

REGISTERED COMPANY NUMBER: 03344762 (England and Wales)
REGISTERED CHARITY NUMBER: 1067313

**Report of the Trustees and
Financial Statements for the Year Ended 31 March 2019
for**

INTERCOUNTRY ADOPTION CENTRE

INTERCOUNTRY ADOPTION CENTRE

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INTERCOUNTRY ADOPTION CENTRE

Reference and administrative details for the Year Ended 31 March 2019

Trustees	A K Ansell D H Gray (appointed 30.7.18) B J Hudson T E J Northrup (resigned 20.3.19) F E Petterson K L Samwell-Smith G A Shaw (appointed 30.7.18) M Waller (appointed 18.10.18) (resigned 23.4.19) J A P McDougall (Management & IT Consultant) (appointed 14.1.19) N D Sieve (Lawyer) (appointed 14.1.19)
Registered office	22 Union Street Barnet Hertfordshire EN5 4HZ
Registered company number	03344762 (England and Wales)
Registered charity number	1067313
Auditors	Haines Watts (Westbury) LLP Chartered Accountants and Statutory Auditor South Entrance 3rd Floor 37 - 41 Bedford Row London WC1R 4JH
Principal address	22 Union Street Barnet Greater London EN5 4HZ

INTERCOUNTRY ADOPTION CENTRE

Reference and administrative details for the Year Ended 31 March 2019

Bankers

Barclays Bank plc
Ealing & Greenford Business Centre
52 The Broadway
London
W5 5SJ

CAF Bank Limited
25 Kings Hill Avenue
Kings Hill
West Malling
Kent
ME19 4JQ

Metro Bank
Borehamwood Shopping Park
Unit 3E
Borehamwood
Hertfordshire
WD6 4PR

Tsesnabank
Karagandinskiy Branch
7/4 Chkalova St.
Karaganda
Kazakhstan

INTERCOUNTRY ADOPTION CENTRE

Report of the Trustees for the Year Ended 31 March 2019

The Trustees of the charitable company are pleased to present their report together with the audited financial statements for the year ended 31 March 2019. For the purpose of these financial statements, the directors have been referred to as Trustees of the charitable company.

The accounts have been prepared in accordance with the accounting policies set out in note 2 to the accounts and comply with the charity's Memorandum and Articles of Association, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015)".

Objectives and activities

The Intercountry Adoption Centre (IAC), hereafter referred to as 'the charity', is a Voluntary Adoption Agency (VAA) specialising in intercountry adoption. It also provides UK adoption services.

IAC provides information, advice, preparation, assessment and support for the general public through subscription and service level agreements with their home local authorities. Prospective adopters deemed suitable are supporting through the matching and placement process with specific children from across the world. The charity is accredited as an Adoption Agency by the central adoption authorities of India, the Philippines, China and Kazakhstan, and has working agreements with Bulgaria and South Africa. It functions as a foreign adoption partner agency in respect of these six countries.

Aims and activities

IAC is a unique VAA in the UK, as it is the only one with a specialist and primary focus on the provision of intercountry adoption services, and it is the only one to have been accredited by authorities in States of origin from which children are placed.

The charity has provided a UK (domestic) adoption programme since varying the terms of its registration with Ofsted, the regulator, in 2012. It aims to provide well prepared, thoroughly assessed and appropriately supported adopters for children who cannot be cared for in their country of origin, from anywhere in the world, including the UK.

IAC was adjudged by Ofsted to be an 'outstanding' adoption agency following inspections in 2014 and again in March 2017. Our next inspection is due in early 2020.

IAC is the lead agency in the Intercountry Regional Adoption Agency (ICARAA) for England which launched in November 2017 and whose development was funded by a grant from Department for Education during the period December 2015 to 31 March 2018. IAC works collaboratively under bilateral agreements with other VAAs including Adoption Matters, ARC Adoption North East and Nugent Adoption to deliver intercountry adoption services across England. New partners are actively being pursued to further develop the reach of the ICARAA as a national service.

IAC continues to offer services to regional adoption agencies (RAAs) in England and local authorities in the UK through subscription services and service level agreements. The charity provides adoption support services to adoptive parents and their children directly, and through arrangements with other adoption agencies and adoption support agencies. We aim to deliver excellence across all services.

IAC networks with and lobbies relevant government departments in furtherance of its objects and in pursuit of improved services for those affected by adoption, particularly internationally. As members of CVAA UK, the consortium of voluntary adoption agencies, our position is strengthened through collaboration and collective voices.

IAC has also forged links abroad, as described at the end of the report, which inform and enhance the intercountry adoption work of the Agency. IAC aims to achieve the best outcomes for all children who are placed for adoption.

IAC's unique information and advice line services for adoptive families, adopted people and adoption professionals are supported by a sound information database and appropriately qualified and experienced advisors and facilitators, some of whom have personal experience of adoption. A second information, advice and consultation service (the Outbound Permanence Service) for local authorities planning to place their looked after children permanently with relatives or other 'connected people' outside the UK launched in August 2017. Its development and operation were funded by the Department for Education under its regionalisation programme until March 2018.

INTERCOUNTRY ADOPTION CENTRE

Report of the Trustees for the Year Ended 31 March 2019

IAC's Subscriber Services offer the following for local authorities:

- Access to advice lines for prospective adopters, social workers and other professionals seeking information, advice and consultation. The services are supported by a database of relevant background information on sending and receiving States and the legal routes to permanence for children looked after by local authorities in England
- Information packs and service charges
- Country fact sheets
- Procedural guides of different legal pathways to permanence in and out of the UK
- Leaflets for the preparation of the relatives or "connected people" with whom the child(ren) is to be placed
- Books written for children to prepare them for moving
- Network meetings for practitioners
- Specialist preparation course of prospective intercountry adopters and adoption support workshops
- Bulletins, country fact sheets and other materials, including intercountry adoption child medical and development forms
- Practitioners' network to provide a forum for discussion, debate and peer support
- Intercountry adoption consultation and training for their adoption professionals and adoption panel members (including legal and medical advisors).

IAC's services aim to ensure that the potential life-long needs of all children placed for adoption and permanence are understood, and that the ethnic, cultural, religious and linguistic heritage of the children is fully recognised and positively valued. The services are also informed by the outcomes of research, by practice wisdom, by the perspectives of all parties to the adoption circle and by training which the agency provides for its workforce.

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

Information or matters of concern to employees is communicated in a range of ways both in person and in reports which seek to achieve a common awareness on the part of all employees of the financial and demographic factors affecting the charity's performance.

IAC prides itself in having a diverse workforce, to reflect the backgrounds of many of the children and families we work with. Applications for employment by people with disability are always fully considered, bearing in mind the aptitudes of the applicant concerned. It is the policy of the charity that the training, career development and promotion of people with disability should, as far as possible, be identical to that of other employees.

Strategic report

The greatest achievement of the charity this year has been continuing to find families for vulnerable children, many of whom have additional needs. The changing landscape across England within the adoption sector has meant that IAC has needed to consolidate our position in the market and work towards more subscriptions from local authorities and RAAs. This also led to the development of a new strategy 'Thriving at 25' as the charity heads towards its 25th anniversary in 2022.

INTERCOUNTRY ADOPTION CENTRE

Report of the Trustees for the Year Ended 31 March 2019

Achievement and performance

2019 has been a significant year for the charity, seeing the retirement of our founder CEO, Gill Haworth and handover of leadership to Satwinder Sandhu. Gill founded the Intercountry Adoption Centre in 1997 and went on to build the charity from a Government-funded helpline for families who wished to adopt, or had adopted children, from overseas, to a fully-fledged VAA that has supported the placement of nearly 300 children in the UK and abroad.

In the Queen's birthday honours this year Gill Haworth was awarded an OBE and Jan Way, who worked for the charity as a senior manager for more than 20 years, a MBE, for services to vulnerable children and families in recognition of their work at the forefront of international adoption services. We are delighted for both Gill and Jan to be personally recognised and for the work of IAC to be acknowledged in such a public way.

IAC continues to manifest its commitment to finding families for children of all backgrounds, including those with additional and special needs. This is both through adoption by prospective UK adopters, as well as with suitable families overseas.

The year-on-year growth of the charity has continued to require additional appointments at management, senior practitioner and administrative levels to better support the enhanced intercountry adoption activity.

Between 1 April 2018 and 31 March 2019:

- 2486 new enquiries were processed from prospective adopters
- 244 people attended Information Sessions
- 126 households attended an Initial Interview
- 90 Registrations of Interest were accepted for application
- 181 prospective adopters attended preparation groups
- 84 households were approved as suitable to adopt
- 5 households changed country to the UK (converted to domestic)
- 24 children arrived in the UK after placement with their families
- 7 children were placed with their families via the UK (domestic) service
- 110 post placement visits were conducted, and reports provided to States of origin
- 66 local authorities had service level agreements with us to run their full intercountry service
- 14 local authorities subscribed with us to run their enquiry and information service
- 17 local authorities subscribed to the outbound permanence advice service

Other developments within this period included:

- Appointment of an Agency Advisor to the Adoption Panel
- Appointment of a HR / Contracts Administrator
- Contracting elements of our HR function to PACT, another VAA
- Creation of additional resource for the Post Approval Service
- Change of CEO

In addition to the support available through the Advice Lines, IAC provides support to adopters after approval. This support is provided through the Post Approval Service on an ongoing needs-led basis and through a series of workshops which are run throughout each year. These workshops provide much-welcomed support and advice to approved adopters waiting to be matched with a child from overseas and those with children in placement.

IAC also offers consultation and counselling following placement and the team are trained in a range of therapeutic techniques to better support adoptive families. This work is headed by the Adoption Support Co-ordinator and enables us to enhance our adoption support offer to include life story work consultation for adopters and therapeutic life story work for their children. IAC also collaborates with adoption support agencies and with professionals from disciplines, other than social work, to which adopters may be sign-posted for other support that adoptive families and their children might need.

The Board of Trustees wishes to express its continuing thanks and admiration to the entire workforce for their continued outstanding achievements.

INTERCOUNTRY ADOPTION CENTRE

Report of the Trustees for the Year Ended 31 March 2019

Plans for the future

With the appointment of a new CEO who brings substantial experience and credibility within the sector, the Trustees are committed to supporting the charity to continue to consolidate its position within the market as well as ensuring that we remain relevant, innovative and provide value for money. The new three-year strategy for 2019-2022 'Thriving at 25' is focussed on achieving these outcomes, along with financial stability and viability, via four strategic aims:

1. A stronger organisation
2. A stronger identity
3. Growing the organisation
4. Developing new income generation streams

Adoption changes lives and IAC has been involved with placing close to 300 children. That alone creates an important legacy of our work. The organisation is now 22 years old and the ambition is to continue to grow steadily to ensure that our life-long commitment to children and families is honoured and that we may continue this for generations to come.

As the sole specialist intercountry adoption agency in the UK, the organisation carries with it a duty to provide services for those wishing to adopt from abroad, and to provide loving, safe, permanent families for the worlds' most vulnerable children.

Financial review

Income for the year increased to £2,174,400 from £2,031,493 in 2018, giving net income of £15,160 (2018: £61,578).

Principal Funding Sources

Service Charges from services to intercountry adopters increased by 18% (2018: 45%) in the period, reflecting continuing growth in assessment services. Income from subscribing local authorities increased in the period by 50% (2018: 29% increase).

Income from other fundraising activities was £11,481 (2018: £10,503). The Trustees express their gratitude to all donors, particularly our Marathon runners.

A £100,000 three-year development loan from CAF Venturesome, a subsidiary of the charity's bankers CAF Bank, was granted in February 2014 to support the growth of the charity and to assist in the smoothing of cash flow caused by receivables due from local authorities. The loan was repayable in 36 instalments and was fully repaid in February 2017.

In June 2016, CAF Venturesome extended the working capital loan facilities by a £100,000 to support the IAC's enhancement of its operational team and systems to better meet the agency's increased adoption activity. This was replaced by a facility in March 2018 which provided a further £100,000 and consolidated the outstanding £52,429 from the June 2016 facility. As at 31st March 2019 the consolidated loan balance was £102,766 (see note 12) which is repayable in 24 instalments.

Reserves

At 31 March 2019, unrestricted reserves were £168,650 (2018: £153,490). Restricted reserves were Nil (2018: Nil).

Reserves as at 31 March 2019 represent less than one month's expenditure in the current period (2019-2020). As income is characterised by peaks and troughs during the annual cycle, the Trustees have determined that the reserves target should be at the level of three months' committed expenditure. Budgeted expenditure in the 2019-2020 financial year is in excess of £2m, and therefore target reserves would be £200,000 as at 31 March 2019.

Although target reserves will not be achieved in the current year it remains the long-term objective and the Trustees have agreed to review the reserves policy in the year 2019/20. In the meantime, forecast income and expenditure is expected to remain at current levels ensuring committed obligations can be met.

INTERCOUNTRY ADOPTION CENTRE

Report of the Trustees for the Year Ended 31 March 2019

Risk Management

Procedures are in place to ensure compliance with health and safety of staff, volunteers, clients and visitors to the organisation. The Agency has the appropriate level of insurance to meet its obligations in respect of employees and members of the public and otherwise has a business continuity plan to cover extreme eventualities.

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

Legal and administrative information

Intercountry Adoption Centre (IAC) was incorporated under its original name Overseas Adoption Helpline on 26 March 1997 as a private company limited by guarantee with the company number 3344762. It has no share capital, but each member (that is, the directors of the company, also known as trustees) undertakes, in the event of winding up, to contribute up to £10 towards the cost and expenses of winding up. The company was registered as a charity, number 1067313, with the Charity Commissioners on 9 January 1998.

The company was established under a Memorandum of Association which determines the objects and powers of the charitable company and is governed under its Articles of Association. The governing documents were last amended on 9 January 2014 to reflect borrowing powers. A further review is planned.

The charitable company was registered with the Commission for Social Care Inspection (CSCI) as an Adoption Support Agency (ASA) on 23 March 2006.

On 7 November 2008 the charitable company was registered as a Voluntary Adoption Agency (VAA) with the Office for Standards in Education, Children's Services and Skills (Ofsted), and simultaneously relinquished its ASA registration. The VAA Registration Number is SC386048. In April 2012, the terms of the Agency's registration were extended to include domestic adoption. Satwinder Sandhu is registered with Ofsted as the Responsible Individual for the VAA and Irene Levine is registered as the Manager.

Intercountry Adoption Centre amended its trading name to 'IAC - The Centre for Adoption' from spring 2015 to better reflect the diversification of its activities.

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

Barbara Hudson (Chair)
David Gray (Treasurer)
Katherine Samwell Smith
Anastasia Ansell
Gabrielle Shaw
Frances Petterson
James McDougall
Nick Sieve
Tabitha Northrup (Resigned)
Martin Waller (Resigned)

Organisational Structure

The Board of Trustees meets quarterly and is responsible for the strategic direction and policy of the charity and for monitoring the management and outcomes of services. Board members are drawn from a variety of professional backgrounds relevant to the work of the charity. The Board has recruited additional Trustees to strengthen its governance still further in recognition of the growth and diversification of the charity's activities. The Chief Executive (who is also the Responsible Individual of the VAA registered with Ofsted), Operations Director and the Finance Director also sit on the Board but have no voting rights.

INTERCOUNTRY ADOPTION CENTRE

Report of the Trustees for the Year Ended 31 March 2019

Structure, governance and management

A scheme of delegation is in place and day to day responsibility for the provision of the services rests with the Chief Executive, who is responsible for ensuring that the charity delivers the services specified and that key performance indicators are met. He is assisted by the Finance Director and Operations Director and a team of operational managers who report to the Operations Director. The operational managers meet, at least annually, with the Trustees.

IAC operates from Barnet, north London. However, services are commissioned by local authorities and other organisations throughout the UK. Services are, therefore, on occasion, delivered offsite. IAC also has programmes in the six States of origin where it is accredited or has working agreement. In respect of Kazakhstan, this necessitates having an adoption representative office in that country.

The Agency is assisted by a multidisciplinary Advisory Panel, whose members are consulted when required. The panel currently comprises legal advisors, medical advisors, notary public, research and literature and human resources advisors.

IAC's 'central list' from which its Adoption Panel is drawn has 16 members of diverse heritage, of whom many have personal experience of adoption, in addition to the Panel's legal, medical and Agency Panel Advisors.

IAC's social workers are experienced in both domestic and intercountry adoption. Some are also adoptive parents and a significant number were raised overseas and have direct experience of migration.

Relationships with other organisations and related parties

IAC works in collaboration with a range of organisations and bodies both in the UK and in States of origin overseas. It does this through accreditation, through working agreements, service level agreements and subscription services. The ICARAA for England provides its services through collaboration underpinned by bilateral agreements with other voluntary adoption agencies.

IAC is a member of a number of umbrella organisations. These include the Consortium of Voluntary Adoption Agencies, the Consortium of Adoption Support Agencies, CoramBAAF and the South East Post Adoption Network. IAC is also a member of NCVO and Euradopt, the association of European accredited adoption agencies. IAC's Founder is a member of the Executive Board of Euradopt and is the UK representative on the Council of Euradopt. The Chief Executive is a member of Acevo.

Auditors

In November 2017 Westbury, the auditors, became part of Haines Watts and is now known as Haines Watts (Westbury) LLP. In accordance with the company's articles, a resolution proposing that auditors, Haines Watts (Westbury) LLP, be reappointed as auditors of the company will be put at a General Meeting.

This report has been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006.

Report of the Trustees, incorporating a strategic report, approved by order of the Board of Trustees, as the company directors, on 21st October 2019 and signed on the board's behalf by:

.....
B J Hudson - Trustee



INTERCOUNTRY ADOPTION CENTRE

Statement of Trustees Responsibilities for the Year Ended 31 March 2019

The Trustees, who are also the directors of Intercountry Adoption Centre for the purpose of company law, are responsible for preparing the Trustees' Report and the accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law requires the Trustees to prepare accounts for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these accounts, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the accounts comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Report of the Independent Auditors to the Members of Intercountry Adoption Centre

Opinion

We have audited the financial statements of Intercountry Adoption Centre (the 'charitable company') for the year ended 31 March 2019 which comprise the Statement of financial activities, the Balance sheet, the Cash flow statement and notes to the financial statements, 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 (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

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 2019 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, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors responsibilities for the audit of the financial statements section of our report. We are independent of the 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

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 charitable 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 trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our Report of the independent auditors 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.

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 Report of the trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the trustees 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 Report of the trustees.

We have nothing to report in respect of the following matters where 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.

**Report of the Independent Auditors to the Members of
INTERCOUNTRY ADOPTION CENTRE**

Responsibilities of trustees

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

In preparing the financial statements, the trustees are responsible for assessing the 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.

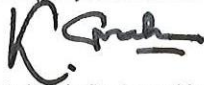
Our responsibilities for the audit of the financial statements

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 a Report of the independent auditors 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 Report of the Independent auditors.

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 auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Mr Keith Graham (Senior Statutory Auditor)
for and on behalf of Haines Watts (Westbury) LLP
Chartered Accountants and Statutory Auditor
South Entrance
3rd Floor
37 - 41 Bedford Row
London
WC1R 4JH

Date: 14 Nov. 2019

INTERCOUNTRY ADOPTION CENTRE

**Statement of Financial Activities
(Incorporating an Income and Expenditure Account)
for the Year Ended 31 March 2019**

		Unrestricted fund	Restricted fund	2019 Total funds	2018 Total funds
	Notes	£	£	£	£
Income from					
Donations and legacies	3	11,481	-	11,481	304,130
Charitable activities	4				
Services to adopters		1,432,090	-	1,432,090	1,211,673
Fees and services to professionals		728,741	-	728,741	484,254
Gala dinner		2,050	-	2,050	31,381
Other income		<u>38</u>	<u>-</u>	<u>38</u>	<u>55</u>
Total		<u>2,174,400</u>	<u>-</u>	<u>2,174,400</u>	<u>2,031,493</u>
 Expenditure on					
Raising funds		2,362	-	2,362	25,048
Charitable activities	5				
Charitable activities		<u>2,156,878</u>	<u>-</u>	<u>2,156,878</u>	<u>1,944,867</u>
Total		<u>2,159,240</u>	<u>-</u>	<u>2,159,240</u>	<u>1,969,915</u>
 Net income		<u>15,160</u>	<u>-</u>	<u>15,160</u>	<u>61,578</u>
 Reconciliation of funds					
Total funds brought forward		<u>153,490</u>	<u>-</u>	<u>153,490</u>	<u>91,912</u>
 Total funds carried forward		<u><u>168,650</u></u>	<u><u>-</u></u>	<u><u>168,650</u></u>	<u><u>153,490</u></u>

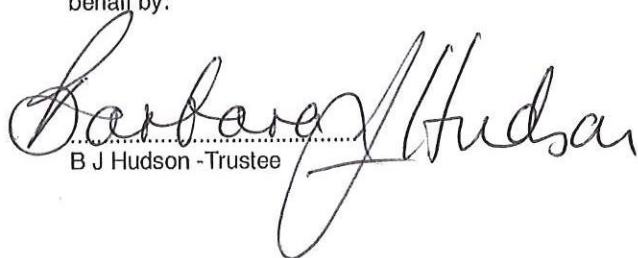
The notes form part of these financial statements

INTERCOUNTRY ADOPTION CENTRE

Balance Sheet At 31 March 2019

		Unrestricted fund	Restricted fund	2019 Total funds	2018 Total funds
	Not es	£	£	£	£
Fixed assets					
Tangible assets	9	11,174	-	11,174	6,107
Current assets					
Debtors	10	502,444	-	502,444	463,922
Cash at bank		<u>207,415</u>	<u>-</u>	<u>207,415</u>	<u>247,069</u>
		709,859	-	709,859	710,991
Creditors					
Amounts falling due within one year	11	(499,335)	-	(499,335)	(460,842)
		<u>210,524</u>	<u>-</u>	<u>210,524</u>	<u>250,149</u>
Net current assets					
		221,698	-	221,698	256,256
Total assets less current liabilities					
Creditors					
Amounts falling due after more than one year	12	(53,048)	-	(53,048)	(102,766)
		<u>168,650</u>	<u>-</u>	<u>168,650</u>	<u>153,490</u>
Net assets					
Funds	14				
Unrestricted funds				168,650	153,490
Restricted funds				-	-
Total funds				<u>168,650</u>	<u>153,490</u>

The financial statements were approved by the Board of Trustees on 11.11.19 and were signed on its behalf by:


B J Hudson - Trustee

The notes form part of these financial statements

INTERCOUNTRY ADOPTION CENTRE

**Cash Flow Statement
for the Year Ended 31 March 2019**

	Notes	2019 £	2018 £
Cash flows from operating activities:			
Cash generated from operations	1	<u>19,366</u>	<u>82,940</u>
Net cash provided by (used in) operating activities		<u>19,366</u>	<u>82,940</u>
Cash flows from investing activities:			
Purchase of tangible fixed assets		(9,395)	(9,731)
Interest received		<u>38</u>	<u>55</u>
Net cash provided by (used in) investing activities		<u>(9,357)</u>	<u>(9,676)</u>
Cash flows from financing activities:			
New loans in year		-	100,000
Loan repayments in year		<u>(49,663)</u>	<u>(24,364)</u>
Net cash provided by (used in) financing activities		<u>(49,663)</u>	<u>75,636</u>
Change in cash and cash equivalents in the reporting period		(39,654)	148,900
Cash and cash equivalents at the beginning of the reporting period		<u>247,069</u>	<u>98,169</u>
Cash and cash equivalents at the end of the reporting period		<u>207,415</u>	<u>247,069</u>

INTERCOUNTRY ADOPTION CENTRE

Notes to the Cash Flow Statement for the Year Ended 31 March 2019

1.	Reconciliation of net income to net cash flow from operating activities	2019	2018
		£	£
	Net income for the reporting period (as per the statement of financial activities)	15,160	61,578
	Adjustments for:		
	Depreciation charges	4,327	1,735
	Loss on disposal of fixed assets	-	26,983
	Investment income recognised	(38)	(55)
	Increase in debtors	(38,522)	(50,564)
	Increase in creditors	<u>38,439</u>	<u>43,263</u>
	Net cash provided by (used in) operating activities	<u>19,366</u>	<u>82,940</u>

INTERCOUNTRY ADOPTION CENTRE

Notes to the Financial Statements for the Year Ended 31 March 2019

1. Charity information

Intercountry Adoption Centre is a private company limited by guarantee incorporated in England and Wales. The registered office is 22 Union Street, Barnet, Hertfordshire, EN5 4HZ.

2. Accounting policies

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Income

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

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

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and the receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

Income from government grants is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Cash and cash equivalents

Raising funds includes all expenditure incurred by the charity to raise funds for its charitable purposes and includes costs of all fundraising activities, events and non-charitable trading.

Impairment of fixed assets

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

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Fixtures and fittings	- 33% on cost
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Taxation

The charity is exempt from corporation tax on its charitable activities.

INTERCOUNTRY ADOPTION CENTRE

Notes to the Financial Statements - continued for the Year Ended 31 March 2019

2. Accounting policies - continued

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

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

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Governance costs

Governance costs include costs of the preparation and examination of the statutory accounts, the costs of trustee meetings and the cost of any legal advice regarding governance or constitutional matters.

3. Donations and legacies

	Unrestricted funds £	Restricted funds £	Total 2019 £	Total 2018 £
Donations and gifts	11,481		11,481	10,503
Government grants				293,627
	<u>11,481</u>		<u>11,481</u>	<u>304,130</u>
For the year ended 31 March 2018	<u>10,503</u>	<u>293,627</u>		<u>304,130</u>

4. Income from charitable activities

Activity	2019 £	2018 £
Services to adopters	1,432,090	1,211,673
Fees and services to professionals	728,741	484,254
Gala dinner	<u>2,050</u>	<u>31,381</u>
	<u>2,162,881</u>	<u>1,727,308</u>

INTERCOUNTRY ADOPTION CENTRE

Notes to the Financial Statements - continued for the Year Ended 31 March 2019

5. Charitable activities costs

	2019 £	2018 £
Staff costs	1,680,962	1,399,408
Charitable direct expenditure	186,504	311,121
Depreciation and impairment	4,327	1,735
Loss on sale of tangible fixed assets	-	26,941
Share of support costs	(detailed below) 275,962	192,699
Share of governance costs	(detailed below) 9,123	12,963
	<u>2,156,878</u>	<u>1,944,867</u>

Support and governance costs

	Support costs £	Governance costs £	2019 £	2018 £	Basis of allocation
Staff costs (Unrestricted funds)	80,671	-	80,671	21,394	
Building and office costs (Unrestricted funds)	137,325	-	137,325	122,353	
Bank charges	9,472	-	9,472	7,808	
General office expenses	20,280	-	20,280	11,493	
Bad debt increase	-	-	-	10,000	
Travelling (Unrestricted funds)	28,214	-	28,214	19,651	
Audit fees	-	4,859	4,859	6,100	Governance
Travelling	-	966	966	1,373	Governance
Legal and professional	-	3,298	3,298	5,490	Governance
	<u>275,962</u>	<u>9,123</u>	<u>285,085</u>	<u>205,662</u>	
Analysed between Charitable activities	<u>275,962</u>	<u>9,123</u>	<u>285,085</u>	<u>205,662</u>	

Governance costs includes payments to the auditors of £4,000 (2018: £4,500) for audit fees.

6. Net income/(expenditure)

Net income/(expenditure) is stated after charging/(crediting):

	2019 £	2018 £
Depreciation - owned assets	4,328	1,735
Share of support costs	186,504	311,121
Deficit on disposal of fixed asset	-	26,941

7. Trustees' remuneration and benefits

There were no trustees' remuneration or other benefits for the year ended 31 March 2019 nor for the year ended 31 March 2018.

Trustees' expenses

During the year, expenses amounting to £2,538 were reimbursed to three trustee's. Breakdown of expenses is as follows - £2,538 travel costs.

INTERCOUNTRY ADOPTION CENTRE

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2019**

8. Staff costs

	2019 £	2018 £
Wages and salaries	<u>1,680,962</u>	<u>1,399,408</u>

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

2019	2018
<u>35</u>	<u>33</u>

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

	2019	2018
£60,001 - £70,000	1	2
£70,001 - £80,000	1	1
£100,001 - £110,000	<u>1</u>	<u>-</u>
	<u>3</u>	<u>3</u>

9. Tangible fixed assets

	Fixtures and fittings £
Cost	
At 1 April 2018	7,842
Additions	<u>9,395</u>
At 31 March 2019	<u>17,237</u>
Depreciation	
At 1 April 2018	1,735
Charge for year	<u>4,328</u>
At 31 March 2019	<u>6,063</u>
Net book value	
At 31 March 2019	<u>11,174</u>
At 31 March 2018	<u>6,107</u>

10. Debtors: amounts falling due within one year

	2019 £	2018 £
Trade debtors	486,680	429,562
Other debtors	-	18,860
Prepayments and accrued income	<u>15,764</u>	<u>15,500</u>
	<u>502,444</u>	<u>463,922</u>

INTERCOUNTRY ADOPTION CENTRE

Notes to the Financial Statements - continued for the Year Ended 31 March 2019

11. Creditors: amounts falling due within one year

	2019 £	2018 £
Bank loans and overdrafts (see note 13)	49,718	49,663
Trade creditors	129,292	93,548
VAT	77,841	40,596
Other creditors	58,055	85,318
Accruals and deferred income	184,429	191,717
	<u>499,335</u>	<u>460,842</u>

12. Creditors: amounts falling due after more than one year

	2019 £	2018 £
Bank loans (see note 13)	<u>53,048</u>	<u>102,766</u>

13. Loans

An analysis of the maturity of loans is given below:

	2019 £	2018 £
Amounts falling due within one year on demand:		
Bank loans	<u>49,718</u>	<u>49,663</u>
Amounts falling due between two and five years:		
Bank loans - 2-5 years	<u>53,048</u>	<u>102,766</u>

14. Movement in funds

	At 1.4.18 £	Net movement in funds £	At 31.3.19 £
Unrestricted funds			
General fund	153,490	15,160	168,650
	<u>153,490</u>	<u>15,160</u>	<u>168,650</u>
TOTAL FUNDS	<u>153,490</u>	<u>15,160</u>	<u>168,650</u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	2,174,400	(2,159,240)	15,160
	<u>2,174,400</u>	<u>(2,159,240)</u>	<u>15,160</u>
TOTAL FUNDS	<u>2,174,400</u>	<u>(2,159,240)</u>	<u>15,160</u>

INTERCOUNTRY ADOPTION CENTRE

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2019**

14. Movement in funds - continued

Comparatives for movement in funds

	At 1.4.17 £	Net movement in funds £	At 31.3.18 £
Unrestricted Funds			
General fund	91,912	61,578	153,490
	<u> </u>	<u> </u>	<u> </u>
TOTAL FUNDS	<u>91,912</u>	<u>61,578</u>	<u>153,490</u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	1,737,866	(1,676,288)	61,578
Restricted funds			
Restricted fund	293,627	(293,627)	-
	<u> </u>	<u> </u>	<u> </u>
TOTAL FUNDS	<u>2,031,493</u>	<u>(1,969,915)</u>	<u>61,578</u>

A current year 12 months and prior year 12 months combined position is as follows:

	At 1.4.17 £	Net movement in funds £	At 31.3.19 £
Unrestricted funds			
General fund	91,912	76,738	168,650
	<u> </u>	<u> </u>	<u> </u>
TOTAL FUNDS	<u>91,912</u>	<u>76,738</u>	<u>168,650</u>

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	3,912,266	(3,835,528)	76,738
Restricted funds			
Restricted fund	293,627	(293,627)	-
	<u> </u>	<u> </u>	<u> </u>
TOTAL FUNDS	<u>4,205,893</u>	<u>(4,129,155)</u>	<u>76,738</u>

INTERCOUNTRY ADOPTION CENTRE

Notes to the Financial Statements - continued
for the Year Ended 31 March 2019

15. Related party disclosures

The remuneration of key management personnel is as follows.

	2019	2018
	£	£
Aggregate compensation	<u>244,728</u>	<u>212,215</u>

INTERCOUNTRY ADOPTION CENTRE
Detailed Statement of Financial Activities
for the Year Ended 31 March 2019

	2019 £	2018 £
Income		
Donations and legacies		
Gifts and donations	11,481	10,503
Grants	-	293,627
	11,481	304,130
Charitable activities		
Services to adopters	1,432,090	1,211,673
Fees and services to professionals	728,741	484,254
Gala dinner	2,050	31,381
	2,162,881	1,727,308
Other income		
Interest received	38	55
Total incoming resources	2,174,400	2,031,493
Expenditure		
Raising donations and legacies		
Other fundraising costs	2,362	1,588
Other trading activities		
Gala dinner costs	-	23,460
Charitable activities		
Staff costs	1,680,962	1,399,408
Charitable direct expenditure	186,504	311,121
Share of support costs	275,962	192,699
Share of governance costs	9,123	12,963
Depreciation and impairment	4,327	1,735
Loss on sale of tangible fixed assets	-	26,941
	2,156,878	1,944,867
Total resources expended	2,159,240	1,969,915
Net income	15,160	61,578

