

REGISTERED COMPANY NUMBER : 01162279

REGISTERED CHARITY NUMBER : 275637

**INTER CARE LIMITED
(A COMPANY LIMITED BY GUARANTEE)**

**REPORT OF THE TRUSTEES
AND
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

INTER CARE LIMITED

CONTENTS OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2021

	Page
Reference and Administrative Details	1
Report of the Trustees	2-7
Independent Examiner's Report	8-9
Statement of Financial Activities	10
Balance Sheet	11
Notes to the Financial Statements	12-19
Not Part of the Statutory Financial Statements	
Detailed Statement of Financial Activities	20

INTER CARE LIMITED

REFERENCE AND ADMINISTRATIVE DETAILS FOR THE YEAR ENDED 31 AUGUST 2021

TRUSTEES AT YEAR END AND THROUGHOUT THE YEAR:

Mrs C R Austin (Treasurer)
Mr I R Bailey MSc, C, Eng.
Dr J W D Baugh BA, MA, MB.MChir, DA.
Mrs K J Garnett LLB Law (Vice Chair)
Mr W A Herbert BA (Hons), MSc (Resigned 17/11/2020)
Mr A Mellor FBIM, M Ch, Inst M (Chair)
Dr P A O'Callaghan MB, BCH, BAO
Mrs V Webber BSc
Mrs J P Widdowson BPharm, PhD, MRPharmS

GENERAL MANAGER : Mrs D Hardy DChA, BSc (Hons), MSc

REGISTERED OFFICE : 46 The Halfcroft
Syston
Leicestershire
LE7 1LD

COMPANY NUMBER : 01162279 (England and Wales)

CHARITY NUMBER : 275637

AUDITOR:

Evolve Accountants and Business Advisors Ltd
Unit 10 Phoenix Park
Telford Way
Coalville
Leicestershire
LE67 3HB

INTER CARE LIMITED
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 AUGUST 2021

The Trustees present their annual report together with the audited financial statements for the year ended 31 August 2021.

Since the charity 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.

Structure Governance and Management

Constitution

The charity is registered as a charitable company limited by guarantee and was set up by a Memorandum of Association on 7 March 1974. Subsequently, new Articles of Association were adopted on 7 September 2018. In the event of the company being wound up members are required to contribute an amount not exceeding £10.

The Trustees, who are also directors for the purpose of company law, and who served during the year were:

Mr A Mellor FBIM MCh, InstM
Mr R Bailey MSc, C Eng
Dr P O'Callaghan MB, BCh, BAO
Mrs V Webber BSc,
Dr J Widdowson BPharm, PhD MRPharmS
Mr A Herbert BA(Hons) MSc (Resigned 17/11/2020)
Mrs C Austin
Dr JWD Baugh MA, MB BChir DA, MRCP
Mrs K Garnett LLB Law, LPC Law

Mr A Mellor, Mr R Bailey and Mrs C Austin retire by rotation at the AGM in January 2022 and are eligible to offer themselves for re-election.

None of the trustees has any beneficial interest in the company and there were no related party transactions during the year

Method of appointment or election of Trustees

The Board has the power to appoint additional trustees as it considers fit.

New trustees are sometimes already familiar with the practical workings of the charity, as it is normal practice to involve them in the work of the charity as volunteers before appointing them. However, some trustees are specifically sought for their skills or knowledge in certain areas.

Policies adopted for the induction and training of Trustees

During induction trustees are made aware of their duties and responsibilities as trustees. Information from the Charity Commission is provided, and additional training or induction is given as necessary depending on the individual roles to be performed.

INTER CARE LIMITED
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 AUGUST 2021 (Continued)

Pay Policy for senior staff

The trustees have set a pay policy for senior staff. This aims to attract and retain key personnel.

Organisational structure and decision making

The trustees chaired by Alan Mellor, meet at regular intervals during the year to receive reports, monitor the company's activities and take major decisions affecting its future development. The day-to-day work of the organisation is carried out by Diane Hardy, General Manager, with the help of four staff. Including trustees there are around fifty volunteers who give their time on a regular basis. The charity is an independent charity and is not part or any affiliation or umbrella group.

Risk Management

The Trustees have addressed the major risks to which the charity is exposed and are satisfied that systems are in place to mitigate exposure to major risks. The risk management strategy is reviewed annually. The trustees have taken steps to see that trustees and staff have the necessary knowledge, expertise and responsibilities to help mitigate risk.

In relation to principle specific risks:

- Health and Safety at Work is constantly monitored. Claudia Coxon (Community and Events Fundraiser) is first aid trained and has undertaken appropriate courses
- Before each visit to Africa, Health and Safety Risks are assessed and appropriate actions taken such as deciding appropriate protocols, DBS checks, training participants and the issuing of the Safeguarding Policy.
- Appropriate training has been undertaken by staff in relation to MHRA procedures for the management of handling medicines and handling complaints about adverse reactions to medicines. These procedures are carefully enforced and reviewed regularly in line with licensing requirements.
- Strict protocols and operating procedures (SOPS) are in place to ensure that any medicines dispatched to Africa have sufficient expiry dates and are of suitable quality. Procedures are controlled by those with suitable medical and pharmaceutical knowledge.

Objectives and Activities

The charity's mission is to save lives and alleviate suffering through the provision of surplus medical resources to rural partner health units in sub-Saharan Africa. The aims are to collect surplus health care goods and medicines (donated and purchased), for the two-fold purpose of medical waste reduction and to send regular consignments of vital medical aid to rural health units across sub-Saharan Africa.

Activities for achieving objectives

The charity achieves this objective by processing donated medicines from pharmaceutical wholesalers and manufacturers. The balance of medicines required are purchased in the UK or overseas to supplement the needs of the medical units where necessary. An increasing amount of medicines are being purchased in Malawi and Tanzania from Action Medeor, a German non-profit wholesaler: these medicines are then transported within country to our partner health clinics in Malawi and in Tanzania.

INTER CARE LIMITED
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 AUGUST 2021 (Continued)

Virtually all healthcare goods (HCGs) (e.g. surgical gloves, uniforms, small items of equipment etc) received are donated directly from companies offering their surplus products or through GP surgeries and the NHS nationwide.

The financial donations and grants received, and the other fundraising efforts by the staff and volunteers provide the necessary funds to cover the purchase of medicines and shipping costs.

The charity pays for the transport of healthcare goods from the GP surgeries and then sorts, stores and packages them along with donated and purchased medicines for dispatch to Africa. The charity liaises regularly with the medical units in Africa to ascertain their needs and aims to send regular consignments and also visit them on a rolling basis to assist with communication and understanding.

Inter Care produces dispensing protocol information sheets, which are sent out with the donated medical supplies. These aim to educate medical staff in Africa on up-to-date usage of prescribed medicines and also to draw attention to any particular problems which may occur.

Due to the current situation with coronavirus, Inter Care is purchasing more “in country” supplies from Action Medeor in Tanzania and Malawi. This is partly due to restrictions on exports and the lack of available airfreight due to a reduction in air travel. This will assist Inter Care in its objectives of providing vital medical supplies for around 100 health units in sub-Saharan Africa.

Dependence of Inter Care on donations in kind and volunteer help:

The time given by volunteers locally and throughout the UK who organise the collection of medical supplies is vital to Inter Care’s successful operations and is very much appreciated by the trustees. Special thanks go to the many Rotary Clubs and church congregations across the country that regularly support the charity. Around 40 volunteers including the 8 trustees provide unpaid support to the charity, for example by raising funds or assisting with screening and sorting medical supplies at our premises in Syston, near Leicester. Current Covid -19 regulations require particular care in the warehouse so only reduced numbers of volunteers are volunteering at any given time.

The trustees are aware of the Charity Commission’s general guidance on public benefit and have considered it when reviewing their aims and objectives and planning future activities. In line with charity accounts disclosure requirements, the trustees confirm that they have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

Achievement and Performance

Medical supplies dispatched:

The charity dispatched 369 parcels of medical aid (355 in 2019/20) of 9,097 kg (9,485 kg in 2019/20); wholesale value £803,706 (£553,377 in 2019/20). One container was sent to Sierra Leone (January 2021). The value of the consignments has increased by 45% compared with 2019/20: this is due to the purchasing of more “in country” supplies from Action Medeor in Tanzania and Malawi to enable supplies to continue to be sent. Airfreight continues to be problematic. However, this is often the quickest and safest way of sending medicines – which we continue to do from the UK, particularly to West Africa.

INTER CARE LIMITED
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 AUGUST 2021 (Continued)

Environmental Benefits:

The charity's main sources of medicines are surplus (new) medicines donated by pharmaceutical manufacturers, some UK purchases, and in-country purchases of medicines from accredited local organisations. The re-use of surplus medicines prevents waste, conserves the energy and raw materials used in manufacture and avoids the use of energy that would otherwise be used in incineration. Purchasing medicines within the African countries we supply avoids the energy usage and carbon emissions associated with air freight from the UK. We will continue to maximise the use of donated medicines, use in-country purchases where appropriate and minimise UK purchases where possible.

Almost all of the charity's HCG are obtained as surpluses from a variety of sources which again, conserves the energy and raw materials used in manufacture and avoids incineration and landfill. We will continue our efforts to increase the amounts of HCG we obtain from UK manufacturers, the NHS, the public and other donors to maximise the environmental benefits.

We now send consignments by container ship, both reducing costs and allowing us to send larger items of equipment. Air freight is still used for medicines dispatched from the UK warehouse to ensure prompt delivery and compliance with Good Distribution Practice (GDP) as defined by the terms of our MHRA licence. Sending goods by sea instead of by air reduces the carbon impact by a factor of around 37 times on a per tonne basis so we will continue to increase the use of shipping containers whenever possible.

Income generation:

Total cash income was £233,260, an increase from £225,681 in 2019/20. All members of the staff were furloughed at various stages throughout the period under review. However, all employees returned to normal working hours by 1st April 2021. The fundraising team consisting of Trust Fundraiser, Phil Riley and Community and Events Fundraiser, Claudia Coxon, has enabled the sustained and slight increase in income which was a remarkable achievement in the current circumstances. Overall expenditure was increased by 14% to £221,059 (£194,287 in 2019/20) which generated a 45% increase in consignment values sent to sub-Saharan Africa.

One Wish Project:

After receiving a grant of £50,000 from a family trust who were winding up their operation, it was agreed to create a project that was additional to the routine and sustained support provided by Inter Care. The project is designed to "make a difference" to each and every health unit which we currently support by granting "one wish" of a piece of equipment or other resource that would make a real difference to the work of each health unit. So far in the financial year ending 31st August 2021, we have granted 5 wishes at 4 hospitals and a Fistula Care Centre in Malawi. The wishes included equipment such as a patient vital signs monitor, operating theatre lamp, mattresses, wheelchairs etc. We intend to offer the One Wish Project to each and every health unit we currently partner with (approximately 100). We anticipate this will take up to 2 years to achieve and deliver all agreed wishes.

Financial Review

The statement of financial activities for the year shows a surplus income of £20,201 (£39,394 surplus in 2019/20). As of 31st August 2021, the total reserves were £173,235 of which £169,040 were unrestricted reserves.

**INTER CARE LIMITED
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 AUGUST 2021 (Continued)**

Reserves Policy

The charity will aim to maintain a minimum reserve level of £70,000. This is based around approximately 4 months operational costs and would more than cover the costs of a hypothetical wind-up of the charity, currently calculated at £25,000.

The total reserves we currently hold are higher than normal. This is due to receiving a grant of £50,000 from a Trust who have wound up their grant giving. This grant will be spent separately to our routine expenditure on a specific project known as the One Wish Project. Aside from that, as planned, the charity has increased its output to Africa, and this has reduced its remaining unrestricted reserves to £119,040.

Investment Policy

The charity anticipates that it will hold sufficient assets to fund planned expenditure over the next three years. Funds are held in a current account and in investment accounts where appropriate, with a maximum level in each of £85,000 (the current level covered by the Financial Services Compensation Scheme).

Going concern

With reserves at a healthy level, the trustees have a reasonable expectation that the charity has adequate resources to continue in the foreseeable future. Fundraising in the next few years could prove difficult, but with the decision to move the heavy and non time-sensitive health care goods by container whenever possible and only use airfreight for medicines, a close control on costs can be achieved.

Effect of Covid-19

The warehouse still has a reduced number of volunteers attending daily to ensure that Covid-19 regulations for safe working are still in place. All 5 employees have undergone a period of furlough during this financial year but have been back in their current contracted hours since 1st April 2021.

We do not know if restrictions will come back in the next financial year so it is difficult to predict if operations in the UK will be directly affected. However, airfreight and sea freight are affected by not only Covid but also Brexit, a lack of haulage drivers and also the blockage during the year of a large container ship in the Suez Canal. This has made an impact on our efforts to send a container to Malawi during the summer of 2021. This was delayed until autumn 2021 because of a lack of availability on container ships and also blockages at the UK ports. Air freight has seen a dramatic rise in prices due to the reduction in flights going to Africa from the UK and cargo space having less availability. We hope that these challenges will be overcome in the next financial year.

RESPONSIBILITIES OF THE TRUSTEES

The trustees are responsible for preparing the Trustees Report and the financial statements in accordance with applicable law and regulations.

Company law requires the trustees to prepare financial statements for each financial year. Under that law the trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). 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 its incoming resources and application of resources, including income and expenditure for the financial year. In preparing those financial statements, the trustees are required to:

**INTER CARE LIMITED
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 AUGUST 2021 (Continued)**

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- 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 to 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.

In so far as the trustees are aware, there is no relevant audit information of which the charitable company's auditors are unaware and the trustees have taken all the steps which they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

This report has been prepared in accordance with the 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 2015) and in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006.

Approved by order of the Board of Trustees on 10 January 2022 and signed on its behalf by:

Mr A Mellor FBIM, M Ch, Inst M – Chair of Trustees

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF INTER CARE LIMITED

YEAR ENDED 31 AUGUST 2021

Opinion

We have audited the financial statements of Inter Care Limited (the 'company') for the year ended 31 August 2021 which comprise the statement of financial activities, balance sheet 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 FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with Section 154 of the Charities Act 2011. Our audit work has been undertaken so that we might state to the 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 company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 August 2021 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of 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 auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information. 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 thereon.

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

We have nothing to report in this regard.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
INTER CARE LIMITED (Continued)**

YEAR ENDED 31 AUGUST 2021

Opinions on other matters prescribed by the Charities Act 2011

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; and
- 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 the knowledge and understanding of the 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 Charities Act 2011 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 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 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 company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Evolve Accountants and Business Advisors Limited
Accountant & Statutory Auditor
Unit 10 Phoenix Park
Telford Way, Coalville
Leicestershire, LE67 3HB

10 January 2022

INTER CARE LIMITED
STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 AUGUST 2021

	Note	Unrestricted Funds 2021 £	Restricted Funds 2021 £	Total Funds 2021 £	Total Funds 2020 £
INCOMING RESOURCES					
Grants – HMRC JRS Grant		7,661	-	7,661	21,820
Donations and legacies	2	200,464	835,552	1,036,016	758,004
Other trading activities	3	891	-	891	6,602
Investment Income – Interest Received		398	-	398	632
Total Incoming Resources		209,414	835,552	1,044,966	787,058
RESOURCES EXPENDED					
Costs of Raising Funds	4	45,619	-	45,619	44,199
Charitable Activities	5	112,119	842,631	954,750	682,710
Governance Costs	6	24,396	-	24,396	20,755
Total Resources Expended		182,134	842,631	1,024,765	747,664
Net Incoming/(Outgoing) Resources		27,280	(7,079)	20,201	39,394
Reconciliation of Funds					
Total funds brought forward		141,760	11,274	153,034	113,640
Total funds carried forward		169,040	4,195	173,235	153,034

All incoming resources and resources expended derive from continuing activities.

INTER CARE LIMITED
BALANCE SHEET AS AT THE YEAR ENDED 31 AUGUST 2021

	Note	2021 £	2020 £
FIXED ASSETS:			
Tangible assets	10	-	-
CURRENT ASSETS:			
Stocks		5,931	3,382
Debtors	11	5,051	7,588
Cash at bank and in hand		167,080	147,974
		<u>178,062</u>	<u>158,944</u>
CREDITORS:			
Amounts falling due within one year	12	<u>(4,827)</u>	<u>(5,910)</u>
NET CURRENT ASSETS:		<u>173,235</u>	<u>153,034</u>
NET ASSETS:		<u>173,235</u>	<u>153,034</u>
FUNDS	13		
Unrestricted Funds:			
General fund		69,040	41,760
Designated Funds		100,000	100,000
Restricted Funds		<u>4,195</u>	<u>11,274</u>
		<u>173,235</u>	<u>153,034</u>

The trustees are satisfied that the charitable company is entitled to exemption from the provisions of the Companies Act 2006 (the Act) relating to the audit of the financial statements for the period by virtue of section 477, and that no member or members have requested an audit pursuant to section 476 of the Act.

The trustees acknowledge their responsibilities for:

- (i) ensuring that the charitable company keeps adequate accounting records which comply with section 386 of the Act, and
- (ii) 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 period and of its surplus or deficit for the financial period in accordance with the requirements of section 393, and which otherwise comply with the requirements of the Act relating to financial statements, so far as applicable to the company.

The financial statements have however been audited as required by the Charities Act 2011.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime and with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015).

These financial statements were approved by the board and authorised for issue on 10 January 2022, and are signed on their behalf by:

Mr A Mellor FBIM, M Ch, Inst M - Trustee
Company Registration Number 01162279

1. ACCOUNTING POLICIES

Accounting Convention

The financial statements have been prepared under the historical cost convention as modified by the revaluation of certain assets and in accordance with 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 2015).

Incoming Resources

All income is recognised as Incoming Resources once the charitable company has entitlement to the income, it is probable that the income will be received and the amount can be measured reliably.

Legacies are recognised as receivable when probate has been granted in respect of the legatee's estate.

Donated medical supplies given for distribution by the charitable company are recognised when dispatched as income and expenditure at the cost they would have incurred had they been purchased (based on the Drug Tariff). All donations of medical and general supplies are made to overseas projects.

Intangible income comprises donated services which are included at valuation of the estimated financial cost borne by the donor.

Grants receivable are accounted for in the period to which they relate.

Voluntary income is recognised upon receipt.

Investment income is included when receivable.

Other income is recognised in the period when it is receivable.

Resources Expended

Resources expended are included net of VAT on an accruals basis.

Costs of generating funds comprise the costs associated with attracting voluntary income.

Charitable expenditure comprise those costs associated with meeting the constitutional requirements of the charitable company.

Governance costs include those costs associated with meeting the statutory requirements of the charitable company including the strategic management.

As far as practical all expenditure is allocated directly to the above expenditure categories. Where direct allocation is not possible, costs are apportioned over the expenditure categories based on the analysis of division of staff time and other costs.

Grants payable to overseas projects are charged to the Statement of Financial Activities in the period to which they relate.

INTER CARE LIMITED**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2021****1. ACCOUNTING POLICIES (Continued)****Tangible Fixed Assets**

Fixed Assets are stated at cost less depreciation. Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life as follows:

Fixtures and fittings	-	10% on cost
Office Equipment	-	20% on cost

Fixed assets costing more than £100 are capitalised.

A review of impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the Statement of Financial Activities.

Stocks

Stock is valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Taxation

As a charity, Inter Care Limited is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or S252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

Fund Accounting

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

Designated funds are unrestricted funds earmarked by the trustees for particular purposes.

Restricted funds are subjected to restrictions on their expenditure imposed by the donor or which have been raised by the charity for a particular purpose. The cost of raising and administering such funds are charged against the specific fund.

Pension costs and other post-retirement benefits

The charitable company operates a defined contribution pension scheme. Contributions payable to the scheme are charged to the Statement of Financial Activities in the period to which they relate.

INTER CARE LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2021

1. ACCOUNTING POLICIES (Continued)

Going Concern

The trustees assess whether the use of going concern is appropriate, ie whether there are any 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 make the assessment in respect of 12 months from the date of approval of the financial statements.

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 charitable company being wound up, the liability in respect of the guarantee is limited to £10 per member of the charity.

Interest receivable

Interest of funds held on deposit is included when receivable and the amount can be measured reliably by the charitable company, this is normally upon notification of the interest paid or payable by the bank.

Debtors

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

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 the investment starting.

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 pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

Financial instruments

The charity 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 are subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

INTER CARE LIMITED

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

1. ACCOUNTING POLICIES (Continued)

Critical accounting estimates and areas of judgement

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

2. DONATIONS AND LEGACIES

	Unrestricted Funds 2021 £	Restricted Funds 2021 £	Total Funds 2021 £	Total Funds 2020 £
Medical donations and supplies	-	803,706	803,706	553,377
Donations and gifts	200,464	31,846	232,310	203,462
Legacies	-	-	-	1,165
Total donations and legacies	200,464	835,552	1,036,016	758,004

Donations and Gifts

Unrestricted funds

	2021 £	2020 £
Premises rent waived by landlord	8,000	8,000
General donations received	69,508	68,904
The Dromintee Trust	20,000	20,000
The Cotmore Trust	50,000	3,000
Souter Charitable Trust	3,000	3,200
Anonymous donations/grants and those under £3,000	32,956	16,008
The Brian Mercer Charitable Trust	5,000	-
The Leonard Trust	-	3,200
Keswick Enterprise Holdings Charitable Trust	-	4,000
Tula Trust	-	3,000
Schroder Charity Trust	-	5,000
Dr JA & Mrs BJ Heathcote	-	3,000
The Reed Foundation	-	3,500
Haramead Trust	-	10,000
Trefoil Trust	4,000	-
MPM Charitable Trust	5,000	-
W F Southall Trust	3,000	-
Total Donations and Gifts – Unrestricted Funds	200,464	150,812

Restricted funds

	£	£
Zephyr Charitable Trust	5,000	5,000
Anonymous donations and grants under £3,000	13,646	27,650
Edwina Mountbatten & Leonora Children Trust	5,000	5,000
MPM Charitable Trust	-	5,000
The Leonard Trust	3,200	-
Beatrice Laing Trust	5,000	5,000
The Stafford Trust	-	5,000
Total Donations and Gifts – Restricted Funds	31,846	52,650

INTER CARE LIMITED**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2021****3. OTHER TRADING ACTIVITIES**

	2021	2020
	£	£
Book/Card sales	891	575
Events	-	6,027
	<u>891</u>	<u>6,602</u>

4. COST OF RAISING FUNDS

	2021	2020
	£	£
Rent and rates	3,355	3,355
Water, light and heat	272	213
Telephone/IT and website	1,818	1,890
Repairs and maintenance	100	114
Insurance	194	186
Wages and salaries	36,765	34,783
Depreciation	-	10
Fundraising costs	777	1,571
Pension costs	675	636
National Insurance	1,663	1,441
	<u>45,619</u>	<u>44,199</u>

5. CHARITABLE ACTIVITIES

	2021	2020
	£	£
Donated medicines and supplies by third parties	803,706	553,377
Purchase of medicines and materials	35,139	6,313
Parcel post and carriage UK	1,447	2,022
Parcel post and carriage Foreign	26,125	34,021
Waste disposal	471	392
Travel	-	2,284
Rent and rates	13,807	13,807
Water, light and heat	2,445	1,920
Telephone / IT and website	3,639	3,782
Stationery, office, postage and sundry	2,492	2,558
Repairs and Maintenance	895	1,027
Insurance	1,744	1,674
Payroll fees	720	1,020
Professional fees	13	-
License fees	398	363
Wages and salaries	57,406	54,311
National Insurance	3,111	2,696
Pension costs	1,192	1,124
Depreciation	-	19
	<u>954,750</u>	<u>682,710</u>

INTER CARE LIMITED**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2021****6. GOVERNANCE COSTS**

	2021	2020
	£	£
Audit/Independent Examination Fee	2,500	1,416
Rent and rates	838	838
Training	1,955	485
Wages and salaries	17,386	16,448
National Insurance	1,244	1,078
Pension costs	432	407
Fundraising costs	41	83
	<u>24,396</u>	<u>20,755</u>

7. NET SURPLUS/(DEFICIT) FOR THE YEAR

The net surplus/(deficit) is stated after charging:

	2021	2020
	£	£
Depreciation	-	29
Other operating leases	18,000	18,000
	<u>18,000</u>	<u>18,000</u>

8. TRUSTEES' REMUNERATION AND BENEFITS

No Trustee received any remuneration or other benefits during the current or the previous year.

During the year no Trustees were reimbursed for out of pocket expenses (2020: 1 Trustee was reimbursed £92.)

9. STAFF COSTS

	2021	2020
	£	£
Wages and salaries	111,557	105,542
Social Security costs	6,018	5,215
Pension contributions	2,299	2,167
	<u>119,874</u>	<u>112,924</u>

The average monthly number of employees during the year was as follows:

	2021	2020
	£	£
Generating Funds	2	2
Charitable Activities	3	3
	<u>5</u>	<u>5</u>

No employee earned £60,000 per annum or more.

INTER CARE LIMITED

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

10. TANGIBLE FIXED ASSETS

	Fixtures & Fittings £	Computer Equipment £	Totals £
COST OR VALUATION:			
At 1 September 2020	5,033	18,747	23,780
Additions	-	-	-
Disposal	-	-	-
At 31 August 2021	5,033	18,747	23,780
DEPRECIATION:			
At 1 September 2020	5,033	18,747	23,780
Charge for year	-	-	-
Charge on disposals	-	-	-
At 31 August 2021	5,033	18,747	23,780
NET BOOK VALUE:			
At 31 August 2021	-	-	-
At 31 August 2020	-	-	-

11. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021 £	2020 £
Other debtors	3,737	6,126
Prepayments and accrued income	1,103	1,337
VAT	211	125
	<u>5,051</u>	<u>7,588</u>

12. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021 £	2020 £
Social Security and other taxes	1,719	1,163
Other creditors	476	404
Accrued expenses	2,632	4,343
	<u>4,827</u>	<u>5,910</u>

INTER CARE LIMITED

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

13. MOVEMENTS IN FUNDS

	At 1 September 2020 £	Incoming Resources £	Outgoing Resources £	Transfers £	At 31 August 2021 £
Unrestricted funds					
General funds	41,760	209,414	182,134	-	69,040
Designated funds	100,000	-	-	-	100,000
	141,760			-	169,040
Restricted fund					
Restricted fund	11,274	835,552	842,631	-	4,195
	153,034	1,044,966	1,024,765	-	173,235

14. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted Fund £	Restricted Fund £	Total £
Fixed assets	-	-	-
Cash at bank and in hand	162,885	4,195	167,080
Other net (liabilities)/assets	6,155	-	6,155
	169,040	4,195	173,235

INTER CARE LIMITED
DETAILED STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 AUGUST 2021

	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £	Total Funds 2020 £
INCOME AND ENDOWMENTS				
Donations and legacies				
Medical donations	-	803,706	803,706	553,377
Trust donations	121,292	31,846	153,138	126,558
General donations received	71,172	-	71,172	68,904
Legacies	-	-	-	1,165
Gifts in kind	8,000	-	8,000	8,000
	200,464	835,552	1,036,016	758,004
Other trading activities				
Book/Card Sales	891	-	891	575
Events	-	-	-	6,027
	891	-	891	6,602
Investment and other income				
Grants – HMRC JRS Grant	7,661	-	7,661	21,820
Deposit account interest	398	-	398	632
Total incoming resources	209,414	835,552	1,044,966	787,058
EXPENDITURE				
Charitable activities				
Wages	111,557	-	111,557	105,542
Employers National Insurance	6,018	-	6,018	5,215
Pension	2,299	-	2,299	2,167
Rent & rates	18,000	-	18,000	18,000
Insurance	1,938	-	1,938	1,860
Water, light & heat	2,717	-	2,717	2,133
Telephone, IT & website	5,457	-	5,457	5,672
Postage & stationery	2,492	-	2,492	2,558
Repairs & maintenance	995	-	995	1,141
Donated medicines & supplies	-	803,706	803,706	553,377
Purchase of medicines & health care goods	22,339	12,800	35,139	6,313
Shipping UK	1,447	-	1,447	2,022
Shipping Overseas	-	26,125	26,125	34,021
Waste disposal	471	-	471	392
Travel	-	-	-	2,284
License fees	398	-	398	363
Payroll fees	720	-	720	1,020
Accountancy	2,500	-	2,500	1,416
Training	1,955	-	1,955	485
Professional fees	13	-	13	-
Fundraising costs	818	-	818	1,654
Computer equipment	-	-	-	29
Total resources expended	182,134	842,631	1,024,765	747,664
Net income/(expenditure)	27,280	(7,079)	20,201	39,394

This page does not form part of the statutory financial statements