

Company number: 2744185
Charity number : 1027201

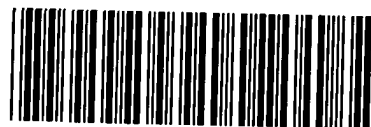
THE INSTITUTE FOR WAR AND PEACE REPORTING (IWPR)

Limited by guarantee

ANNUAL REPORT AND FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2019

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THE INSTITUTE FOR WAR AND PEACE REPORTING

ANNUAL REPORT AND FINANCIAL STATEMENTS

CHARITY INFORMATION

Governing Document	Memorandum and Articles of Association dated 1 September 1992
Company number	2744185
Charity number	1027201
Trustees	<p>The Trustees who served during the period and up to the date of this Report were as follows:</p> <p>Sir David Bell (Chairman) Simon Hersom (Treasurer) Richard Caplan Will Gardiner (resigned, 18 June 2019) Christina Lamb Zoran Pajic Stephen Jukes Christian Toksvig (resigned, 30 January 2020) Michael Immordino</p>
Registered office and operational address	48 Gray's Inn Road London WC1X 8LT
Independent Auditor	haysmacintyre 10 Queen Street Place London EC4R 1AG
Bankers	National Westminster Bank plc 218 Upper Street London N1 1SP
Solicitors	Bates Wells & Braithwaite London LLP 10 Queen Street Place London EC4R 1BE

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ANNUAL REPORT AND FINANCIAL STATEMENTS

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THE INSTITUTE FOR WAR AND PEACE REPORTING

TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2019

The Trustees present their Annual Report together with the Audited Financial Statements for the year ended 31 December 2019.

Reference and administrative information set out below forms part of this report. The financial statements comply with current statutory requirements, the Memorandum and Articles of Association and the Statement of Recommended Practice – Accounting and Reporting by Charities.

1. ORGANISATIONAL GOVERNANCE AND STRUCTURE

The Institute for War and Peace Reporting ("IWPR") is a not-for-profit organisation, registered with Companies House and the Charities Commission. The charity is a company limited by guarantee and has no share capital.

The governing body is the UK Governance Committee, which comprises established personalities in the fields of media, business, human rights and academia/analysis. The Members are directors under Company Law and, in line with that responsibility, oversee financial reporting and ensure that the financial statements give a true and fair view of the organisation's financial activities during the year and its financial position at the year end.

The Members judge that a mixture of institutional, journalism, business and area/subject expertise provides the right balance of perspectives to direct and oversee the diverse operations of the organisation. Leading not-for-profit specialists advise the Board from time to time and ensure that it is current with best practice and emerging legislation, and the Board regularly reviews publications and guidance from the Charities Commission, the National Council for Voluntary Organisations, its independent auditors and other sources.

The charity also operates a For Profit subsidiary, IWPR UK Limited, a company limited by shares. IWPR UK Limited delivers programmes that meet the Group's objectives outlined in Section 2 below and where the donor allows for an element of profit to be made. Any profits made by IWPR UK Limited are gift aided to the UK charity to support its activities.

The charity and its subsidiary are linked through a network agreement with two associated not-for-profits: IWPR US, a 501(c) (3) tax exempt organisation registered in Washington, DC and IWPR NL, a not-for profit foundation registered in The Hague, Netherlands. The three Governance Committees for the UK, US and NL work closely together and hold two joint meetings annually as the International Board, with additional leadership, finance and other committee meetings as necessary throughout the year.

The International Board establishes a common strategic framework, agrees approaches to programme implementation for efficiency and impact, sets shared financial goals and coordinates fund-raising. The International Finance Committee comprises the Board Treasurers for the UK, US and NL and senior staff, and meets weekly to review financial performance, policies and procedures.

The Governance Committees appoint a shared Executive Director accountable for all the work of the organisation; the members of the global Executive Management Team (EMT) report to the Executive Director, and are responsible for regional programmes, development, finance and HR/resources. The EMT meets regularly, and provides regular reports to Trustees on respective areas of responsibility.

The organisation maintains approximately 150 multi-national staff based in London, the International coordinating centres in Washington, D.C., and The Hague, and the areas of conflict and transition where we work – the Middle East and North Africa, Eurasia, East Africa, South Asia and the Philippines, and Latin America. The work of the programmes is supported by financial, editorial, administrative, HR/Resources and development/fundraising staff, located in the home offices.

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2. REMUNERATION POLICY FOR KEY MANAGEMENT PERSONNEL

The Trustees consider the Executive Director, the Chief Financial Officer, the Chief Operating Officer, the Asia Director, MENA Director and the Development Director to comprise the key management personnel of the charity in charge of directing, controlling, running and operating the Charity on a day to day basis. In view of the nature of the charity, the Trustees benchmark against pay levels in similar sized charities. The remuneration benchmark is the mid-point of the range paid for similar roles in similar charities.

3. OBJECTIVES AND ACTIVITIES

IWPR empowers people's voices at the frontlines of conflict and transition to help them drive change. The Institute builds skills, capacity and networks for citizens and their communities so their voices can make a difference – strengthening accountability and supporting development, advancing justice and forging peace.

Working in more than 30 countries, IWPR's innovative programmes are crafted to respond to the needs of the people they serve. Projects prioritise locally informed objectives and lead to sustainable outcomes. Direct beneficiaries include citizen and professional journalists, human rights and peace activists, policymakers, educators, researchers, businesses, and women's, youth and other civil society organisations and partners.

Giving Voice, Driving Change, IWPR's mission calls for a wide range of efforts aimed at strengthening people's voices and helping them make a real difference within their own societies. The work ranges from skills building and professional journalism and communications training to media policy and legal reform; from frontline journalism production to citizens accountability networks and social media; from covering war crimes tribunals and human rights abuses to establishing national networks for elections reporting.

Public benefit

Charity trustees have a duty to develop strategic plans to ensure that we provide public benefit and achieve our objectives as set out in our governing document. In particular, the trustees consider how planned activities will contribute to the aims and objectives they have set. We have referred to the Charity Commission's general guidance on public benefit when reviewing our aims and objectives, and in planning our activities.

4. PROGRAMME ACTIVITIES: FRONTLINE SUPPORT

In 2019, the IWPR network continued its work in more than 30 countries in crisis and conflict around the world.

Much of the year was dominated by news of civic action, with citizens in many different environments mobilizing demonstrations and utilizing social and alternative media to demand democracy and reform. From Hong Kong and India to Russia, from Iran, Iraq to Lebanon, from Algeria and Sudan to Chile, local voices displayed courage and determination to have their voices heard.

In some cases, these movements achieved quick results – with a government falling or a reform agenda adopted. In others, demonstrations were met with harsher responses, as authorities clamped down on individual freedoms, restricted media and took steps to further consolidate their control.

A non-partisan organisation, IWPR strengthens independent local voices so that they can be heard and can drive democratic change in manner and ways most appropriate to their own circumstances. In the context of generally increasing authoritarianism, rising challenges to freedom of expression and professional reporting, as well as rising global geopolitical tensions, these diverse people's efforts were deeply inspirational for our work.

At the same time, as the year closed, a novel virus was emerging in China, only to be identified and reported in the early weeks of the New Year. In radical distinction to the year that would give the virus its name, COVID-19

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would dramatically alter the world we live in, driving most (if not all) citizens off the streets, and compelling new forms of working and communicating to sustain local voices.

AFRICA

Kenya and Nigeria. IWPR's 'Voices for Change' project – implemented in Kenya and Nigeria – brought together human rights defenders and journalists to raise public awareness and launch campaigns related to human rights violations. These crimes include extrajudicial executions and unlawful killings, forced disappearances, sexual violence, torture and ill-treatment of suspects and detainees.

Numerous successes included the release of eight inmates following an investigative collaboration between journalists and non-profits which highlighted prolonged incarceration in three prisons in Abuja, Delta, and Lagos States. Other advocacy campaigns included a long-running radio talk show in Nigeria exploring human rights issues. Successful journalistic investigations included a nationally broadcast TV investigation into water access in Nairobi's informal settlements.

Malawi. To tackle the spread of disinformation around the 2019 elections, IWPR's 'FakeWatch' created a specialised tracking centre staffed by a select group of journalism students recording inaccurate news. IWPR-trained Malawian journalists then issued responses to fake news and rumours and worked with news outlets on fact checks. The project was well received and forms a pilot for future delivery in other parts of Africa.

ASIA

Philippines. An investigative report through an IWPR grant looked at the roles and motives of external funding in the post-conflict rehabilitation of Marawi City, Mindanao. The report was published in the Philippine Daily Inquirer, MindaNews and the international Asia Times, reaching 5.3 million print and online readers. Given the sensitivity of the programme, IWPR continues to improve protocols on physical and digital security, communications and reporting.

South & Southeast Asia. IWPR helps journalists, social media activists, think tanks, NGOs, community- and religious-based groups in South and Southeast Asia to identify disinformation and strengthen their resilience through training and mentoring, investigative journalism and outreach.

IWPR small grants helped two journalists – one in Thailand and one in the Philippines – look at the impact of the Mindanao railway project in the Philippines and various projects under China's Belt and Road initiative in Southeast Asia. Both reports were published in the international *Asia Times* and sparked significant public feedback, including from representatives of the Australian and US governments.

In October, IWPR's business journalism training for 21 senior reporters from Southeast and South Asia in Bangkok enabled them to better report on the impact of external economic investment. The training – which coincided with the Indo-Pacific Business Forum and the East Asia Summit – yielded 16 online/print news reports and two video reports, published and circulated in and outside Sri Lanka, Bangladesh, Nepal, Vietnam, Cambodia, Indonesia, the Philippines, Singapore and Thailand. This unique event also helped seed a potential regional network of journalists from South and Southeast Asia to encourage cross-country reporting.

IWPR supported independent media, civil society organisations and community groups throughout Southeast Asia. We also continued to help improve journalists' security through in-house resources on digital and physical safety.

EASTERN EUROPE & EURASIA

Bosnia and Herzegovina. Hate speech online, particularly in readers' feedback, is a serious problem in Bosnia and Herzegovina as it undermines efforts towards reconciliation and the prevention of violent extremism. IWPR works with local partners on a 'Stop! Hate Speech' campaign to train in-house moderators at more than

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20 online news portals to tackle readers' comments. We applied a unique approach, persuading dozens of online advertisers to get involved. More than 25 of the largest companies and marketing agencies in BiH expressed support through their webpages, social media profiles and publications. Online media then began to moderate readers' feedback on a daily basis – something they previously claimed was impossible.

Caucasus & Moldova. IWPR plays a unique role in revitalising independent media and civil society, encouraging regional integration among Eastern Partnership countries. IWPR's innovative cross-border LeadxChange platform created mutually beneficial partnerships between media, civil society and government officials. In July, it brought together 100 young leaders from Ukraine, Moldova, Armenia, Azerbaijan and Georgia. LeadxChange was established by IWPR in partnership with the Fletcher School of Law and Diplomacy at Tufts University, the UN Association of Georgia and the US Embassy in Tbilisi.

Throughout July-October, IWPR ran a fellowship programme for six journalists from Ukraine, Moldova and Georgia who produced 24 multimedia reports reaching more than half a million readers. Issues included post-revolution Armenia, missing persons from Nagorny-Karabakh and minority integration.

A May conference tackling disinformation in Moldova was the first-ever such platform to bring together stakeholders from all key government and NGO sectors. IWPR also launched a reporting network, recruiting a dozen journalists including two investigative teams.

Building on our reporting on issues pertaining to women and girls, IWPR renewed its partnership with UN Women to help revitalise the 'Women Connecting for Peace: the Voice of Change' website, featuring articles and analysis from female journalists. Women Connecting for Peace also holds in-person discussions and webinars for and by women on various subjects, particularly those issues published on the website and associated social media pages. The project provides a vital space for women in the conflict-divided South Caucasus to participate in peace-building, political and economic processes.

Central Asia. IWPR launched the e-learning platform School.CABAR.Asia, offering free courses on new media and cutting-edge journalism practices, reinforced by journalism laboratories (JLabs). In addition, we trained more than 60 tutors in dozens of universities in Kazakhstan, Kyrgyzstan and Tajikistan on new approaches to journalism, which they introduced into their classrooms at the start of the academic year.

IWPR held MisInfoQuest, a region-wide event in Nur-Sultan to improve the media literacy and fact-checking skills of 70 Central Asian journalists, lecturers and students.

Our ground-breaking research on news consumption patterns, surveying more than 4,000 respondents from four Central Asian countries, was presented to media experts, officials and journalists in Bishkek, Almaty, and Dushanbe. A very well-received policy brief on Sinology in the region was also distributed to more than 200 decision-makers.

In July, IWPR hosted 25 aspiring Central Asian journalists at the second School for Analytical Journalism in Almaty. And in November, IWPR gathered 50 representatives of state and independent research institutions to discuss how best to ensure analysts' voices were heard by those in power.

Our work investigating the root causes of extremism and the link with repression of religious freedom in Central Asia led to the launch of the Belief.cabar.asia platform with content in local languages, Russian and English. We also developed the Toolkit for Journalists and Civil Society: Reporting on Religious Issues, the first-ever published in the post-Soviet space, which included a hate speech glossary as well as recommendations for alternative wording. We promoted and supported the first interfaith dialogue in Tajikistan that united Shia and Sunni Muslims, as well as Christians, in the Gorno-Badakhshan Autonomous Region.

Ukraine. In March 2019, IWPR gathered more than 100 NGOs, journalists, law-enforcement and anticorruption authorities for a national watchdog forum in Kyiv. This focused on how to contribute to key national reforms in anti-corruption, law-enforcement and municipal development efforts as well as how to build effective coalitions. Participants also obtained the first issue of E-Toolkit – a set of methodology tips – devoted to

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oversight of public money. Our other practical toolkits include ones on budget funds and on public oversight of municipal enterprises.

Nine IWPR-supported anti-corruption projects were completed across five main regions of Ukraine. These included the introduction of proper public assets management and the monitoring of conflicts of interests and transparent appointments in public health care area. For instance, our Lviv-based partners investigated violations in public procurement which led to the termination of illegal contracts for UAH 6 million. In addition, complaints they filed led to two criminal cases, the termination of UAH 30 million worth of contracts and the blacklisting of a dozen vendors with the Anti-Monopoly Committee. A further 11 regional initiatives were launched in autumn 2019.

LATIN AMERICA AND CARIBBEAN

Cuba. Responding to the increase in internet access in Cuba, and the introduction of 3G in December 2018, IWPR's training strategies adapted to focus on digital and multimedia journalism. We delivered workshops including investigative, multimedia and inclusive reporting with a gender perspective. The latter proved particularly relevant, as the Cuban government backtracked on its plans to allow equal marriage rights and repressed the annual LGBTI pride march.

Thanks to IWPR support, 18 independent outlets were able to overcome major political differences to publish the first-ever joint statement demanding changes to the laws prohibiting free journalism. Separately, IWPR supported five independent media outlets improve output and increase audience retention, leveraging social media to circumvent censorship.

IWPR also supported several independent journalists and artists to attend meetings with the Special Rapporteurs for Freedom of Expression at the United Nations and the Organisation of American States, raising international awareness about the plight of all independent voices in Cuba.

MIDDLE EAST & NORTH AFRICA

Iraq. IWPR Iraq works to increase the space for peacebuilding, freedom and women's rights, focusing on areas heavily affected by the Islamic State (IS) occupation. Our 'champions' – a diverse group of online and off-line journalists, writers and activists – worked on dozens of grassroots activities in historically excluded areas. After three years of persistence by IWPR champion Manar Al-Zubaidi, the Kawliya (gypsy) minority were given the right to a national ID like other Iraqi citizens.

Overall, IWPR provided trainings, daily mentorship and guidance for nearly 90 influencers, men and women alike, enabling them to produce more than 55,000 pieces of creative content in addition to 28 offline events attended by more than 10,600 people. During 2019, IWPR Iraq's social media networks engaged more than 28 per cent of the Iraqi population on Facebook, daily reaching out to more than 3.5 million Iraqis online.

IWPR also supported responsible and professional media through training, daily mentoring, technical and engineering support to six radio stations and more than 30 journalists in the liberated zone. We helped these outlets to be more sustainable by introducing them to the Iraqi advertising market, helping create meaningful partnerships with BBC Media Action and Germany's DW radio that champions are using to share content produced by IWPR local radio partners.

Libya. IWPR supports Libyan NGOs and rights activists to portray women as strong, independent role models and address negative gender stereotypes. Our eight partners came together for a campaign to improve the stereotypical image of Libyan women, with media briefings, interviews with pioneers, social media posts and a graphic novel. One partner's video series featuring accomplished women in Libya received more than 30,000 Facebook views.

IWPR worked with Libyan radio stations to build social media brands and develop call-in programmes around transition-related themes, significantly increasing audiences and attracting commercial sponsors.

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IWPR provided extensive in-country safety and first aid trainings, conducted by Libyan instructors. Over the course of IWPR's multi-year programming in Libya, hundreds have undergone these unique trainings, recognised as the first home-grown security training to meet international standards, enabling our trained Libyan-based partners to conduct trainings in previously inaccessible parts of the remote south for both women and men.

IWPR also developed a mobile application, Kon Chahed (Be a Witness) – available on iOS and Android within Libya - to allow journalists to report attacks as well as other violations of press freedom in Libya. Downloaded hundreds of times, the team received more than 150 alerts on incidents of assault and freedom of speech violations.

North Africa & Lebanon. In partnership with Reporters Without Borders, the Media Legal Defence Initiative and Binda Consulting International, IWPR launched a consortium to strengthen the capacity of local NGOs, activists, media professionals and legal defence groups in North Africa and Lebanon through effective approaches to building free expression and open societies.

Syria. In response to the regime's detention of civilians in Adra Prison, often based on secret military trials, IWPR documented human rights abuses and fostered links between international mechanisms, community-level information and awareness-raising on transitional justice issues.

We also supported gender-based violence survivors to document hundreds of cases to facilitate future justice processes. In May 2019, the assault on Idlib by regime and Russian-backed forces led to the capture of several strategic towns. Despite this, IWPR staff in Idlib city maintained training in first aid, English, basic computing and civic education.

Our work with women, youth, and marginalised groups aims to increase their participation in public and political life, building the foundation for post-conflict peacebuilding, coexistence and democratic governance. More than 4,300 participants from different ethnic and religious groups were trained through our local partner's centres inside Syria, and our Liberated T and Syria Stories websites and associated social media channels reached hundreds of thousands around the world.

Tunisia. IWPR enabled community radio stations in Tunisia's Interior to raise public understanding of the processes surrounding the autumn presidential and parliamentary elections, explaining the rights and responsibilities of voters, and strengthening election reporting. We also worked with Tunisian media outlets to deliver messages on legal literacy to local communities. Project partners published instruction materials for Tunisian lawyers, judges and journalists, producing a widely-distributed manual for basic legal reporting that became a highly sought-after document by professionals including the Tunisian government. As a result, IWPR's partner journalists had more trust in their capacities and abilities to drive change.

Regional Digital Security. We trained and developed the skills of ten NGOs in digital security, communications, project design and M&E in Lebanon, Jordan, Tunis and Egypt. These NGOs are now equipped to carry out their own advocacy campaigns to address LGBTI rights. They are also on track to form a regional LGBTI advocacy alliance that will receive further support to ensure impact. Cyber Arabs (cyber-arabs.com) continued to disseminate awareness and information about digital security, helping to protect civil society actors, journalists and human rights defenders throughout the region. An average of 8,000 users visit the site every month, which indicates the lasting impact of this important resource.

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5. FUTURE PLANS

In line with its current five-year strategic plan, IWPR confirmed its commitment to the following priorities:

1. To strengthen the capacity of local independent media to promote accountability and drive positive change
2. To strengthen the capacity of civil society to be heard in societies in transition
3. To promote independent and marginalised voices, especially women & youth
4. To strengthen IWPR's institutional capacity to deliver our mission

To achieve these aims, IWPR has committed to a sustained process of building extensive external networks of friends and supporters in order to enhance our own institutional capacity, diversify our sources in income, and increase our ability to invest in programme delivery. At the same time, we are evolving specific areas of programmatic focus in our four main regions – Middle East & North Africa (MENA), Asia, Africa and Latin America – and deepening our expertise and key programmatic specialisms, including social media, digital security, grassroots accountability, and voices of those in closed environments who are marginalized and at-risk, especially women. We are also extending our external networks of supporters and patrons, to extend sources of independent support and continue to strengthen our underlying financial position.

5. RISK MANAGEMENT

The Trustees have examined the major strategic, business and operational risks which the Charity faces and confirm that systems have been established to mitigate those risks. This includes maintaining and regularly reviewing a detailed Risk Register, outlining threats and mitigations and enabling regular monitoring of emerging challenges and IWPR's institutional response.

IWPR operates in a highly dynamic and often dangerous environment and recognizes a diversity of risks facing the charity, ranging from low-level to extreme.

High Risk Summary		
Risks	Responsibilities	Response
<ul style="list-style-type: none">• Safety & Security of Personnel	<ul style="list-style-type: none">• Country Directors• Regional Directors• Executive Director• Safety & Sec Advisor	<ul style="list-style-type: none">• Security Advisor• Hostile Environment Training• Monthly Risk Tracking• Conflict Insurance
<ul style="list-style-type: none">• Lack of Adequate Programme & Institutional Funds	<ul style="list-style-type: none">• Executive Director• Development Director• Programme Directors	<ul style="list-style-type: none">• Renew and Extend Programme Income• Increase Reserves Position
<ul style="list-style-type: none">• Programme Implementation Inadequate or Misdirected• Programme Funds Misused	<ul style="list-style-type: none">• Country Directors• Programme Directors• COO & FDs	<ul style="list-style-type: none">• Provide Training• Enhance monthly monitoring against donor commitments & budgets

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The key areas of risk are:

- **Safety & Security** – life and security of personnel and beneficiaries, security and integrity of offices and information;
- **Financial** – adequate resources appropriately controlled, managed and reported on
- **Operational** – programming implemented according to charitable mission, donor commitments and impact/output targets, institutional ethical and quality standards and beneficiary benefit
- **Legal & Regulatory** – compliance with Charity Commission, Companies House, employment and other law and regulations, donor and partner organization requirements and local laws and regulations
- **Governance** – oversight and management of the charity, faithfulness to organizational objectives and mission, quality assurance, institutional cohesion

The primary strategy for managing these risks is active and continuous communication, with a focus on five components:

- Teamwork and shared vision
- Regular and structured reporting
- Active Board communications oversight
- Training & systems improvement
- External feedback and assessment

The net levels of severity of these risks are as follows:

- **Extreme** – IWPR operates in war zones and under dictatorships and faces the death (murder, accident or 'collateral'), arrest and harassment of staff and project participants
- **High** – IWPR operates in a dynamic and short-term funding environment, leading to considerable and consistent insecurity about programme and institutional viability
- **Moderate** – Operational setbacks and/or failure to deliver benefits can lead to loss of reputation and a loss of grant funds, decreasing financial security
- **Low** – Legal & regulatory non-compliance could lead to serious reputational, operational and legal problems but are well contained via consistent management and Board effort

Key mechanisms for reporting, communicating and assessing risk management include:

- **Financial reporting** – monthly, quarterly, annually
- **Safety & Security** – monthly programme reporting, daily monitoring by security manager
- **Implementation** – monthly programme-by-programme reporting
- **Management Updates** – monthly reporting by finance, development and programmes
- **Board Reports** – quarterly comprehensive reports to Board of Trustees keyed to Board meetings
- **Management Committee** – weekly Executive Management Team meetings
- **Stakeholder Assessment** – beneficiary feedback mechanisms, keyed to programme milestones
- **Donor Communications** – regular donor reports and consultation/feedback, on monthly or quarterly basis

COVID-19 Impact and Response

Like all organisations, IWPR has been significantly impacted by the coronavirus pandemic, even as we have watched with grave concern the effect of COVID-19 on distressed countries around the world where we work and on our beneficiaries.

In addition to a major global health crisis, the virus has been accompanied by an 'infodemic', according to the World Health Organisation, that is, an equally dangerous outbreak of misinformation and disinformation, some

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by default and some by nefarious design, resulting in additional risk and increased health impacts. Additionally, in many areas where IWPR operates, governments have taken advantage of the crisis to restrict democratic freedoms, including clampdowns on human rights and freedom of expression. The urgent necessity of western governments to invest heavily in supporting the health and livelihoods of their own populations has also placed a risk on the continuation of donor funding as budgets tighten and economies decline.

IWPR is managing this major threat through a comprehensive approach to protect our people, continue serving our constituencies, communicate closely with our donors on any required project adjustments and develop extensive new programming responsive to the new reality, attracting fresh sources of support, providing programme continuity and ensuring institutional sustainability.

Specifically, IWPR has:

- Transitioned teams to working-from-home and provided ongoing advice and support to staff, including psycho-social as needed;
- Pivoted programme activities to the current environment, emphasizing virtual delivery and COVID-19 specific activities where relevant;
- Extended health and freedom of expression programming, social-media influencers, anti-gender-based violence and other especially relevant initiatives, securing new and extended donor support.

IWPR continues to monitor COVID-19 restrictions in all of its countries of operations to ensure compliance by staff and participants, including closing or reducing access to physical offices. The Board of Trustees is directly involved in monitoring COVID-19 impacts, notably through meetings of the Leadership Committee (divisional chairs), engagement of the Safety & Security Liaison Trustee, and regular discussion at the Board Global Finance Committee, including risk assessment by IWPR's Risk & Security Advisory.

7. FINANCIAL REVIEW

Total income for 2019 was £5,104,069, down £760,253 or 13% on 2018, and principally comprised:

- £3,829,014 from charitable activities, which is analysed by donor in Note 4; and
- £982,603 from our subsidiary IWPR Limited from a Foreign and Commonwealth Office contract.

Total expenditure for the year was £5,472,176, down £349,850 or 6%, on the previous year. Support costs were 9% of total expenditure in 2019 (2018: 7%), leaving 91% (2018: 93%) for direct programme expenses.

Reserves

The Trustees have determined that IWPR UK should maintain unrestricted reserves equivalent to six month's operating costs for the London office, or between £1 million and £1.25 million, whichever is the greater. Unrestricted reserves are essential for the charity for several reasons, to support new or otherwise unfunded programme activities, to invest in development initiatives to maintain and extend the programme portfolio, to assist journalists in need, and to cover certain central and overhead costs.

IWPR's unrestricted reserves at 31 December 2019 were broadly in line with the top end of the target range; the Board of Trustees believe that it is prudent to hold strong reserves given the significant and ongoing impact of COVID-19 on our charity and the countries where we operate.

Unrestricted reserves at 31 December 2019 were £1,286,671 a decrease of £368,107 on 2018. This decrease reflects:

- unrecovered program overspend in the Charity, partly offset by
- the £161,434 profit made by IWPR UK Limited. This excludes 2018 gift-aided profits to the charity of £142,903.

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8. PARTNERS AND SUPPORTERS

The work of IWPR could not be undertaken, and the results could not be achieved, without the generous support of IWPR's many donors and contributors and the enthusiastic partnership and cooperation of IWPR's many international and local partners and cooperating organisations. These linkages enable IWPR to be what it is, and the Trustees recognise and extend their gratitude to all of the donors, partners and others who have supported us and worked with us throughout the year.

The charity does not engage any external fundraisers and did not receive any complaints in respect of its fundraising activities in the year.

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STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees, who are also directors of the charitable company, are responsible for preparing their report and the financial statements in accordance with applicable law and regulations.

Company law requires the trustees to prepare financial statements for each financial year. Under that law the trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The financial statements are required by law to give a true and fair view of the state of the affairs of the charitable company and the group and of the surplus or deficit for that period. In preparing these financial statements the trustees are required to:

- Select suitable accounting policies and apply them consistently
- Observe methods and principles in the Charities SORP
- Make judgements and estimates that are reasonable and prudent
- State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements
- Prepare the financial statements on the going concern basis unless it is inappropriate to assume that the charitable company will continue in operation

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

STATEMENT OF DISCLOSURE TO THE AUDITOR

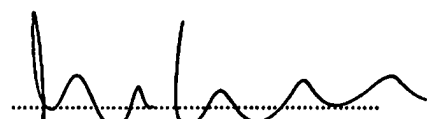
So far as the Board of Trustees are aware:

- a) there is no relevant audit information of which the Charity's auditors are unaware; and
- b) they have taken all steps that they ought to have taken as Trustees and in order to make themselves aware of any relevant audit information and to establish that the Charity's auditors are aware of that information.

AUDITORS

Haysmacintyre LLP were appointed auditors. In accordance with the company's articles, a resolution proposing that Haysmacintyre LLP be re-appointed as auditors of the Charity will be put to a General Meeting.

Approved by the Trustees on 29 September 2020 and signed on their behalf by:



SIMON HERSOM

Trustee

THE INSTITUTE FOR WAR AND PEACE REPORTING

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE INSTITUTE FOR WAR AND PEACE REPORTING

Opinion

We have audited the financial statements of the Institute for War and Peace Reporting for the year ended 31 December 2019 which comprise the Consolidated Statement of Financial Activities, the Consolidated and Parent Balance Sheet, the Consolidated 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, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the group's and of the parent charitable company's affairs as at 31 December 2019 and of the group's and parent charitable company's net movement in funds, including the income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Responsibilities of trustees for the financial statements

As explained more fully in the trustees' responsibilities statement set out on page 10, 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 group's and the parent 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 group or the parent charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

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

THE INSTITUTE FOR WAR AND PEACE REPORTING

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE INSTITUTE FOR WAR AND PEACE REPORTING

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 group's or the parent 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 Trustees' Annual Report. 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 Trustees' Annual Report (which includes the directors' report prepared for the purposes of company law) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report included within the Trustees' Annual Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Annual Report (which incorporates the directors' report).

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

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

THE INSTITUTE FOR WAR AND PEACE REPORTING

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE INSTITUTE FOR WAR AND PEACE REPORTING

Use of our report

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



Murtaza Jessa (Senior Statutory Auditor)
For and on behalf of Haysmacintyre LLP, Statutory Auditors
Date: 01/10/2020

10 Queen Street Place
London
EC4R 1AG

THE INSTITUTE FOR WAR AND PEACE REPORTING

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (including an income and expenditure account)

	Note	Year ended 31 December 2019			2018
		Unrestricted funds	Restricted funds	Total funds	Total funds
Income from:					
Charitable activities	4	280,836	3,829,014	4,109,850	4,472,910
Donations and legacies		796	-	796	108,117
Trading activities of subsidiary	5	982,603	-	982,603	1,283,262
Other		10,820	-	10,820	33
TOTAL		1,275,055	3,829,014	5,104,069	5,864,322
Expenditure on:					
Raising Funds		44,450	-	44,450	71,638
Charitable activities		425,440	4,181,117	4,606,557	4,610,029
Trading activities of subsidiary		821,169	-	821,169	1,140,359
TOTAL	6 & 8	1,291,059	4,181,117	5,472,176	5,822,026
Net income/(expenditure) for the year		(16,004)	(352,103)	(368,107)	42,296
Gross transfer between funds		(352,103)	352,103	-	-
NET MOVEMENT IN FUNDS		(368,107)	-	(368,107)	42,296
Total funds brought forward		1,654,778	-	1,654,778	1,612,482
TOTAL FUNDS CARRIED FORWARD		1,286,671	-	1,286,671	1,654,778

The Statement of Financial Activities includes all gains and losses recognised in the year. All income and expenditure derives from continuing activities.

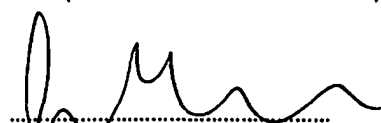
The notes on pages 18 to 31 form part of these financial statements.

BALANCE SHEETS AS AT 31 DECEMBER 2019

	Note	Group 2019 £	Group 2018 £	Charity 2019 £	Charity 2018 £
FIXED ASSETS					
Investments	9	-	-	2	2
Tangible fixed assets	10	789	2,368	789	2,368
TOTAL FIXED ASSETS		789	2,368	791	2,370
CURRENT ASSETS					
Debtors	11	500,855	1,411,786	499,182	1,515,468
Cash		2,797,156	1,552,361	2,334,608	903,898
		3,298,011	2,964,147	2,833,790	2,419,366
CREDITORS: amounts falling due within one year	12	(2,012,129)	(1,311,737)	(1,709,344)	(909,861)
NET CURRENT ASSETS/(LIABILITIES)		1,285,882	1,652,410	1,124,446	1,509,505
NET ASSETS		1,286,671	1,654,778	1,125,237	1,511,875
FUNDS					
Restricted funds		-	-	-	-
Unrestricted funds:					
General reserves	13	1,286,671	1,654,778	1,125,237	1,511,875
		1,286,671	1,654,778	1,125,237	1,511,875

The net movement in funds for the year relating to the parent charity alone amounted to a deficit of £386,638 (2018: a deficit of £92,437).

The financial statements were approved and authorised for issue by the Board of Trustees and were signed on 29 September 2020 on its behalf by:



SIMON HERSOM
Trustee

The notes on pages 18 to 31 form part of these financial statements.

THE INSTITUTE FOR WAR AND PEACE REPORTING

CASH FLOW STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2019

	Note	2019 £	2018 £
CASH FLOWS FROM OPERATING ACTIVITIES			
Net cash used in operations	A	<u>1,244,795</u>	<u>(1,130,877)</u>
CHANGE IN CASH AND CASH EQUIVALENTS IN THE PERIOD		1,244,795	(1,130,877)
Cash and cash equivalents at 1 January		<u>1,552,361</u>	<u>2,683,238</u>
CASH AND CASH EQUIVALENTS AT 31 DECEMBER	B	<u>2,797,156</u>	<u>1,552,361</u>
		2019 £	2018 £
Note A			
Reconciliation of net movement in funds to net cash flow from operating activities			
Net movement in funds for the year per the Statement of			
Financial Activities		(368,107)	42,296
Adjustments for:			
Depreciation charges		1,579	2,550
(Increase)/decrease in debtors		910,931	(266,447)
Increase/(decrease) in creditors		700,392	(909,276)
Net cash provided by (used in) operating activities		<u>1,244,795</u>	<u>(1,130,877)</u>
Note B			
Analysis of cash and cash equivalents			
Cash in hand		<u>2,797,156</u>	<u>1,552,361</u>
Total cash and cash equivalents		<u>2,797,156</u>	<u>1,552,361</u>

THE INSTITUTE FOR WAR AND PEACE REPORTING

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2019

1. BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with United Kingdom Accounting Standards, including Paragraph 1A of Financial Reporting Standard 102, "The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland" ("FRS102") and the Companies Act 2006. There are no material departures from that standard.

The preparation of the financial statements in compliance with FRS102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the Association's accounting policies (see note 3).

The financial statements are presented in Sterling (£).

Company status

The Institute for War and Reporting is a Company Limited by Guarantee and has no share capital. Each member is liable to contribute £1 in the event of the Charity being wound up. No individual member has control.

The Charity is a public benefit entity as defined by FRS102. Assets and liabilities are therefore initially recognised at historical cost or transaction value unless stated otherwise in the accounting policies below.

The financial statements consolidate the accounts of The Institute for War and Peace Reporting and its subsidiary, IWPR UK Limited (also a public benefit entity), as at 31 December 2019.

Going concern

The Charity's level of unrestricted reserves available at the year end were considered adequate resources to continue in operational existence for the foreseeable future. However, the COVID-19 pandemic caused the Trustees to review the positions of the Charity and its subsidiary. Revised forecasts were prepared to review the impact of COVID-19 on the Charity's funding, costs and cashflow. Based on these current projections, the Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. Accordingly, the financial statements have been prepared on a going concern basis and the trustees do not anticipate any material uncertainties.

2. ACCOUNTING POLICIES

2.1 Fund accounting

Restricted funds are funds subject to specific restrictions imposed by donors.

Unrestricted funds comprise accumulated surpluses and deficits on general funds. They are available for use at the discretion of the Trustees in furtherance of the general charitable activities.

2.2 Income

Income is recognised once the charity has become entitled to the income; it is probable that the income will be received; and the amount of income receivable can be measured reliably.

2.3 Expenditure

Resources expended are accounted for on an accruals basis.

THE INSTITUTE FOR WAR AND PEACE REPORTING

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2019

2.3 Expenditure (continued)

Expenditure is charged inclusive of any irrecoverable taxation. A proportion of costs are paid to partner organisations who perform defined scopes of work on behalf of IWPR.

Support costs which include headquarters' and office functions such as general management, payroll administration, budgeting and accounting, human resources, information technology and legal compliance are allocated across categories of charitable activities and governance costs.

2.4 Pensions

The Charity operates a defined contribution pension scheme. Contributions are charged to the Statement of Financial Activities on an accruals basis.

2.5 Other employee benefits

Short-term benefits including holiday pay are recognised as an expense in the period in which the service is received.

Employee termination benefits are accounted for on an accruals basis.

2.6 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less estimated residual value, over their expected useful lives as follows:

Fixtures and fittings	- 3 years
Computers	- 3 years

Gains and losses on disposals are determined by comparing the proceeds, less the direct costs of sale, with the carrying amount, and are recognised in the Statement of Financial Activities.

2.7 Operating leases

Rentals applicable to operating leases, where substantially all of the benefits and risks of ownership remain with the lessor, are charged to the Statement of Financial Activities as incurred.

2.8 Foreign currency

Assets and liabilities denominated in foreign currency are translated into sterling at the rate ruling on the balance sheet date. Transactions denominated in foreign currencies are translated into sterling at the average rate of exchange for the period. Profits or loss arising from the translation of foreign currencies are dealt with in the Statement of Financial Activities.

2.9 Financial instruments

a) Financial assets

Basic financial assets, including trade and other debtors, and cash and bank balances are initially recognised at transaction price and subsequently measured at their settlement value. A specific provision is raised for any debt where recoverability is in doubt.

Investments, excluding investments in subsidiaries, are carried at market value.

THE INSTITUTE FOR WAR AND PEACE REPORTING

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2019

2.9 Financial instruments (continued)

b) Financial liabilities

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

Trade and other short-term creditors are measured at transaction price.

2.10 Debtors

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

2.11 Creditors

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

2.12 Employee benefits

Short term benefits, including holiday pay, are recognised as an expense in the period in which the service is received.

Employee termination benefits are accounted for on an accruals basis and in line with FRS102.

3. JUDGEMENT IN APPLYING ACCOUNTING POLICIES AND KEY SOURCES OF ESTIMATION UNCERTAINTY

Estimations and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Although these estimates are based on management's best knowledge of the amounts, events or actions, actual results may ultimately differ from those expectations. Management consider there to be no critical estimates and judgements applicable to the financial statements.

4. INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted Funds 2019 £	Restricted Funds 2019 £	Total funds 2019 £	Total funds 2018 £
Foreign & Commonwealth Office	-	1,535,076	1,535,076	2,171,418
Royal Ministry of Foreign Affairs Norway	-	928,823	928,823	668,106
Department for International Development	-	495,948	495,948	-
Dutch Post Code Lottery	280,836	11,980	292,816	319,146
Ministry of Foreign Affairs Netherlands	-	173,048	173,048	826,003
European Union	-	40,082	40,082	43,986
Other	-	644,057	644,057	444,251
	280,836	3,892,014	4,109,850	4,472,910

THE INSTITUTE FOR WAR AND PEACE REPORTING

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2019

4. INCOME FROM CHARITABLE ACTIVITIES – continued

	Unrestricted Funds 2018 £	Restricted Funds 2018 £	Total funds 2018 £	Total funds 2017 £
Foreign & Commonwealth Office	-	2,171,418	2,171,418	2,169,051
Ministry of Foreign Affairs Netherlands	-	826,003	826,003	885,936
Royal Ministry of Foreign Affairs Norway	-	668,106	668,106	199,504
Dutch Post Code Lottery	224,615	94,531	319,146	-
European Union	-	43,986	43,986	116,470
Other	-	444,251	444,251	147,521
	224,615	4,248,295	4,472,910	3,518,482

5. TRADING ACTIVITIES OF SUBSIDIARY

The Charity's wholly owned subsidiary, IWPR UK Limited, engages in activities that further the mission and objects of the Charity. IWPR UK Limited's income from trading activities was £982,603 in 2019 (2018: £1,283,262) all of which was receivable from the Foreign & Commonwealth Office. The trading results of IWPR UK Limited are set out in Note 9 below.

6. NET MOVEMENT IN FUNDS

	2019 £	2018 £
Net movement in funds is stated after charging:		
Depreciation:	1,579	2,550
Auditors remuneration – audit (excluding VAT)	22,250	19,000
- donor audits and other work (excluding VAT)	27,624	27,065

THE INSTITUTE FOR WAR AND PEACE REPORTING

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2019

7. STAFF COSTS

London staff costs:

	2019	2018
	£	£
Salaries	950,683	787,959
Social security costs	112,792	94,582
Pension costs	36,753	25,648
	<u>1,100,228</u>	<u>908,189</u>

There were Included no redundancy costs in 2019 (2018: £3,004).

In addition to the London staff, the activities of IWPR UK are carried out by local staff and consultants in the field offices.

The average monthly number of employees, analysed by function was:

	2019	2018
Media development, training and reporting	9	8
Support	6	4
	<u>15</u>	<u>12</u>

The number of employees whose emoluments amounted to over £60,000 in the year was:

	2019	2018
£130,000-£140,000	1	1
£90,000 - £100,000	1	2
£80,000 - £90,000	1	-
£60,000 - £70,000	2	1
	<u>5</u>	<u>4</u>

The total employee benefits of the key management personnel of the UK Charity and the group were £466,985 (2018: £382,493).

Trustees received no remuneration or other benefits for volunteering their time during the year and no trustee expenses were incurred (2018 - £0).

THE INSTITUTE FOR WAR AND PEACE REPORTING

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2019

8. TOTAL EXPENDITURE

	2019			2018
	Direct costs £	Support Costs £	Total Costs £	Total costs £
Raising funds costs	-	44,450	44,450	71,638
Charitable activities: Media development, training and reporting	4,181,117	425,440	4,606,557	4,610,029
Trading activities	817,063	4,106	821,169	1,140,359
	4,998,180	473,996	5,472,176	5,822,026

	2019 £	2018 £
Support costs		
Staff costs	276,162	203,215
Staff overheads	38,552	37,371
Depreciation	1,579	2,550
Governance: Audit fees	22,250	19,000
Other	135,453	147,715
	473,996	409,851

Support costs incurred by the overseas entities to support their charitable expenditure are included within direct programme costs. Other indirect costs are first allocated to activities that cause or drive them and, where this is not possible, they are apportioned based on a fair and equitable basis.

THE INSTITUTE FOR WAR AND PEACE REPORTING

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2019

8. TOTAL EXPENDITURE continued

	2018		
	Direct costs £	Support Costs £	Total Costs £
Raising funds costs	-	71,638	71,638
Charitable activities: Media development, training and reporting	4,277,251	332,778	4,610,029
Trading activities	1,134,924	5,435	1,140,359
	5,412,175	409,851	5,822,026

	2018 £
Support costs	
Staff costs	203,215
Staff overheads	37,371
Depreciation	2,550
Governance: Audit fees	19,000
Other	147,715
	409,851

THE INSTITUTE FOR WAR AND PEACE REPORTING

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2019

9. INVESTMENTS

The Institute for War and Peace Reporting owns the entire called up and paid share capital of IWPR UK Limited of £2, a trading company registered in England Wales, Company Registration Number 10700261, which was incorporated on the 30 March, 2017.

A summarised income statement and balance sheet for IWPR UK Limited's results are set out below.

IWPR UK limited: Summarised Income statement

	2019 £	2018 £
Income	982,603	1,283,262
Expenditure	(817,063)	(1,134,924)
Gross profit	165,540	148,338
Administrative expenses	(4,106)	(5,435)
	161,434	142,903

All taxable profits are gifted to the Charity within nine months of the subsidiary's year end.

IWPR UK Limited: Balance sheet

	2019 £	2018 £
Debtors	31,285	23,640
Cash	462,548	648,463
Creditors	(332,397)	(529,198)
Net current assets and net assets	161,436	142,905
Share capital	2	2
Reserves	161,434	142,903
	161,436	142,905

THE INSTITUTE FOR WAR AND PEACE REPORTING

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2019

10. TANGIBLE FIXED ASSETS

Group and Charity

	Computer equipment £	Office equipment £	Total £
Cost			
At 1 January 2019	18,442	3,025	21,467
At 31 December 2019	18,442	3,025	21,467
Depreciation			
At 1 January 2019	16,074	3,025	19,099
Charge for the year	1,579	-	1,579
At 31 December 2019	17,653	3,025	20,678
Net book value			
At 31 December 2019	789	-	789
At 31 December 2018	2,368	-	2,368

11. DEBTORS

	Group		Charity	
	2019 £	2018 £	2019 £	2018 £
Inter-charity debtors	23,759	443,281	23,759	443,281
Due from subsidiary	-	-	-	127,322
Grants receivables	436,557	937,467	436,557	914,921
Staff advances	-	1,258	-	1,258
Prepayments	40,539	28,686	38,866	28,686
Other debtors	-	1,094	-	-
	500,855	1,411,786	499,182	1,515,468

THE INSTITUTE FOR WAR AND PEACE REPORTING

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2019

12. CREDITORS: Amounts falling due within one year

	Group		Charity	
	2019	2018	2019	2018
	£	£	£	£
Deferred income	1,124,065	713,575	1,076,277	614,765
Trade creditors	34,430	69,565	20,368	49,273
PAYE and other taxes	32,682	26,630	32,682	26,630
Due to IWPR US	516,024	267,652	246,682	-
Due to subsidiary	-	-	29,612	-
Other creditors	82,355	71,240	82,355	71,240
Accruals	222,573	163,075	221,368	147,953
	2,012,129	1,311,737	1,709,344	909,861

Deferred income

	Group		Charity	
	2019	2018	2019	2018
	£	£	£	£
At 1 January	713,575	1,516,137	614,675	1,498,948
Amount released in year	(713,575)	(1,516,137)	(614,675)	(1,498,948)
Amount deferred in year	1,124,065	713,575	1,076,277	614,765
At 31 December	1,124,065	713,575	1,076,277	614,765

Deferred income represents cash received from donors prior to being earned under our income recognition policy.

THE INSTITUTE FOR WAR AND PEACE REPORTING

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2019

13. RESTRICTED FUNDS: MOVEMENT IN YEAR

	As at 1 January 2019 £	Income £	Expenditure £	Transfer Between funds £	As at 31 December 2019 £
Unrestricted funds					
General funds	1,654,778	1,275,055	(1,291,059)	(352,103)	1,286,671
Total unrestricted funds	1,654,778	1,275,055	(1,291,059)	(352,103)	1,286,671
Restricted funds					
Central Asia, Caucasus &					
Ukraine	-	1,259,404	(1,274,884)	15,480	-
MENA	-	1,825,816	(2,141,672)	315,856	-
Other regions	-	743,794	(764,561)	20,767	-
At 31 December 2019	-	3,829,014	(4,181,117)	352,103	-
TOTAL FUNDS	1,654,778	5,104,069	(5,472,176)	-	1,286,671

Project operational information and activities details contributing to unrestricted funds are described in the Programme Results section of the Trustees' Report.

Transfers between funds arise on completion of projects where:

- funds received from the donor have been insufficient to cover the full costs of the programme, including foreign exchange losses, or
- where foreign exchange gains have arisen which we are entitled to retain under the terms of a specific grant contract.

THE INSTITUTE FOR WAR AND PEACE REPORTING

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2019

13. RESTRICTED FUNDS (continued)

	As at 1 January 2018 £	Income £	Expenditure £	Transfer Between funds £	As at 31 December 2018 £
Unrestricted funds					
General funds	1,612,482	1,616,027	(1,544,775)	(28,956)	1,654,778
Total unrestricted funds	1,612,482	1,616,027	(1,544,775)	(28,956)	1,654,778
Restricted funds					
Asia	-	229,733	(218,418)	(11,315)	-
Africa	-	92	(373)	281	-
Central Asia, Caucasus & Ukraine	-	667,900	(665,461)	(2,439)	-
MENA	-	2,789,118	(2,831,547)	42,429	-
Other regions	-	561,452	(561,452)	-	-
At 31 December 2019	-	4,248,295	(4,277,251)	28,956	-
TOTAL FUNDS	1,612,482	5,864,322	(5,822,026)	-	1,654,778

14. ANALYSIS OF NET ASSETS BETWEEN FUNDS

GROUP	Fixed Assets £	Net current assets/ (liabilities) £	Fund balances 2019 £
Restricted funds	-	-	-
General funds	789	1,285,882	1,286,671
At 31 DECEMBER 2019	789	1,285,882	1,286,671
CHARITY			
Restricted funds	-	-	-
General funds	791	1,124,446	1,125,237
At 31 DECEMBER 2019	791	1,124,446	1,125,237

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NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2019

14. ANALYSIS OF NET ASSETS BETWEEN FUNDS continued

GROUP	Fixed Assets £	Net current assets/ (liabilities) £	Fund balances 2018 £
Restricted funds	-	-	-
General funds	2,368	1,652,410	1,654,778
At 31 DECEMBER 2018	2,368	1,652,410	1,654,778

CHARITY	Fixed Assets £	Net current assets/ (liabilities) £	Fund balances 2018 £
Restricted funds	-	-	-
General funds	2,370	1,509,505	1,511,875
At 31 DECEMBER 2018	2,370	1,509,505	1,511,875

15. OPERATING LEASES

The Group rents its London offices under a 5 year operating lease which commenced in February 2018 with a break clause at the end of the third year.

	2019 £	2018 £
Minimum lease payments under operating lease recognised as an expense during the year	49,230	49,230

At 31 December 2019, the Charity had outstanding commitments under non-cancellable operating leases as follows:

	2019 £	2018 £
Payable within one year	49,230	49,230
Payable between two and five years inclusive	7,283	7,418
At 31 December	56,513	56,648

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16. TAXATION

The Institute for War and Peace Reporting is a Registered Charity and therefore is not liable to income tax or corporation tax on income or gains derived from its charitable activities, as they fall within various exemptions available to registered charities. The Charity's subsidiary, IWPR UK Limited, gifts its profits to the Charity each year

17. RELATED PARTY TRANSACTIONS

The Institute for War and Peace Reporting (IWPR UK), The Institute for War and Peace Reporting US (IWPR US) and The Institute for War and Peace Reporting NL (IWPR NL) work jointly under the IWPR International Network agreement.

During the year, IWPR US granted £562,583 to IWPR UK to cover costs incurred by IWPR UK in the execution of projects signed by IWPR US (2018: £411,170). In addition, IWPR US incurred costs of £1,078,607 (2018: £501,422) in the execution of projects signed by IWPR UK.

In 2019, IWPR NL awarded a grant to IWPR UK of €311,000 (2018: €250,000).

As at 31 December 2019 the net inter-charity creditor owing to IWPR US was £246,682 (2018: £150,134 inter-charity debtor owing by IWPR US) and the inter charity debtor owed by IWPR NL was £23,759 (2018: £293,147).

David Bell is a trustee of IWPR UK, IWPR US and IWPR NL. Stephen Jukes and Richard Caplan are trustees of both IWPR UK and IWPR US. Simon Hersom is a trustee of both IWPR UK and IWPR NL.

18. POST BALANCE SHEET EVENTS

In preparing the financial statements for 2019, IWPR evaluated the subsequent events from 31 December 2019 through to the date of signing. The Trustees have considered the impact of the COVID-19 pandemic as a non-adjusting post balance sheet event which became apparent after the balance sheet date in March 2020. The Trustees have reviewed the assets on the balance sheet as at 31 December 2019 and noted no impairment issues; there has been strong debtor recovery and cash position. The income and expenditure and cashflow forecasts have been updated for the impact of COVID-19 and no issues noted in relation to going concern over for the forthcoming period.