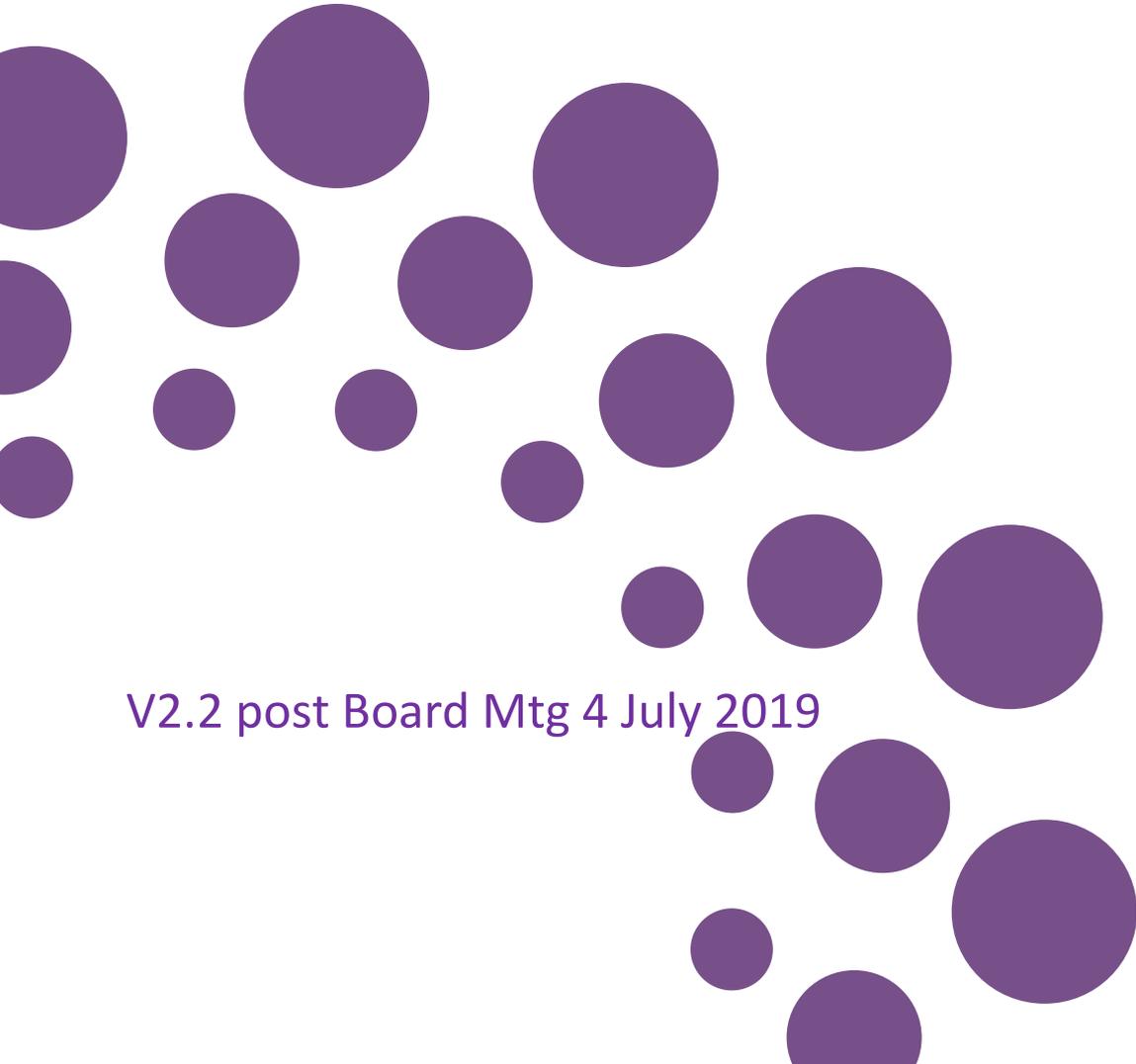


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# Trustees' Report and Accounts for the year ended 31 March 2019

V2.2 post Board Mtg 4 July 2019



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## Legal and Administrative Information

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Charity Number:	<b>1016676</b>
Company Number:	<b>2663769</b>
Registered office:	<b>Oxbridge Court, Osney Mead, Oxford, OX2 0ES</b>
Auditor:	<b>Chapman Worth Limited</b> <b>6 Newbury Street, Wantage, Oxon, OX12 8BS</b>
Bankers:	<b>NatWest Oxford Central</b> <b>43 Cornmarket Street, Oxford, OX1 3ES</b>

The Financial Statements for the year ended 31 March 2019 contained in this report have been prepared in accordance with the accounting policies set out in Note 1 to the Financial Statements, and comply with INTRAC's governing document, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice" applicable to charities preparing their accounts in accordance with Financial Reporting Standard RRS 102, applicable in the UK and Republic of Ireland, effective 1 January 2015."

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# Welcome to the Annual Report

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Our 2018-19 report highlights ways in which we have been working with CSOs in the global South to catalyse transformational change, strengthen leadership and capacity, and support the generation of evidence, lesson learning and influencing. INTRAC continues to collaborate with policy makers, government regulators, donors, INGOS and private funders to think through and respond appropriately to the changing needs of communities.

Reports from the UN and CIVICUS during the year emphasized how once again civic space is under serious attack in an increasing number of the world's countries, and that attacks on civic actors are on the rise. For INTRAC, and all of us who feel passionately about the importance of civic action to a healthy society, this is a disturbing picture. In April 2019, at the start of the CIVICUS International Civil Society Week proceedings, INTRAC signed up to the 'Belgrade Call to Action', calling on UN Member States to "take concrete steps to protect and enable space for civil society."

Despite this very challenging international context, in 2018-19 we worked in several of the countries affected, supporting CSOs and their communities to find ways to take action on the issues that matter to them. Over the course of the year we provided training and advisory support in 45 countries, with 53 clients and organisations, on 94 programme assignments.

Closer to home, the international development community in the UK has been under continued public scrutiny for failing to protect vulnerable children and adults from being sexually abused and exploited. In response, we reviewed our safeguarding policies and practices, reemphasising ethics and accountability. We have a key role in helping southern CSOs to strengthen their ability to achieve higher standards.

During the year, the UK's Independent Commission for Aid Impact (ICAI) conducted a review of the Department for International Development's (DFID) partnerships with civil society organisations. We welcome ICAI's recommendations that "DFID should have a stronger focus on the long-term results of its CSO-implemented programmes, the localisation of development and humanitarian efforts, and its CSO partners' long term-capacity to deliver relevant results in evolving contexts." These all strongly resonate with INTRAC's mission and ways of working, and we look forward to using our experience and expertise to contribute to this process. Throughout 2018-19 we reflected on INTRAC's future strategy and agreed key broad objectives to guide our philosophy, mission and partnerships going forward. This informed our Operational Priorities for 2019-20, and will be refined and tested in the coming year.

A central feature of our future plans is the continued development of our network of committed capacity building professionals who are connected globally and with their communities. Working with and through this network we intend to extend the range, quality and reach of support services to civil society in the global South. This includes plans to partner with our network of trainers and consultants operating in Central Asia. Although we closed our office in Kyrgyzstan during the year, we have every intention of continuing to support CSOs working in the Central Asia region.

We had a positive year financially and are pleased to be able to report that the tremendous efforts made by staff and consultants in our network resulted in us generating a Net Income surplus for 2018-19. This has given us the confidence to plan to recruit staff to four new positions, with the aim of deepening the impact of our advisory, training and publications work, and of improving our visibility.

As you read the 2018-19 Trustees' Annual Report and Accounts you will appreciate that it has been a busy year at INTRAC. We are grateful to our staff, associates, partners and collaborators for all their efforts and support.



*Carolyn Miller*

Carolyn Miller  
Board Chair



*Helen Mealins*

Helen Mealins  
Chief Executive

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# Trustees' Report

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## INTRAC's Purpose, Vision and Strategy

### Our purpose

INTRAC is a not-for-profit organisation that builds the skills and knowledge of civil society and civil society organisations (CSOs) to be more effective in addressing poverty and inequality, empowering people to gain greater control over their own future.

### The need we tackle

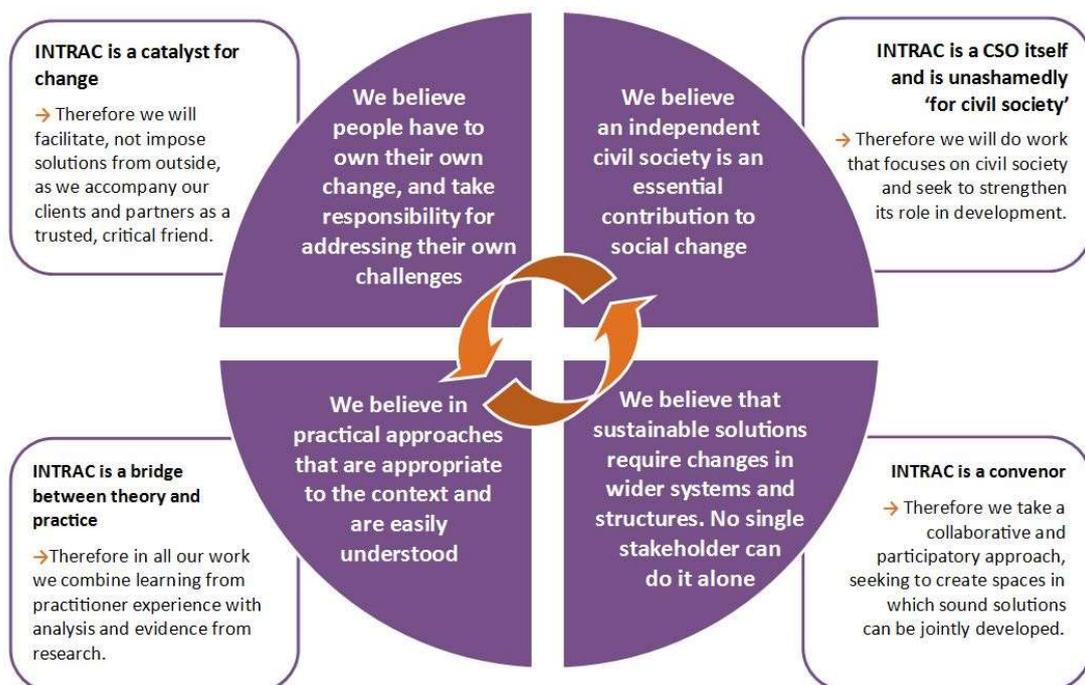
CSOs play a vital role in tackling pressing global issues of poverty, conflict, migration, insecurity and climate change. To do this requires politically-astute and creative collaboration across public and private sectors, and across national and international actors. Systems-wide alterations in attitudes and approaches are necessary.

INTRAC is committed to helping CSOs adapt quickly and effectively to the ever-changing context in which they operate. We are at the forefront of promoting changes to practice and policy to improve the resourcing, credibility and long-term viability of civil society organisations.

Our approach goes beyond organisational systems to issues that may have as much or more impact on the legitimacy and strength of CSOs, such as: leadership, integrity, relationships with their own constituencies, and resilience in the face of political pressure or funding fluctuations.

### Our core beliefs

INTRAC supports civil society around the world. We believe that change starts with people - with individuals and groups coming together, mobilising and organising to improve their own lives or the lives of others. This spirit of collective action is motivated by a desire to develop shared solutions, give voice to marginalised people and hold those with power to account.



As an NGO itself, INTRAC is absolutely committed to supporting civil society because of its intrinsic importance, not just as a vehicle to deliver others' programmes. Through all its work, INTRAC aims to be a catalyst, facilitating rather than imposing change. We champion national organisations to be strong, independent and sustainable, rather than driven by external forces.

We develop practical solutions to the challenges that civil society faces, combining values-driven consultancy, training, research and reflection across key themes. These include: organisation development and change; monitoring, evaluation and learning; strategy and programme design; civil society sustainability; and civil society policy and development.

We work with civil society organisation in all its diverse forms. This includes formal organisations, networks and more informal alliances or forms of collaboration within civil society and between civil society and other actors.

We are committed to the principle of participation and advocate for voice and agency of people we work with. We promote beneficiary feedback, and give prominence to Southern civil society voices in our publications, consultancy and research work. We prefer to collaborate rather than compete with intermediary CSOs working in countries where civil society is strong, and we are committed to supporting and professionally developing consultants who are able to catalyse long term change in civil society.

### **Our vision for the future**

Our vision is that people are able to organise in forms that are effective, sustainable and legitimate in their own societies in order to challenge and address poverty and inequality.

### **Our strategic objectives**

[INTRAC's Strategy to 2020](#), which was agreed in late March 2015, can be obtained on INTRAC's website. The two main objectives of the strategy are:

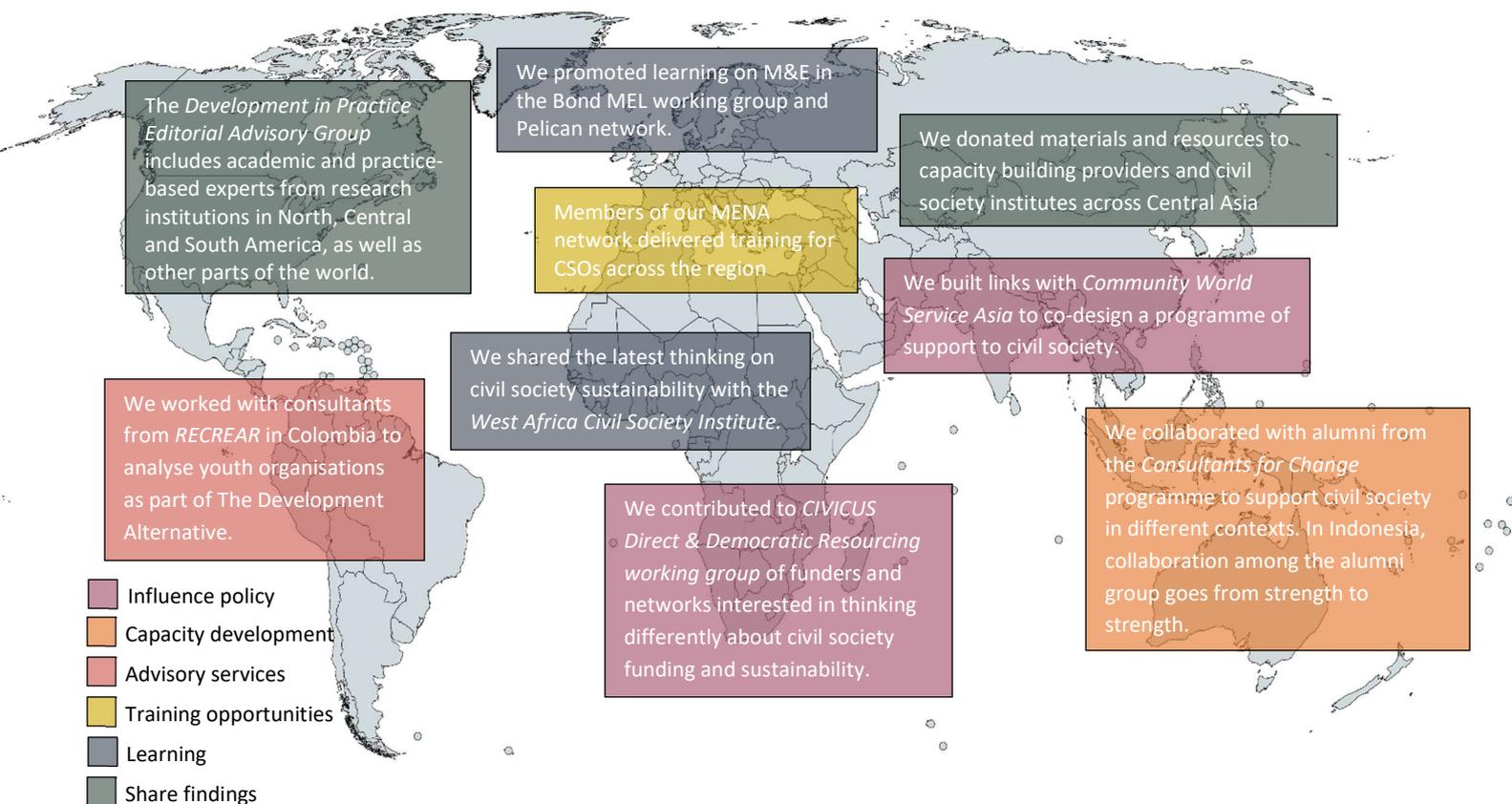
- to pro-actively influence the policies and practices of agencies and organisations which fund and regulate civil society based on evidence from our programmes; and
- to make good quality capacity development support more available to civil society organisations and individuals at national level in different countries and regions, in particular in places where there is persistent poverty and disenfranchisement, and where space for civic action is threatened by tensions between the state, the private sector and civil society.

To achieve these objectives we are pursuing six strategies for action to:

- 1) **influence policy**, strategy and practice related to civil society;
- 2) improve access for civil society to high quality **capacity development**;
- 3) provide cutting-edge capacity building and **advisory services**;
- 4) expand **training opportunities** for individuals working in or with CSOs;
- 5) promote **learning** and innovation; and
- 6) **share findings** and results of our work, refreshing our approach to communications.

## How we deliver on our mission

The numerous contracts, projects, programmes, courses and products that INTRAC manages and delivers every year demonstrate our impact and achievements. In 2018-19 we worked with 53 organisations across 45 countries. Harder to capture are the relationships, conversations and peer-learning activities through which we seek to catalyse change. INTRAC connects to a global network of practitioners, capacity building providers, influencers and thinkers on civil society that holds common values and that champions civil society. We exchange and promote knowledge, share and make use of our respective expertise, and develop new ideas together. The map below provides just a few examples of ways in which we collaborated with this global network in 2018-19 across our six strategies for action.



A second important way in which INTRAC delivers on its mission is through its cohort of local consultants, who can make a huge difference to the effectiveness and impact of civil society actions because of their deep knowledge of local political economy, culture and language. By working directly with consultants and capacity building providers from the countries where our clients and partners are active, we also foster skills development and mutual learning, and promote knowledge exchange and cross-fertilisation of methods and ideas. In this way we collectively contribute new thinking from practice across the globe.

40% of the non-staff consultants we worked with in 2018-19 were based in countries where INTRAC was supporting civil society activities, including Syria, Palestine, Ethiopia, Burkina Faso, Rwanda, Kenya, South Sudan, India, Kyrgyzstan, Ukraine, Kosovo and Vietnam. Box 1 provides several examples.

## **BOX 1: WORKING WITH LOCAL CONSULTANTS AND CAPACITY BUILDING PROVIDERS**

### **Aswat Faeela (Active Voices) with British Council in the Middle East and Europe**

Aswat Faeela is a 30-month multi-country youth development project, funded by the European Commission, led by the British Council Syria, and implemented with International Alert and Search for Common Ground. The project aimed to develop the leadership skills of young Syrians and enable them to advocate for peace-building in their country. Activities were carried out in Jordan, Lebanon, Syria and Turkey as well as in four European countries. INTRAC conducted an evaluation of the project between February and August 2018, involving a local consultant who conducted the field research and evaluation in Lebanon and Syria. The evaluation showed that the young Syrian social leaders who had been trained by the programme had acquired the tools to research needs in their communities, to mobilize these communities and to undertake social action. This led to the initiation of tens of Action Research projects, advocacy campaigns and Social Action Projects. Local consultants brought their expertise on the situation of Syrian refugees in Lebanon and enabled access to beneficiaries and other key informants within Syria.

### **AMiRA Programme with the Red Cross and Red Crescent Movement**

INTRAC is the learning partner on the Action for Migrants: Route-based Assistance (AMiRA) Programme, an 11-partner consortium with nine National Societies of the International Red Cross and Red Crescent Movement (RCRC) and the International Federation of the Red Cross (IFRC). AMiRA runs from 2018-2021 and is a £15.3m programme funded by DFID's Safety, Support and Solution Phase II initiative. AMiRA aims to facilitate access to basic services and the protection of migrants' rights along migratory routes in six countries of West, East and North Africa. INTRAC's team includes learning advisors who speak French and English, as well as an advisor from Burkina Faso who is mentoring the West African partners. Having a team member with strong contextual knowledge is extremely valuable to embedding the learning approach, which is very new to many of the RCRC staff.

### **Change the Game Academy Programme with Wilde Ganzen Foundation**

Between October 2018 and April 2019, INTRAC worked the Wilde Ganzen Foundation on a dual assignment: firstly to undertake a mid-term evaluation (MTE) of the Change the Game Academy programme, which provides capacity building in multiple aspects of sustainability for community-based organisations, self-help groups and small NGOs in around 13 countries. We combined the mid-term evaluation with a research study on the impact of domestic resource mobilisation on civic space. The MTE team included consultants from Burkina Faso, Ethiopia, India and Kenya, and the research study was led by a researcher from Ghana with expertise in civil society sustainability. The researcher engaged with the consultants from the four MTE countries to enrich the study by drawing on their contextual knowledge. Wilde Ganzen and INTRAC are using the publicly available [MTE](#) and [research findings](#) to develop future programmes and research initiatives.

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## Highlights from 2018-19

Over the following pages we demonstrate how we have delivered on our goals for the year.

### **Influencing policies and practice for a stronger civil society**

To achieve our strategic goals around influencing civil society policy and practice we make sure we are monitoring and responding to opportunities to engage with governments as well as public and private funders. This often includes making a direct contribution to donor-funded civil society strengthening projects and programmes. For example, on the back of our inputs to the Ethiopian Civil Society Support Programme (2011-17), we helped to design the monitoring, evaluation and learning framework of a second phase of the CSSP (2018-20), while also joining a consortium providing technical assistance on a new phase of an EU-funded Civil Society Fund for Ethiopia (CSFIII - 2018-22). CSF III aims to increase participation of citizens and CSOs in the development and democratization process of the country.

2018 also saw the start-up of The Development Alternative consortium, led by Restless Development and including INTRAC, Y-Care, War Child, Integrity Action, Accountable Now, United Purpose, and Keep Your Shoes Dirty. Funded by DFID under the UK Aid Connect's Civil Society Effectiveness stream, The Development Alternative aims to develop and test models for youth- and community-driven change over the next four years. During a 9-month co-creation phase over 2018-19, INTRAC helped to shape the programme's 'model for change', develop monitoring, evaluation and learning (MEL) approaches, and harness the evidence base on the challenges and opportunities for youth-led civil society in the global south.

### **BOX 2: LESSONS FROM THE OPEN SOCIETY FOUNDATIONS EARLY CHILDHOOD PROGRAMME**

In 2018 we completed a 5-year contract with the Open Society Foundations' (OSF) Early Childhood Programme (ECP) to support strengthening of 19 NGOs in as many countries in Central and Eastern Europe and Eurasia. Between 2013 and 2018, INTRAC provided consultancy support to strengthen the organisational and financial sustainability of 19 national professional early childhood NGOs that were established through the OSF's flagship Step by Step Program. The programme also collaborated with the International Step by Step Association (ISSA) to disseminate learning from the initiative across ISSA's broad membership through their website, events and webinars. The capacity strengthening support was delivered through qualified national capacity building providers in each country, supported by a core team of INTRAC consultants specialised in organisational development and resource mobilisation. In 2018 INTRAC completed the final evaluation and produced a separate Lessons Learned paper, which demonstrated the progress made by the SbS members, as well as ways to mitigate the challenges they faced. These were used by the ECP team to input into an internal review of the OSF's civil society development work in the field of early childhood in November 2018.

During our final meeting, our counterparts at ECP highlighted that the programme had been "hugely appreciated" by the organisations involved and had helped the NGOs involved to make a shift in attitudes on organisational development. The opportunities for peer learning and learning-by-doing-were well received and encouraged. The approach taken also offered opportunities for local capacity building providers to reflect and learn.

## Improving access for civil society to high-quality capacity development

INTRAC aims to build a global network of local, committed capacity building professionals with access to the skills and expertise of their international colleagues. In 2018-19 we ran the 'consultants for change' (C4C) programme as an open online training course for the first time. We also adapted the C4C model and approach for staff and partners of different types of organisations whose role is to support capacity development and social change, as the four examples below demonstrate.

Firstly, we have been providing advice to the Oak Foundation on their capacity building programme. The package of support included an online training programme for officers in organizational and capacity development. The course has been extremely well received by participants, as well as offering a template for further development of C4C-related activities as part of a peer learning process.

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*"The in-person training day with [the consultant] was really rich and robust and engaging. It helped us build a connection and rapport with him which I think was a really great way to go into the virtual experience... I realised that it helped facilitate my learning... The fact that each of the four weeks touches back to things that he has already introduced, in that way, helped reinforce and deepen my engagement with it." (Oak Foundation representative)*

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With the Belgian Development Agency (ENABEL) we started a 15-month programme (September 2018-November 2019) in Mali to train and coach 20 local consultants and programme staff who are supporting CSOs and other organisations in the agriculture sector. Central to the approach has been co-creation of the programme, including agendas, toolkits and action research projects. The approach gave the organisations confidence that they can do a lot on their own and with peers.

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*"I've never been to a workshop where we actually did the work and put it into practice during the training. It's a complete change from the usual model in Mali." (ENABEL workshop participant, December 2018)*

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Over the last year INTRAC has been working with Malala Fund's Gulmakai Network Initiative, which supports the work of education champions in developing countries and speeds up progress towards girls' secondary education around the world. INTRAC has designed and implemented a professional development programme for the Gulmakai Network Champions working in Pakistan, Afghanistan, India and Nigeria, and with Syrian refugees in Turkey and Lebanon.

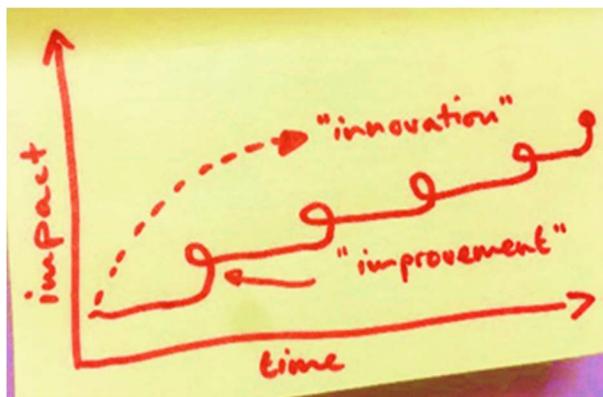
A final example comes from our work with Rakeen in Saudi Arabia. The Senad Programme implemented by Rakeen (funded by the Salem Bin Mahfouz Foundation) aims to improve the quality of Saudi Arabia's growing number of Not-for-Profit Organisations (NPOs). INTRAC has trained 27 consultants who are now equipped to support NPOs to define their missions, set strategies and carry out effective programmes.

## Providing cutting-edge advice on monitoring and evaluation

Commissioned contracts are the primary route through which INTRAC supports CSOs and civil society funders to deliver on their mandates and achieve their programme objectives. In 2018-19 we worked across 45 countries for 53 clients. While just under half of our clients (22) were UK-based, the rest spanned a large number of countries including Belgium, Netherlands, USA, Norway, Switzerland, Ireland, Denmark, Italy, Kyrgyzstan, Lebanon, Morocco, Rwanda, Tajikistan, Portugal, South Africa, Canada and Saudi Arabia.

Success for INTRAC comes from the adoption by our clients and partners of new and stronger approaches and methods. For example, in 2018 we carried out a mid-term evaluation of Bridging the Gaps (BtG), a multi-country HIV/AIDS programme targeting sex workers, people who use drugs, and LGBTI people. BtG is implemented by a consortium led by the Dutch NGO Aidsfonds. The INTRAC team was subsequently invited to join a BtG programme meeting to help with consolidating learning from the evaluation recommendations, and has since been asked to carry out the final evaluation. Given the sensitive nature of BtG interventions, INTRAC's team included local consultants from Kyrgyzstan, Kenya, Ukraine and Vietnam who were trusted by the population groups involved in the study.

Monitoring and evaluation (M&E) systems are arguably one of the most vital parts of any CSO. In 2018-19 we used a range of systems-wide approaches in M&E to enable our clients to demonstrate their impact. This included supporting the evaluation of a humanitarian innovation programme funded by DFID and coordinated by the Start Network in collaboration with the Communicating with Disaster Affected Communities Network. The programme aims to identify and fund innovative solutions to disaster preparedness through a network of labs in Bangladesh, Jordan, Kenya and the Philippines, as well as the UK. The evaluation is looking at programme quality at set intervals to inform decisions about the programme strategy as well as implementation. This project has allowed INTRAC to test our methods on innovation and evaluation.



*From Viewpoint by Dan James on innovation from the November 2018 INTRAC Newsletter*

Providing a semi-independent M&E function for programmes and organisations is another INTRAC speciality. This year we began supporting the Westminster Foundation for Democracy's (WFD) Inclusive and Accountable Politics programme in DFID priority countries. INTRAC is helping WFD to develop its organisational-level Theory of Change, identifying learning questions, and exploring the generation, analysis and use of case studies.

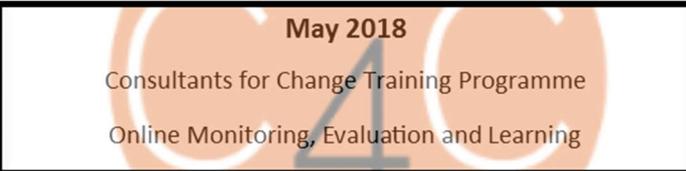
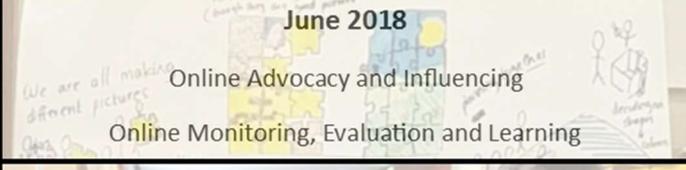
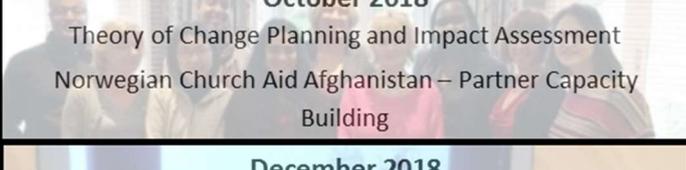
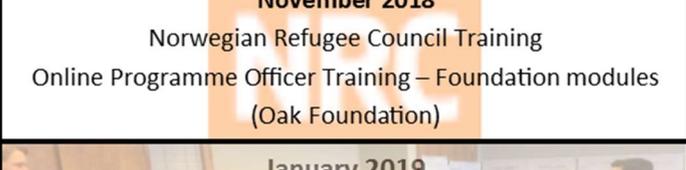
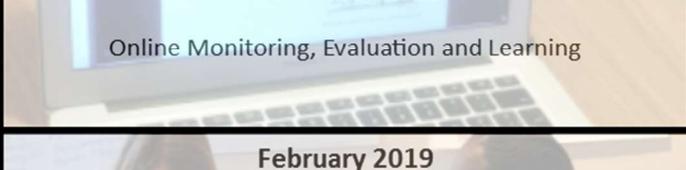
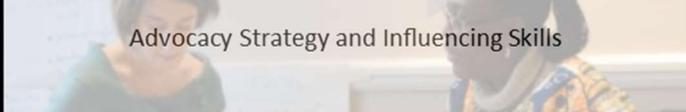
We also put a strong focus on research and learning as part of M&E systems. INTRAC provided a package of support to Norwegian People's Aid in Rwanda on a programme supporting 15 local partners to strengthen citizen voice and accountability. The support package placed a strong emphasis on generating case studies of impact from the M&E system, on interrogating important initiatives through in-house research studies, on monitoring the results of advocacy, and on improving learning methodologies within the programme.

## Innovating and expanding our training for civil society

This year we aimed to make our training courses more accessible to practitioners working on the front line of development through a mixed portfolio of face-to-face, online and tailored in-house training, as well as longer-term mentoring and coaching. We trained 66 practitioners through scheduled online courses (an increase from 54 the previous year), and 76 people joined our face-to-face courses. They came from 51 different countries, including Jordan, Lebanon, Kenya, Nepal, Afghanistan, Cambodia, Ethiopia, Ghana, Iran and South Sudan.

Adapting our training to meet the specific needs of organisations through tailor-made training is a key way in which we provide relevant and targeted capacity building for practitioners. One example is our work with Cities Alliance in August-September 2018 for whom we designed and delivered online training on project sustainability for participants based all over the world. The aim was to support grantees of the 2015 Cities Alliance's Catalytic Fund on 'Migration and the Inclusive City' in identifying challenges and opportunities for project sustainability and developing strategic options for continuing or upscaling their activities after the end of the grant. A subsequent coaching session provided further tailored advice to each project on how to go about fundraising. This training also contributed new thinking to INTRAC's thematic priority of strengthening the long-term viability of civil society organisations and their actions.

The calendar below provides an overview of the training courses run by INTRAC this year.

OUR TRAINING YEAR 2018-19	
 <p><b>April 2018</b> Advanced Monitoring and Evaluation</p>	 <p><b>May 2018</b> Consultants for Change Training Programme Online Monitoring, Evaluation and Learning</p>
 <p><b>June 2018</b> Online Advocacy and Influencing Online Monitoring, Evaluation and Learning</p>	 <p><b>July 2018</b> Advanced Monitoring and Evaluation Malala Fund - Gulmakai Network Training on Strategic Advocacy and Leadership</p>
 <p><b>August 2018</b> Designing Cities Alliance bespoke training course</p>	 <p><b>September 2018</b> Completion of Cities Alliance Training Course - Project sustainability Advanced Monitoring and Evaluation</p>
 <p><b>October 2018</b> Theory of Change Planning and Impact Assessment Norwegian Church Aid Afghanistan – Partner Capacity Building</p>	 <p><b>November 2018</b> Norwegian Refugee Council Training Online Programme Officer Training – Foundation modules (Oak Foundation)</p>
 <p><b>December 2018</b> Online Monitoring, Evaluation and Learning</p>	 <p><b>January 2019</b> Advanced Monitoring and Evaluation Online Programme Officer Training – Advanced modules (Oak Foundation)</p>
 <p><b>February 2019</b> Advocacy Strategy and Influencing Skills</p>	 <p><b>March 2019</b> CAFOD – Partner Capacity Building (Inspiring Change)</p>

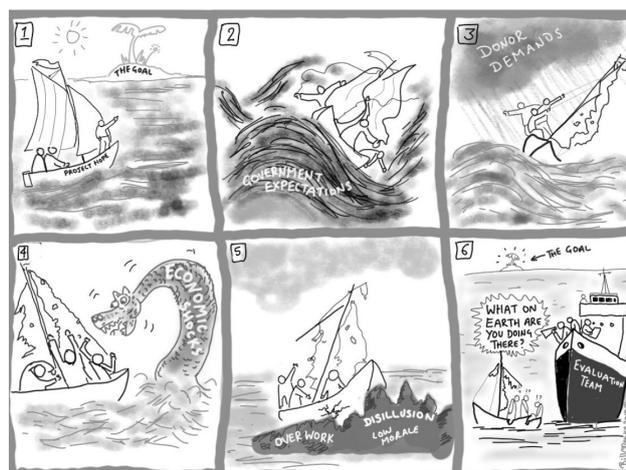
## Promoting learning and sharing knowledge

In 2018-19 we set out to prioritise learning and conceptual development in two thematic areas: Organisational Development, and Monitoring Evaluation and Learning. We also aimed to facilitate the engagement of practitioners with research and evidence through editing [Development in Practice](#) (DIP) and through our research networks.

### **Free and accessible resources**

Enabling practitioners to access free, relevant and useful information has always been a key part of INTRAC's mission, and is one of the ways in which we fulfil our charitable objectives, while also creating space for practitioners (including our own staff and associates) to reflect on their practice and bring new knowledge into their ongoing work.

We produced several new resources on MEL and related thematic areas. These include a substantive Praxis Series paper on [M&E and complex programmes](#), as well as a series of blogs and cartoons centred on adaptive management. The cartoons in particular helped the materials to gain traction on social media. We developed and piloted a new, free online resource, the [M&E Universe](#), which we publicly launched in May 2019. Through our involvement on the steering committee of the Bond MEL working group, we help to foster the exchange of best practice.



Drawn by Bill Crooks, based on an original concept by Nigel Simister. © INTRAC 2018

*Bill Crooks cartoon used to accompany a series of blog posts by Nigel Simister on Adaptive Management*

We also published two additional Praxis Series papers on lessons learned on the [Consultants for Change](#) programme, and on [NGO-trade union engagement in Kyrgyzstan](#). We worked with a volunteer to ensure our entire back catalogue of publications was made available in our online Resources database, and promoted older materials with ongoing relevance.

Since April 2018, overall website users have increased by approximately 40%. As a result, our resources were viewed by over 51,000 people leading to over 3,100 downloads of the publications and guidance notes that are available for free.

### **Development in Practice**

Development in Practice (DIP) continues to grow in strength as a bridge publication between practice and academia. The number of article downloads has increased year on year, and southern readership and authorship was demonstrably maintained. This year DIP had over 110,000 downloads in the year, with an estimated half of the total article downloads coming from regions outside of the 'traditional' academic centres of Northern and Central Europe, and North America. Each issue contains open access articles, which we promote to practitioners through our newsletter and social media. DIP is also an avenue through which INTRAC can publish its learning to a wide audience. This year we published the following articles related to INTRAC projects and activities: by Rick James on the C4C programme in April 2018, and by Angela Crack on the Listening Zones project in November 2018. Two further articles were in production: by Vicky Brehm on the Listening Zones project; and by Rachel Hayman on the SDGs in the Arab Region.

### ***Bridging research, practice and policy***

INTRAC is an active member of research networks and professional associations, and promotes high quality research by civil society, collaboration between academics and practitioners, and use of relevant academic research by practitioners. We have observed changes in the academic, practitioner and research funding sectors in this regard in recent years. For example, the UK is channelling a greater percentage of the aid budget to international development research. This year we deepened our engagement with an informal network of research advisors based in INGOs, and with the Rethinking Research Collaborative, an informal global network of researchers committed to promoting research partnerships based on principles of participation, equity and impact. Together we produced [a report and resources](#), with funding from UK Research and Innovation, aimed at improving collaborative research in international development. These resources are now being used by a number of research consortia.

We completed our involvement in research on the role which languages and cultural understanding play in international development NGOs, funded by the Arts and Humanities Research Council and implemented by the universities of Reading and Portsmouth. We disseminated several open-access outputs from this research, and are monitoring take-up of the recommendations. We also began a collaboration with Newcastle University to support a five-year, multi-million pound, multi-stakeholder research initiative focused on tackling Sustainable Development Goal 6 (Clean Water and Sanitation).

### **BOX 3: TACKLING WATER SECURITY AND SUSTAINABLE DEVELOPMENT**

The UK Research and Innovation (UKRI) Global Challenges Research Fund (GRCF) Water Security and Sustainable Development Hub is led by Newcastle University and involves partners and stakeholders spanning research institutes, utilities providers and regulators, international agencies, NGOs, private sector companies and government bodies.

Key partners are from the UK (Newcastle, Oxford and Leeds universities), Ethiopia, Colombia, India and Malaysia. The Hub takes a broad view of water systems, including tackling water security from technical, environmental, social and political angles.

In mid-February INTRAC consultants joined a first Hub workshop in Newcastle, helping to facilitate discussions on the Hub's theory of change, as well as ethics and safeguarding policies.

INTRAC is working for Newcastle University, independent of the formal Hub arrangements, to develop a monitoring and evaluation system for the Hub, including capacity building of those responsible for M&E in each partner, and promoting learning activities.

### **Developing our internal systems, structures and policies**

In May 2018, the General Data Protection Regulation (GDPR) came into effect, which required INTRAC to modify our data protection. The GDPR affects data protection in the EU, with the most significant change being that consent to receive communication must be 'freely given, specific, informed and unambiguous'. INTRAC is now fully compliant with the GDPR and has developed new data protection mechanisms.

We devoted time to assessing progress against our 2015-20 strategy, and to reflecting on our future direction with staff and trustees as we come towards the end of the strategy period.

As an organisation, INTRAC believes that principles are important. We are building on a culture that recognises the importance of ethical behaviour by formally documenting and communicating the policies and procedures that express our values and provide guidance on how we handle and report issues that could compromise these values. During the year we have focused on documenting our code of ethics, and policies and procedures relating to safeguarding and GDPR. In the coming year we will be looking to increase the visibility of these policies and procedures to the individuals and organisations with which we work.

### ***Closure of the Central Asia Office***

A significant event in 2018 was the closure of INTRAC's office in Bishkek in December, marking the end of INTRAC's physical presence in Central Asia. INTRAC began working in Central Asia in 1994, supporting civil society in all five countries of the region with training, information, consultancy and research projects funded by a wide range of donors. INTRAC will continue to support civil society in Central Asia, but this will be managed out of INTRAC's head office in Oxford.

Over the past 25 years, INTRAC courses and projects have provided new skills and knowledge to thousands of people across the region. Around a hundred trainers and community leaders from the five countries have worked alongside INTRAC's international experts. INTRAC's training materials and analytical publications, many of which were translated into Russian and local languages, have helped to strengthen the civil society sector and ensure its constructive relations with government at national and local level.

To celebrate INTRAC's legacy in the region and plan for the future, we undertook a range of activities in 2018-19. These included a visit by INTRAC's Chief Executive, Helen Mealins, to Bishkek and Almaty in October. We handed over sets of INTRAC publications to key local institutions in Bishkek, and published a [special bulletin](#) (May 2019) that captures INTRAC's history, as well as reflections on the prospects for civil society in the region going forward.

### **BOX 4: PROMOTING COLLABORATION BETWEEN TRADE UNIONS AND NGOS IN CENTRAL ASIA**

Between 2015 and 2018, INTRAC took part in a project to promote communication between trade unions and NGOs. This had been identified as an issue within Kyrgyzstan, which had a serious impact on employment, and particularly youth employment. This project took place over a series of five steps: a needs analysis, opening up dialogue, capacity development, pilot actions, and action research and promotion of results. INTRAC ran workshops on strategic issues involved in planning joint communications, which allowed effective solutions to be discovered. In 2017, INTRAC collaborated with a number of partners to set up a jobs fair promoting decent jobs for youth. Due to its success, the fair was replicated in 2018 with an altered focus on employment rights.

This case study of our work in Central Asia illustrates that it is possible to develop communication between two sections of civil society that rarely collaborate, and, more importantly, that a lasting impact can be made. We published a [Praxis Series paper](#) in March 2019, which reflects on this project and what can be learned from its implementation.

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## Operational Priorities for 2019-20

### Delivering our mission

Based on reflections during the year we will organise, plan and communicate our impact around three strategic aims:

- **To help to create the conditions in which civil society can thrive.** We will work with others to ensure civil society is locally-led, effective and resilient by brokering transformative relationships between CSOs and their funders, and expanding our influence and work concerning the viability and sustainability of civil society.
- **To extend the range, quality and reach of support services to civil society in the global South,** assisting them to address their organisational and programme challenges. We will achieve this by expanding our partnership with Southern-based providers of capacity strengthening support, and developing innovative advisory, training and research approaches with them.
- **To promote rigour in the production and use of evidence in policy and practice** through intensifying our outreach on M&E, action research, and learning approaches; forging research partnerships between academics and civil society practitioners; and producing a range of publications and learning materials.

We will work with our peer network of civil society change champions in ways that assist Southern CSOs to claim the agency, skills and resources they need to support their communities. We will engage with other development actors to question the development cooperation practices that work against this, and to work together to identify practices that positively support and value Southern agency within development partnerships.

### Developing ourselves

While we continue to be responsive to client and partner requests for support, we will also look for opportunities to build on long-standing relationships and secure follow-on projects that align with our strategic aims.

We will look for ways to improve our core processes in support of our mission, notably: strategic planning, human resource management, financial and administrative management, organisational performance, and governance. We will look to strengthen our impact through improved communications and visibility. We will encourage staff to propose and implement ways of working that reflect our mission and values and respond to the evolving standards required by the regulator and funders.

During the year we will pay particular attention to staff wellbeing and welfare, and how we can retain and attract the talent we will need in the future.

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## Financial Performance

### Results for the year

The results for the year ended 31 March 2019 was an unrestricted surplus of £120,808 (2018: surplus £1,515). There was no movement in balances on restricted funds during the year. The **overall result for the year was a surplus of £120,808** (2018: surplus £465).

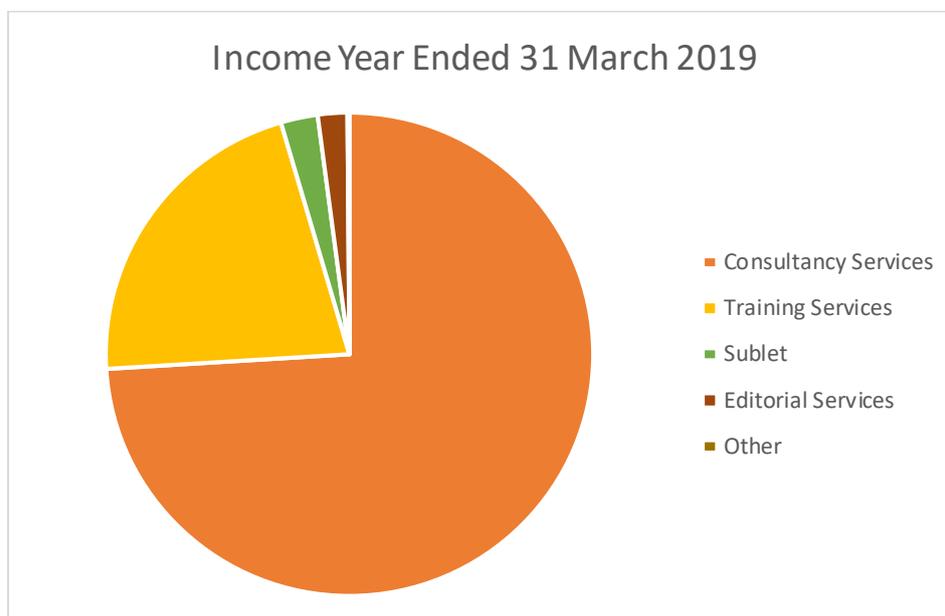
The improved performance against the previous year was achieved despite the costs of closing down our office in Central Asia, and reflects the hard work and commitment of our staff and associates, whose dedication to clients and quality service delivery throughout the year was unstinting. Not only have staff and associates delivered on a significant number of contracts and projects, they have also built up a healthy pipeline of projects for the coming year and beyond.

The last two financial years have been one of recovery, following a deficit in the year ending 31 March 2017. The surplus in the year ended 31 March 2019 means that our reserve levels are now back in our target range, allowing us to invest in increasing our capacity to support civil society in the coming years.

### Income

INTRAC's funding model is based on fees for work delivered on behalf of clients and grants, and other forms of income in support of research and programmes. The majority of our income is earned from consultancy services (£1,267,734 = 74%, 2018: £1,432,336 = 81%) and training services (£366,966 = 21%, 2018: £268,876 = 15%) – see Figure 2. Our income for the year ended 31 March 2019 was £1,712,337 (2018: £1,772,422).

The 3% reduction in income compared to the previous year arises on reduced direct service delivery costs, particularly the hiring of venues.



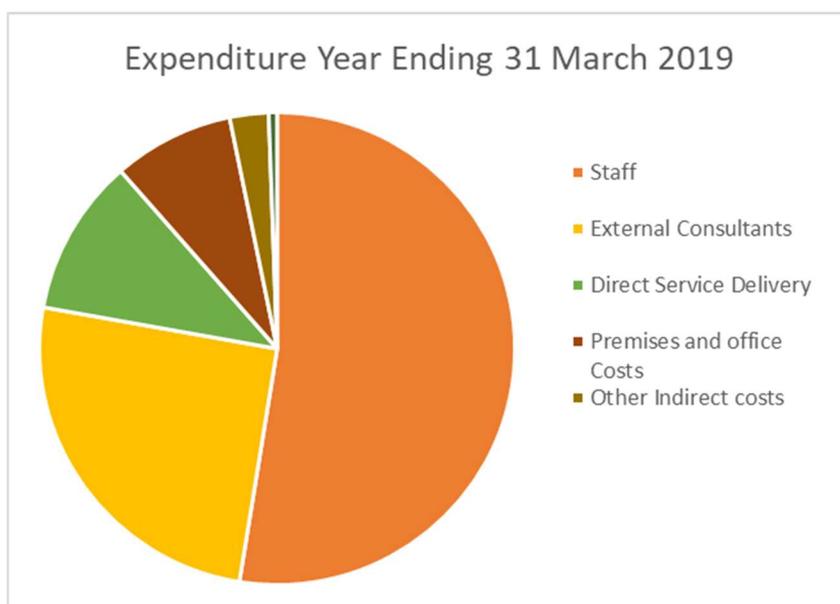
**Figure 1: Income year ended 31 March 2019**

## Expenditure

INTRAC would be unable to deliver the support it provides without the skills and knowledge of its staff and network of external consultants. This is reflected in the breakdown of its cost structure. Staff and external consultants account for over 78% (2018: 72%) of our costs. Our direct service delivery costs include travelling, hiring venues and developing materials and systems to deliver programmes for our clients (see Figure 2). This accounted for a further 11% (2018: 16%) of our costs. The reduction relates mainly to the cost of events (e.g. hire of venues) run for and reimbursed directly by clients.

As well as a fall in direct costs linked to a reduction in income, tight cost control and attention to value for money contributed to an overall reduction in expenditure of 10% over FY 2018-19.

**Figure 2: Expenditure year ending 31 March 2019**



## Risk management

The main risks faced by INTRAC and the measures in place to manage them are:

- volatility of demand among some client groups arising from a number of factors including reduced access to government and other funding.  
To manage this we are broadening our client base, building a solid base of larger, longer-term projects and continually reviewing our cost base.
- volatility of exchange rates.  
To manage this we practise natural hedging wherever possible, seeking to match funds in and funds out in any given currency. Where this is not possible we make appropriate use of hedging options.
- cost and pace of changes in the regulatory environment.  
To manage this we are improving the quality of our documentation and implementation in key policy areas. Wherever possible we secure professional advice on a pro-bono basis.

## **Reserves policy**

The trustees have considered INTRAC's reserve requirements based on future plans and an assessment of financial risk. INTRAC requires reserves to:

- cover fluctuations in contractual income;
- provide sufficient working capital;
- absorb external shocks such as forex movement; and
- invest in organisational development and service development.

Working capital requirements are reviewed on a quarterly basis. This assessment includes reviewing current financial performance, financial plans, current spending commitments and obligations, risks and their probable financial impact.

Longer-term financial plans include continuing the regeneration of our grant and programme funding.

The current financial plans include continuing to invest in our capacity to support civil society through the delivery of our training, consultancy and research services, whilst continuing to maintain our reserves at between two and three months of operating expenditure.

## **Reserves position**

At 31 March 2019 INTRAC held the following reserves:

- unrestricted reserves of £385,325 (2018: £264,517). There are no designated reserves. This represents 12 weeks (2018: 7) of recurrent expenditure;
- adjusted free reserves (excluding the pension liability) are £440,187 (2018: £322,612) which represents roughly 13 weeks (2017: 9) of recurrent expenditure; and
- there were no restricted reserves (2018: £NIL).

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## Structure, Governance and Management

The charity is a company limited by guarantee. The members who are the trustees have a liability of £1 on the winding up of the charitable company. International Non-governmental Organisation Training and Research Centre (INTRAC) is a registered charity, registered in England, number 1016676 and was established on 18 November 1991. It is governed by its Memorandum & Articles of Association. The company number is 2663769. The company was established with general charitable objectives as explained earlier in this report.

Trustees may serve two terms of three years with re-election at the end of the first term. Trustee vacancies are advertised, and shortlisted applicants are invited to discuss their candidacy with the Trustee Recruitment Panel. This comprises up to three trustees and the Chief Executive. The panel recommends the appointment of selected applicants to the Board, for approval by a majority of the trustees. New trustees are invited to INTRAC, before their election, for sessions with the chair and staff to be briefed on the operations of the charity and their obligations. Copies of the current Charity Commission guidelines for trustees are also made available to new trustees.

The Trustees are responsible for setting the strategy and monitoring the progress of the organisation and meet as a group at least four times a year to do this. The Trustees have delegated the day to day running of the charity to a Chief Executive.

The Chief Executive is in regular contact with the Chair and other Trustees through subgroups, such as the Finance Committee. The Finance Committee reviews financial performance and provides more detailed input on budget setting through quarterly meetings, making recommendations to the full body of Trustees.

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

Carolyn Miller	Chair
Phil Vernon	Deputy Chair
Jonathan Orchard	Treasurer (From October 2018)
Tom Travers	Treasurer (Until November 2018)
Sam Bickersteth	Trustee (From December 2018)
James Copestake	Trustee
Catriona Dejean	Trustee (From December 2018)
Ana Filipa Fernandes	Trustee
Sheila Ochugboju	Trustee
Yvonne Taylor	Trustee (From December 2018)
Sue Turrell	Trustee
George Gelber	Trustee (Until November 2018)

The current Chief Executive is Helen Mealins.

The pay of the Chief Executive is set by the Board, bearing in mind market rates. The rates of pay of all other members of staff, including the senior management team, are subject to a market review upon recruitment. Current policy is to award cost of living adjustments to all staff on an

annual basis, in line with rises in CPI and subject to affordability; and to review levels of pay against market rates every 3 years.

Trustees may receive remuneration for provision of other services where agreed by the Board in accordance with our governing document. No such payments have been made in the last 2 years.

*Extracted from Purpose, vision and strategy section 2016-17*

INTRAC's charitable purposes, as set out in the objects in the company's Memorandum of Association, are the relief of poverty, sickness and distress throughout the world.

The activities and how INTRAC provides public benefit in relation to the charitable objectives have been reviewed and refined regularly through external evaluation, approximately every five years, and through consultations with the Board, staff, associates and user groups. The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities INTRAC should undertake.

### **Accounts**

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

### **Disclosure of audit information**

Each of the trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information

### **Auditor**

The auditors, Chapman Worth Limited, are deemed to be reappointed under section 487(2) of the Companies Act 2006.

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## Statement of Trustees' Responsibilities

### **FOR THE YEAR ENDED 31 MARCH 2019**

The trustees, who are also the directors of International Non-Governmental Organisation Training and Research Centre ("INTRAC") for the purpose of company law, are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

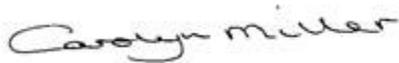
Company Law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of INTRAC and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

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 financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that INTRAC 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 INTRAC and enable them to ensure that the accounts comply with the Companies Act 2006. They are also responsible for safeguarding the assets of INTRAC and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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



**C Miller (Chair)**

**Trustee**

Dated: 4<sup>th</sup> July 10, 2019

***INDEPENDENT AUDITORS REPORT TO THE MEMBERS OF THE INTERNATIONAL NON-GOVERNMENTAL ORGANISATION TRAINING AND RESEARCH CENTRE ("INTRAC")***

We have audited the financial statements of International Non-Governmental Organisation Training and Research Centre ("INTRAC") for the year ended 31 March 2019 set out on pages 3 to 22. 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.

This report is made solely to the charity's trustees, as a body, in accordance with section 144 of the Charities Act 2011 and regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charity's trustees 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 charity and its trustees as a body, for our audit work, for this report, or for the opinions we have formed.

**Respective Responsibilities of Trustees and Auditor**

As explained more fully in the statement of trustees' responsibilities set out on, the trustees, who are also the directors of International Non-Governmental Organisation Training and Research Centre ("INTRAC") 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.

The trustees have elected for the financial statements to be audited in accordance with the Charities Act 2011 rather than the Companies Act 2006. Accordingly we have been appointed as auditors under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

**Scope of the audit of the accounts**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charitable company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Trustees' Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

**Opinion on financial statements**

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; and
- Have been prepared in accordance with the requirements of the Companies Act 2006.

**Matters on which we are required to report by exception**

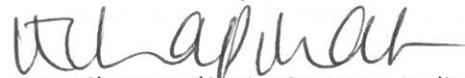
We have nothing to report in respect of the following matters where the Charities Act 2011 requires us to report to you if, in our opinion:

- the financial statements are not in agreement with the accounting records and returns; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

**Other matter**

Your attention is drawn to the fact that the charity has prepared financial statements in accordance with "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has now been withdrawn.

This has been done in order for the financial statements to provide a true and fair review in accordance with Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.



Anna Chapman (Senior Statutory Auditor)

**for and on behalf of Chapman Worth Limited**

Chartered Accountants

**Statutory Auditor**

4 July 2019

6 Newbury Street  
Wantage  
Oxfordshire  
OX12 8BS

Chapman Worth Limited is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

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**STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT  
FOR THE YEAR ENDED 31 MARCH 2019**


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	Notes	Unrestricted funds 2019 £	Restricted funds 2019 £	Total 2019 £	Total Restated 2018 £
<b>Income from:</b>					
Donations and legacies		290	157	447	4,090
Charitable activities	3	1,589,920	78,781	1,668,701	1,730,311
Investments	4	1,417	-	1,417	376
Other income	5	41,812	-	41,812	37,666
<b>Total income</b>		<u>1,633,439</u>	<u>78,938</u>	<u>1,712,377</u>	<u>1,772,443</u>
<b>Expenditure on:</b>					
Charitable activities	6	<u>1,532,670</u>	<u>55,503</u>	<u>1,588,173</u>	<u>1,771,978</u>
<b>Net incoming resources before transfers</b>		100,769	23,435	124,204	465
Gross transfers between funds		<u>23,435</u>	<u>(23,435)</u>	<u>-</u>	<u>-</u>
<b>Net income for the year/ Net incoming resources</b>		124,204	-	124,204	465
<b>Other recognised gains and losses</b>					
Other gains or losses	10	<u>(3,396)</u>	-	<u>(3,396)</u>	-
<b>Net movement in funds</b>		120,808	-	120,808	465
Fund balances at 1 April 2018		<u>264,517</u>	-	<u>264,517</u>	<u>264,052</u>
<b>Fund balances at 31 March 2019</b>		<u><u>385,325</u></u>	<u><u>-</u></u>	<u><u>385,325</u></u>	<u><u>264,517</u></u>
					<b>Notes 4,5</b>

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

All income and expenditure derive from continuing activities.

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

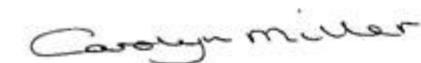
The notes on pages 28 to 42 form part of these accounts

**STATEMENT OF FINANCIAL POSITION  
AS AT 31 MARCH 2019**

	Notes	£	2019 £	£	2018 £
<b>Fixed assets</b>					
Tangible assets	11		1,836		3,268
<b>Current assets</b>					
Stocks	12	1,430		1,542	
Debtors	13	558,372		325,742	
Cash at bank and in hand		343,711		271,712	
		903,513		598,996	
<b>Creditors: amounts falling due within one year</b>	14	(465,162)		(279,654)	
Net current assets			438,351		319,342
<b>Total assets less current liabilities</b>			440,187		322,610
<b>Provisions for liabilities</b>	15		(54,862)		(58,093)
<b>Net assets</b>			385,325		264,517
<b>Income funds</b>					
Unrestricted funds			385,325		264,517
			385,325		264,517

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

The financial statements were approved by the Trustees on 4<sup>th</sup> July 2019



.....  
C Miller (Chair)  
Trustee



.....  
J Orchard (Treasurer)  
Trustee

The notes on pages 28 to 42 form part of these accounts

**Company Registration No. 2663769**

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**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 31 MARCH 2019**

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	Notes	2019 £	£	2018 £	£
<b>Cash flows from operating activities</b>					
Cash generated from/(absorbed by) operations	19		30,835		(57,711)
<b>Investing activities</b>					
Purchase of tangible fixed assets		(2,065)		-	
Interest received		43,229		38,026	
<b>Net cash generated from investing activities</b>			41,164		38,026
<b>Net cash used in financing activities</b>			-		-
<b>Net increase/(decrease) in cash and cash equivalents</b>			71,999		(19,685)
Cash and cash equivalents at beginning of year			271,712		291,397
<b>Cash and cash equivalents at end of year</b>			<u>343,711</u>		<u>271,712</u>

The notes on pages 28 to 42 form part of these accounts

## **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019**

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### **1. Accounting policies**

#### **Company information**

International Non-Governmental Organisation Training and Research Centre ("INTRAC") is a private company limited by guarantee incorporated in England and Wales. The registered office is Oxbridge Court, Old Fruiterers' Yard, Osney Mead, Oxford, OX2 0ES.

#### **1.1 Accounting convention**

The accounts have been prepared in accordance with INTRAC's constitutional document as adopted by the board of Trustees, the Companies Act 2006, the Charities Act 2011 and the Charities Statement of Recommended Practice (FRS 102).

INTRAC is a Public Benefit Entity as defined by FRS 102.

The accounts are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £1.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

#### **1.2 Going Concern**

The Trustees have reviewed the performance of the charity along with forecasts for activities over the next 12 months. The assessment considered likely adverse events and environmental conditions. They have concluded that the charity holds sufficient reserves to enable it to continue to meet obligations as they become due and to continue to meet its charitable objectives. Plans are in place to ensure that this does not change for the foreseeable future. On this basis they believe that the going concern basis of accounting is appropriate.

#### **1.3 Charitable funds**

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the accounts. The funds are expendable in accordance with the budget agreed at the beginning of each project.

Unrestricted funds are expendable at the discretion of the trustees in furtherance of the objects of the charity. They include income from consultancy, in-house and open training, publications and open donations.

#### 1.4 Incoming resources

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

Cash donations are recognised on receipt. Other donations are recognised once the INTRAC 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.

Fee income from charitable activities comprises fees charged for service provision including training and consultancy work. Income received in advance is subject to strict terms and income is only recognised as it is earned under the contract. Income is deferred when fees are received in advance of the work or courses to which they relate.

The charitable activities of INTRAC have been abbreviated in the accounts. They are as follows:

- Research in aspects of relief and development and publications related to all aspects of the work ("Research").  
These activities are delivered through a mix of consultancy, grant funded and editorial services.
- Training of staff in relief and development organisations ("Training")
- Consultancies in capacity building, management, organisational development, reviews, research and evaluations of relief and development ("Consultancies")

#### 1.5 Resources expended

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Governance costs are those costs associated with meeting the constitutional and statutory requirements of the charity and include audit fees and other payments to the external auditors.

All costs are allocated between the expenditure categories of the SOFA (Statement of Financial Activities) on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly, others are apportioned on the basis of staff time.

#### 1.6 Tangible fixed assets

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

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

Fixtures, fittings & equipment	33.3% straight line
--------------------------------	---------------------

### **1.7 Stocks**

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition. Items held for distribution at no or nominal consideration are measured the lower of replacement cost and cost.

Net realisable value is the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

### **1.8 Cash and Cash Equivalents**

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less.

### **1.10 Financial instruments**

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

#### ***Basic financial assets***

Basic financial assets, which include debtors and cash and bank balances, are measured at transaction price.

#### ***Basic financial liabilities***

Basic financial liabilities, including creditors and bank loans, are recognised at transaction price.

#### ***De-recognition of financial liabilities***

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

### **1.11 Employee benefits**

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

### **1.12 Retirement benefits**

The cost of providing benefits under defined benefit plans is determined separately for each plan using the projected unit credit method, and is based on actuarial advice.

The change in the net defined benefit liability arising from employee service during the year is recognised as an employee cost. The cost of plan introductions, benefit changes, settlements and curtailments are recognised as incurred.

The net interest element is determined by multiplying the net defined benefit liability by the discount rate, taking into account any changes in the net defined benefit liability during the period as a result of contribution and benefit payments. The net interest is recognised in income/(expenditure) for the year.

Re-measurement changes comprise actuarial gains and losses, the effect of the asset ceiling and the return on the net defined benefit liability excluding amounts included in net interest. These are recognised immediately in other recognised gains and losses in the period in which they occur and are not reclassified to income/(expenditure) in subsequent periods.

The net defined benefit pension asset or liability in the balance sheet comprises the total for each plan of the present value of the defined benefit obligation (using a discount rate based on high quality corporate bonds), less the fair value of plan assets out of which the obligations are to be settled directly. Fair value is based on market price information, and in the case of quoted securities is the published bid price. The value of a net pension benefit asset is limited to the amount that may be recovered either through reduced contributions or agreed refunds from the scheme.

### **1.13 Leases**

Rentals payable under operating leases, including any lease incentives received, are charged to the Statement of Financial Activities on a straight line basis over the term of the relevant lease.

### **1.15 Taxation**

The trust is a charitable institution with exemption from UK taxation under section 505 of the Income and Corporation Taxes Act 1988.

## **2. Critical accounting estimates and judgements**

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

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

### **Critical Judgements**

#### **Deferred and accrued income**

At any one time INTRAC will have a number of projects active. Project values are calculated on the basis of consultants' time needed to complete the work and associated rechargeable expenses. As such we use the actual time spent and actual expenses incurred to date as the basis for determining how much of the project is complete and hence the value of the work done. Timing differences may occur when calculating work done to date and when an invoice is raised for each completed project phase, in which case either the calculation would result in recognising accrued income or deferred income. The basis on which this is calculated follows the principles as stated in the 2015 SORP in recognising income on a receivable basis. If there is likely to be a budget overrun compared with contracted amounts then this will be identified as an impairment and any losses are recognised when identified. See notes 1.4 for the policy, note 13 where prepayments and accrued income includes £166,703 (2018: £56,467) of accrued income, and note 14 where the carrying value of deferred income is stated.

**3. Charitable activities**

	<b>Research 2019 £</b>	<b>Training 2019 £</b>	<b>Consultancies 2019 £</b>	<b>Total 2019 £</b>	<b>Total 2018 £</b>
Generated through charitable activities	110,349	366,996	1,191,356	1,668,701	1,730,311
Analysis by fund					
Unrestricted funds	37,724	366,996	1,185,200	1,589,920	1,716,544
Restricted funds	72,625	-	6,156	78,781	13,767
	<u>110,349</u>	<u>366,996</u>	<u>1,191,356</u>	<u>1,668,701</u>	<u>1,730,311</u>
<b>For the year ended 31 March 2018</b>					
Unrestricted funds	32,362	268,876	1,415,306		1,716,544
Restricted funds	13,756	-	11		13,767
	<u>46,118</u>	<u>268,876</u>	<u>1,415,317</u>		<u>1,730,311</u>

**Deferred Income**

Included within income above is a decrease in deferred income of £173,952 (2018: £312,345). This comprises a decrease in deferred income on unrestricted funds of £194,242 (2018: £310,495) and an increase in deferred income on restricted funds of £20,289 (2018: £1,850). The carrying value of deferred income is stated in note 14.

**4 Investments**

	<b>Unrestricted funds 2019 £</b>	<b>Total 2018 £</b>
Interest receivable	1,417	376

In previous published financial statements rental income was disclosed under investments. This treatment is no longer considered appropriate as the income is from subletting on a lease that is held for operational reasons.

**5 Other income**

	<b>2019 £</b>	<b>2018 £</b>
Rental income (see note 5)	41,812	37,650
Other income	-	16
	<u>41,812</u>	<u>37,666</u>

**6 Charitable activities**

	<b>Research</b>	<b>Training</b>	<b>Consultancy</b>	<b>Total</b>	<b>Total</b>
	<b>2019</b>	<b>2019</b>	<b>2019</b>	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Staff costs	84,495	43,506	429,402	557,403	555,312
Office costs	161	1,877	1,980	4,018	16,852
Other costs	17,561	178,850	372,830	569,241	709,162
	<u>102,217</u>	<u>224,233</u>	<u>804,212</u>	<u>1,130,662</u>	<u>1,281,326</u>
Share of support costs (see note 8)	67,982	35,003	345,479	448,464	483,353
Share of governance costs (see note 8)	1,372	706	6,969	9,047	7,299
	<u>171,571</u>	<u>259,942</u>	<u>1,156,660</u>	<u>1,588,173</u>	<u>1,771,978</u>
<b>Analysis by fund</b>					
Unrestricted funds	149,606	259,942	1,123,122	1,532,670	1,762,049
Restricted funds	21,965	-	33,538	55,503	9,929
	<u>171,571</u>	<u>259,942</u>	<u>1,156,660</u>	<u>1,588,173</u>	<u>1,771,978</u>
<b>For the year ended 31 March 2018</b>					
Unrestricted funds	192,234	331,887	1,237,928		1,762,049
Restricted funds	8,349	-	1,580		9,929
	<u>200,583</u>	<u>331,887</u>	<u>1,239,508</u>		<u>1,771,978</u>

**7 Support costs**

	<b>Support costs</b>	<b>Governance costs</b>	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<u>Support Costs</u>				
Staff costs	275,443	-	275,443	300,840
Depreciation	3,497	-	3,497	9,899
Other costs	42,046	-	42,046	56,169
Premises and office costs	127,478	-	127,478	116,445
<u>Governance Costs</u>				
Audit fees	-	5,000	5,000	4,375
Accountancy	-	2,000	2,000	1,575
Compliance and constitutional costs	-	2,047	2,047	1,349
	<u>448,464</u>	<u>9,047</u>	<u>457,511</u>	<u>490,652</u>
Analysed between Charitable activities	<u>448,464</u>	<u>9,047</u>	<u>457,511</u>	<u>490,652</u>

Costs are allocated on the basis of staff time as recorded in INTRAC's time management system.

**8 Trustees**

None of the trustees (or any persons connected with them) received any remuneration during the year.

Six trustees were reimbursed a total of £725 in travelling expenses (2018- 5 were reimbursed £502).

## 9 Employees

### Number of employees

The average monthly number of persons employed by the company during the year was:

	<b>2019</b>	<b>2018</b>
	<b>Number</b>	<b>Number</b>
Operations	17	17
Administration	5	4
	<u>22</u>	<u>21</u>

<b>Employment costs</b>	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Wages and salaries	722,338	753,047
Social security costs	69,270	74,162
Other pension costs	30,940	28,943
	<u>822,548</u>	<u>856,152</u>

The number of employees whose annual remuneration was £60,000 or more were:

	<b>2019</b>	<b>2018</b>
	<b>Number</b>	<b>Number</b>
Employees earning between £70,001 to £80,000	-	1
Employees earning between £80,001 to £90,000	1	-
	<u>1</u>	<u>1</u>

The employee whose emoluments exceed £60,000 has a retirement benefit accruing under a defined benefit pension scheme of £nil (2018: £nil).

<b>Remuneration of Key Management Personnel</b>	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Salary	254,752	233,591
Pension	11,787	19,088
	<u>266,512</u>	<u>252,679</u>
Average FTE key management personnel	<u>5</u>	<u>4</u>

<b>10 Other gains or losses</b>	<b>Unrestricted funds</b>	<b>Total</b>
	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Unrealised gain on pension liability	3,396	-
	<u>          </u>	<u>          </u>
 <b>11 Tangible fixed assets</b>		
		<b>Fixtures, fittings &amp; equipment</b>
		<b>£</b>
<b>Cost</b>		
At 1 April 2018		55,940
Additions		2,065
		<u>          </u>
At 31 March 2019		58,005
		<u>          </u>
<b>Depreciation and impairment</b>		
At 1 April 2018		52,672
Depreciation charged in the year		3,497
		<u>          </u>
At 31 March 2019		56,169
		<u>          </u>
<b>Carrying amount</b>		
At 31 March 2019		1,836
		<u>          </u>
At 31 March 2018		3,268
		<u>          </u>
 <b>12 Stocks</b>		
	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Finished goods and goods for resale	1,430	1,542
	<u>          </u>	<u>          </u>
 <b>13 Debtors</b>		
	<b>2019</b>	<b>2018</b>
<b>Amounts falling due within one year:</b>	<b>£</b>	<b>£</b>
Trade debtors	355,433	226,339
Prepayments and accrued income	202,939	99,403
	<u>          </u>	<u>          </u>
	558,372	325,742
	<u>          </u>	<u>          </u>

**14 Creditors: amounts falling due within one year**

	<b>Notes</b>	<b>2019</b> <b>£</b>	<b>2018</b> <b>£</b>
Other taxation and social security		70,506	35,512
Deferred income	<b>2</b>	283,307	120,400
Trade creditors		58,152	62,464
Other creditors		-	5,232
Accruals and deferred rental income		53,197	56,046
		<u>465,162</u>	<u>279,654</u>

**Provisions for liabilities**

	<b>Notes</b>	<b>2019</b> <b>£</b>	<b>2018</b> <b>£</b>
Retirement benefit obligations	<b>15</b>	54,862	58,093
		<u>54,862</u>	<u>58,093</u>

Included in deferred income is an amount of £10,268 (2018: £10,129) that relates to restricted funds held in trust for a long term follow up of a review of Everychild's exit strategy. A grant of £10,000 was originally received in August 2016. It will be held as deferred income, along with accrued interest, until the agreed review starts in 2020. due to take place in 2020.

## 15 Retirement benefit schemes

The INTRAC operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the INTRAC in an independently administered fund.

### Defined benefit schemes

The company participates in the scheme, a multi-employer scheme which provides benefits to some 1,300 non-associated participating employers. The scheme is a defined benefit scheme in the UK. It is not possible for the company to obtain sufficient information to enable it to account for the scheme as a defined benefit scheme. Therefore it accounts for the scheme as a defined contribution scheme.

The scheme is subject to the funding legislation outlined in the Pensions Act 2004 which came into force on 30 December 2005. This, together with documents issued by the Pensions Regulator and Technical Actuarial Standards issued by the Financial Reporting Council, set out the framework for funding defined benefit occupational pension schemes in the UK.

The scheme is classified as a 'last-man standing arrangement'. Therefore the company is potentially liable for other participating employers' obligations if those employers are unable to meet their share of the scheme deficit following withdrawal from the scheme. Participating employers are legally required to meet their share of the scheme deficit on an annuity purchase basis on withdrawal from the scheme.

### Valuation

A full actuarial valuation for the scheme was carried out at 30 September 2017. This valuation showed assets of £794.9m, liabilities of £926.4m and a deficit of £131.5m. To eliminate this funding shortfall, the Trustee has asked the participating employers to pay additional contributions to the scheme as follows:

#### Deficit contributions

- £11.24m per annum (payable monthly and increasing by 3% each on 1st April)

Unless a concession has been agreed with the Trustee the term to 31 January 2025 applies.

Note that the scheme's previous valuation was carried out with an effective date of 30 September 2014. This valuation showed assets of £793.4m, liabilities of £969.9m and a deficit of £176.5m. To eliminate this funding shortfall, the Trustee has asked the participating employers to pay additional contributions to the scheme as follows.

#### Deficit contributions

- From 1 April 2016 to 30 September 2025: £12,945,440 per annum (payable monthly and increasing by 3% each on 1st April)
- From 1 April 2016 to 30 September 2028: £54,560 per annum (payable monthly and increasing by 3% each on 1st April )

**15 Retirement benefit schemes (continued)***Key assumptions*

	<b>2019</b>	<b>2018</b>
	%	%
Discount rate	3	3

Amounts recognised in the income statement:

	<b>2019</b>	<b>2018</b>
	£	£
Net interest on defined benefit liability/(asset)	1,743	1,674

The recovery plan contributions are allocated to each participating employer in line with their estimated share of the Series 1 and Series 2 scheme liabilities.

Where the scheme is in deficit and where the company has agreed to a deficit funding arrangement the company recognises a liability for this obligation. The amount recognised is the net present value of the deficit reduction contributions payable under the agreement that relates to the deficit. The present value is calculated using the discount rate detailed in these disclosures. The unwinding of the discount rate is recognised as a finance cost.

Amounts taken to other comprehensive income:

	<b>2019</b>	<b>2018</b>
	£	£
Other gains and losses	3,396	-

The amounts included in the statement of financial position arising from the INTRAC's obligations in respect of defined benefit plans are as follows:

	<b>2019</b>	<b>2018</b>
	£	£
Present value of defined benefit obligations	54,862	58,093
Deficit in scheme	54,862	58,093

Movements in the present value of defined benefit obligations:

	<b>2019</b>
	£
Liabilities at 1 April 2018	58,093
Contributions from scheme members	(8,369)
Interest cost	1,743
Other	3,395
At 31 March 2019	54,862

The defined benefit obligations arise from plans which are wholly or partly funded.

## 16 Restricted funds

The income funds of the charity include restricted funds. These were funds received for which the donor had specified the use to which they should be put. The uses to which these funds were spent complied with the original intention.

	Movement in funds			Balance at 31 March 2019
	Income	Resources expended	Transfers	
	£	£	£	£
a) General Research Fund	78,781	(55,346)	(23,435)	-
b) Margaret Aston memorial	157	(157)	-	-
	<u>78,938</u>	<u>(55,503)</u>	<u>(23,435)</u>	<u>-</u>

### a) General Research Fund

The General Research Fund comprises on-going research activities funded by a range of NGOs.

### b) Margaret Aston Memorial Fund

An in memoriam grant towards the costs of publishing a Russian version of The Struggle for Civil Society in Central Asia and activities furthering work in defence of women and children affected by violence and family break-up.

Amounts disclosed in transfers out represent the allocation of overheads or reimburse relevant time within unrestricted funds.

## 17 Operating lease commitments

At the reporting date operating leases under non-cancellable contracts outstanding at the year end amount to £100,672 (2018: £170,134). The current lease for the property was renegotiated on 11 September 2015 for further 10 years with a rent review and optional break clause after 5 years.

At the reporting end date the total future minimum sublease amount expected to be received under non-cancellable subleases was £47,090 (2018: £14,510).

**18 Related party transactions**

During the year ended 31 March 2019, Yvonne Taylor, trustee was appointed as Trustee. Her partner is engaged as an associate consultant for INTRAC. This engagement was in place prior to the appointment of the trustee. The associate is remunerated on the same basis as other INTRAC associates. Transactions with the associate, post the appointment of their partner as a Trustee, were as follows:

	£
Total Invoiced	13,116
Unsettled invoices at 31 March 2019 appearing in Trade Debtors	3,651

Trustees have no involvement in decision making relating to work allocated to any associate.

There were no other related party transactions during the year.

Details of remuneration of senior management are given in note 9.

<b>19 Cash generated from operations</b>	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Surplus for the year	124,204	465
Adjustments for:		
Investment income recognised in statement of financial activities	(43,229)	(38,026)
Loss on disposal of investments	(3,396)	-
Depreciation and impairment of tangible fixed assets	3,497	9,899
Difference between pension charge and cash contributions	(3,231)	(5,217)
Movements in working capital:		
Decrease in stocks	112	4,208
(Increase)/decrease in debtors	(232,630)	307,761
Increase in creditors	22,601	1,908
Increase/(decrease) in deferred income	162,907	(338,709)
<b>Cash generated from/(absorbed by) operations</b>	<b>30,835</b>	<b>(57,711)</b>

At the reporting date the charitable company held £50,000 in bonds via National Westminster bank and £10,129 deposited with Shawbrook Bank related to a follow up study to be undertaken in 2020.



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