office costs</i>	1,474	8,526	10,000
<i>Reallocation of support (see note 6)</i>	59,138	342,076	401,214
	207,153	1,198,257	1,405,410

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

	<i>Unrestricted Funds £</i>	<i>Restricted Funds £</i>	Total 2023 £
Current Year			
Africa	21,825	484,739	506,564
Asia	55,286	339,255	394,541
Middle East	—	4,240	4,240
Americas	21,204	368,430	389,634
Europe	18,578	64,133	82,711
Multi region and thematic	40,053	141,097	181,150
	156,946	1,401,894	1,558,840

	<i>Unrestricted Funds £</i>	<i>Restricted Funds £</i>	<i>Total 2022 £</i>
<i>Prior Year</i>			
<i>Africa</i>	<i>35,850</i>	<i>408,910</i>	<i>444,760</i>
<i>Asia</i>	<i>82,884</i>	<i>511,543</i>	<i>594,426</i>
<i>Middle East</i>	<i>—</i>	<i>8,549</i>	<i>8,549</i>
<i>Americas</i>	<i>15,266</i>	<i>120,780</i>	<i>136,046</i>
<i>Europe</i>	<i>19,054</i>	<i>43,767</i>	<i>62,821</i>
<i>Multi region and thematic</i>	<i>54,100</i>	<i>104,707</i>	<i>158,807</i>
	207,153	1,198,257	1,405,410

6 Support costs

Current Year	Raising Funds £	Charitable Activities £	Total 2023 £
Governance costs			
- Staff related costs	256	23,099	23,355
- Audit fees	119	10,744	10,863
- Other office costs	11	1,039	1,050
Other support costs			
- Staff related costs	1,422	128,604	130,026
- Professional services	336	30,385	30,721
- Premises costs	984	89,016	90,000
- IT & communications	184	16,651	16,835
- Other office costs	346	31,318	31,664
	3,658	330,856	334,514
<i>Prior Year</i>	<i>Raising Funds £</i>	<i>Charitable Activities £</i>	<i>Total 2022 £</i>
Governance costs			
- Staff related costs	127	30,670	30,796
- Audit fees	41	9,997	10,039
Other support costs			
- Staff related costs	816	197,250	198,065
- Professional services	140	33,952	34,093
- Premises costs	371	89,629	90,000
- IT & communications	70	16,966	17,036
- Other office costs	94	22,749	22,843
	1,659	401,214	402,873

7 Analysis of staff costs

Staff costs during the period were:

	2023 £	2022 £
Wages and salaries	734,621	735,678
Social security costs	98,081	87,127
Pension costs	36,226	38,253
	868,928	861,058

7 Analysis of staff costs (continued)

The number of employees who earned £60,000 per annum or more (including taxable benefits but excluding employer pension contributions) during the year was as follows:

	2023 £	2022 £
£60,001 - £70,000	2	4
£70,001 - £80,000	1	—
£80,001 - £90,000	1	1
£180,001 - £190,000	1	1

During the year, the average number of staff was 10 (2022 – 11).

The total employment cost (including taxable benefits, employer's national insurance and pension contributions) of the key management personnel for the year was £322,183 (2022 – £313,105).

8 Tangible fixed assets

	Fixtures, fittings and equipment £
Cost	
At 1 April 2022	28,594
Additions	4,284
At 31 March 2023	32,878
Depreciation	
At 1 April 2022	26,883
Charge for year	1,684
At 31 March 2023	28,567
Net book values	
At 31 March 2023	4,311
At 31 March 2022	1,711

9 Debtors: amounts falling due within one year

	2023 £	2022 £
Prepayments	37,210	16,623
Accrued income	166,432	148,110
Other debtors	388	126
	204,030	164,859

10 Creditors: amounts falling due within one year

	2023 £	2022 £
Taxation and social security	28,457	29,147
Trade and other creditors	78,721	35,636
Accruals and deferred income	372,687	341,067
	479,865	405,850

Included in creditors is deferred income as set out below:

	2023 £	2022 £
Deferred income at 1 April 2022	259,245	516,901
Deferred in the year	304,912	259,245
Amounts released in the year	(259,245)	(516,901)
Deferred income at 31 March 2023	304,912	259,245

Deferred income comprises grant funding received in advance.

11 Analysis of net assets between funds

Fund balances at 31 March 2023 are represented by:

	Unrestricted Funds £	Restricted Funds £	Total 2023 £
Tangible fixed assets	4,311	—	4,311
Net current assets	618,684	50,061	668,745
Total net assets	622,995	50,061	673,056

	Unrestricted Funds £	Restricted Funds £	Total 2022 £
<i>Fund balances at 31 March 2022 are represented by:</i>			
<i>Tangible fixed assets</i>	<i>1,711</i>	<i>—</i>	<i>1,711</i>
<i>Net current assets</i>	<i>495,096</i>	<i>76,777</i>	<i>571,873</i>
<i>Total net assets</i>	<i>496,806</i>	<i>76,777</i>	<i>573,583</i>

12 Movements in Funds

	At 1 April 2022 £	Income £	Expenditure £	Transfers £	At 31 March 2023 £
Current year					
Restricted funds					
• Africa	—	462,041	(484,739)	22,698	—
• Asia	—	236,211	(339,255)	103,044	—
• Middle East	—	—	(4,240)	4,240	—
• Americas	—	408,251	(368,430)	(39,821)	—
• Europe	—	79,296	(64,133)	(15,163)	—
• Multi region and thematic	76,777	—	(141,097)	114,381	50,061
Total restricted funds	76,777	1,185,799	(1,401,894)	189,379	50,061
Unrestricted funds					
• General funds	496,806	484,898	(169,330)	(189,379)	622,995
Total unrestricted funds	496,806	484,898	(169,330)	(189,379)	622,995
Total funds	573,583	1,670,697	(1,571,224)	—	673,056

	At 1 April 2021 £	Income £	Expenditure £	Transfers £	At 31 March 2022 £
Prior year					
Restricted funds					
• Africa	—	391,683	(408,910)	17,227	—
• Asia	—	568,230	(511,543)	(56,688)	—
• Middle East	—	3,050	(8,549)	5,499	—
• Americas	—	160,812	(120,780)	(40,031)	—
• Europe	—	13,150	(43,767)	30,617	—
Multi region and thematic	83,786	—	(104,707)	97,698	76,777
Total restricted funds	83,786	1,136,925	(1,198,257)	54,323	76,777
• Unrestricted funds					
General funds	494,245	269,756	(212,872)	(54,323)	496,806
Total unrestricted funds	494,245	269,756	(212,872)	(54,323)	496,806
Total funds	578,031	1,406,681	(1,411,129)	—	573,583

Funds are restricted to projects in specific geographical areas as detailed above. Funding agreements for these projects include a mix of funding for specific costs and funding at agreed unit rates based on staff time. For the element of the funding that is based on staff time, the charity is not required to report directly to the funder regarding the direct costs of that element of the funding. This element has therefore been transferred into the Multi region and thematic category, which is utilised in accordance with donors' requirements.

13 Trustees

No Trustee received any remuneration from the charity during the year (2022 - none). Trustees' reimbursed expenditure during the year totalled £859 for two Trustees (2022 - £nil). The charity has taken out a Trustee indemnity insurance policy costing £1,295 (2022: £1,368) per annum which covers the Trustees up to £1,000,000.

14 Related party transactions

During the year, Trustees made unrestricted donations of £nil to the charity (2022 - £50,000). There were no other related party transactions during the year.

15 Liability of members

The liability of each member is limited to £1, being the amount that each member undertakes to contribute to the assets of the charity in the event of it being wound up while he or she is a member or within one year after he or she ceases to be a member.

16 Contingent liabilities

The charity receives certain income under funding arrangements which may allow for audit of expenditure in later periods. Under some circumstances, income may be repayable to donors. The Trustees are not aware of any current circumstances in which material repayments are probable and accordingly no provision is made against this eventuality in these financial statements.

17 Taxation

The company is a charity within the meaning of Para 1 Schedule 6 Finance Act 2010. Accordingly the company is exempt from taxation in respect of income or capital gains within categories covered by Chapter 3 of Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.