

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 2021

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 (resigned, 21 June 2021) Christina Lamb (resigned, 24 June 2021) Zoran Pajic (resigned, 21 June 2021) Stephen Jukes Michael Immordino</p>
Executive Director	Anthony Borden
Registered office and operational address	48 Gray's Inn Road London WC1X 8LT
Independent Auditor	Haysmacintyre LLP 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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THE INSTITUTE FOR WAR AND PEACE REPORTING

TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2021

The Trustees present their Annual Report together with the Audited Financial Statements for the year ended 31 December 2021. These are compiled in compliance with the Charities Act 2011, the Companies Act 2006 and the Charities SORP (FRS 102). All members of the Board are directors of the Charitable Company and this report represents a directors' report as required by s417 of the Companies Act 2006.

Reference and administrative information set out above 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.

No new directors were appointed in 2021. A Nominations Committee continues to assess the requirements of the Governance Committee, evaluate the expertise of existing and candidate directors, and recommend appointments as appropriate in 2022. The Nominations Committee has recommended the appointment of Anthony Borden to the UK Governance Committee.

All new directors are provided with induction materials on IWPR, its work and finances, the interrelationship among the IWPR governing bodies, key IWPR policies regarding directors, and risk factors. Each new director is provided with good governance guides from the UK Charity Commission, the National Council for Voluntary Organisations and/or other relevant bodies.

The charity also operates a for-profit subsidiary, IWPR (UK) Limited, which is 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, holding joint committee meetings from time to time to agree a common strategic framework, approaches to programme implementation for efficiency and impact, to set shared financial goals and coordinate fund-raising.

The Finance Committee of the UK, US and NL Governance Committees comprises the Board Treasurers for the UK, US and NL and senior staff, and meets weekly to review financial performance, policies and procedures.

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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, including the Middle East and North Africa, Eastern Europe, 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.

2. REMUNERATION POLICY FOR KEY MANAGEMENT PERSONNEL

The Trustees consider the Executive Director, the Chief Operating Officer and other senior personnel 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 professional and citizen 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 election reporting and strengthen networks of rights defenders.

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 2021, the IWPR network continued its work in more than three dozen countries in crisis and conflict around the world.

IWPR gratefully acknowledges our donors, partners and beneficiaries, who all worked together with great understanding and supportiveness as programming was pivoted to address new challenges while adopting revised operational approaches in light of the continuing challenges of COVID-19.

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TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2021

Highlights of our programming over the year include:

Africa

- Supporting human rights defenders, civil society groups, and journalists in Nigeria and Kenya to report, raise awareness and launch advocacy campaigns on human rights violations.
- Countering COVID-19 disinformation in Nigeria and Kenya through training, networking, mentoring and resourcing local reporters, and building information sharing networks.

Asia

- Promoting open spaces in the Philippines, Thailand, Malaysia, Indonesia and Myanmar and building knowledge and resilience against interference among journalists, media and civil society organisations.

Eastern Europe / Eurasia

- Promoting democratic growth, participatory governance, and cross-border cooperation in Kazakhstan, Kyrgyzstan, Tajikistan, Turkmenistan, Uzbekistan, Belarus, Moldova, Georgia, Armenia, Azerbaijan and Ukraine by strengthening civil society and independent media across Central Asia, Eastern Europe, and the Caucasus.
- Building the capacity of CSOs and women's rights organisations in Armenia, Azerbaijan, Georgia and Moldova to safely advocate for sustainable peace and increased women's participation in peace and security issues in the Eastern Neighbourhood countries.
- Providing advanced training in Kazakhstan, Kyrgyzstan, Tajikistan, Uzbekistan and Turkmenistan in analytical, conflict- and gender-sensitive reporting, with a focus on new and social media to improve quality content in Central Asian media.
- Improving government transparency and accountability in Ukraine by strengthening the impact and sustainability of independent media outside Kyiv and increasing citizen access to reliable information.

Latin America and the Caribbean (LAC)

- Strengthening the capacity of journalists and media outlets in Mexico, Venezuela, Bolivia and Honduras to produce fact-based reporting that informs populations and holds authorities to account.

Middle East and North Africa (MENA)

- Building acceptance of LGBTI people in Tunisia, Jordan, Lebanon, Sudan, Algeria and elsewhere in MENA region through a regional consortium of LGBTI civil society groups, journalists and rights defenders to help advance LGBTI rights.
- Supporting youth in Iraq to advocate for reconciliation and women's rights via social media champions, community engagement and radio, providing alternatives to extremism.
- Empowering civil society in Syria to advance justice and accountability through documentation of rights abuses, links with international accountability mechanisms, community-level advocacy, and awareness-raising on transitional justice.
- Supporting peace, democracy and plurality in Syria by increasing the participation of Syrian women, youth, and marginalised groups in public and political life.

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TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2021

- Strengthening the environment and capacity for civil society organisations, human rights defenders, journalists, and women activists in Libya to operate more effectively inside Libya, with a focus on the challenges of conflict and COVID-19.
- Supporting a network of media in Libya to produce quality reporting on democracy, human rights, women & youth, serving communities and reaching a national audience.
- Strengthening democratic voices in Libya, Lebanon and elsewhere in the MENA region by building local capacities and resilience to freedom of expression threats.

Global

- Supporting a network of leading think tanks and research groups to study the reach and impact of official disinformation campaigns around the world, and strategies to combat this dangerous phenomenon.

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 of 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 and 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 marginalised 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.

6. 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 Matrix, 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 recognises a diversity of risks facing the charity, ranging from low-level to extreme. Risks are identified and assessed as Severe, Major, Moderate and Minor, both before and after mitigation, and where further mitigation will further reduce the level of risk.

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TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2021

All mitigations have an identified owner.

IWPR has identified the current areas of risk and the current mitigation status as follows:

1. compliance with internal and external policies and regulations - moderate-major
2. financial compliance and control - major
3. corporate risks including business interruption, continuity, and reputation - moderate-major
4. programmatic pipeline and delivery - minor-moderate
5. financial sustainability - major
6. human resources - minor-moderate
7. IT and data security - major
8. physical safety of personnel - major

COVID-19 Impact and Response

Like all organisations, IWPR has continued to be significantly impacted by the coronavirus pandemic. 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 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.

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.

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.

7. FINANCIAL REVIEW

Total income for 2021 was £4,016,210, down £946,157 or 19% on 2020, and principally comprised:

- £3,350,526 from charitable activities, which is analysed by donor in Note 4; and
- £635,589 from our subsidiary IWPR Limited from a Foreign, Commonwealth & Development Office contract.

Total expenditure for the year was £4,339,301, down £608,224 or 12%, on the previous year. Support costs were 12% of total expenditure in 2021 (2020: 8%), leaving 88% (2020: 92%) 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 2021 were £978,422, slightly below the lower end of the target range; the Board of Trustees are working towards a new strategy and will consider ways of improving the reserves over a period of time.

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TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2021

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.

Fundraising

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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TRUSTEES REPORT FOR THE YEAR ENDED 31 DECEMBER 2021

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;
- 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 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.

The Trustees' Report has been prepared in accordance with the small companies' regime and exemption has been taken from preparing a strategic report.

Approved by the Trustees on 23 September 2022 and signed on their behalf by:



SIMON HERSOM

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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 2021 which comprise Consolidated Statement of Financial Activities, the Consolidated and Charitable Company Balance Sheets, 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 2021 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.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Trustees' 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.

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

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' Report (which 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' 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' 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
- 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.

Responsibilities of trustees for the financial statements

As explained more fully in the trustees' responsibilities statement set out on page 11, 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. Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below: Based on our understanding of the group and the environment in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to regulatory requirements for GDPR, Charities Act 2011 and Companies Act 2006, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006, the Charities Act 2011, income tax and payroll tax.

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

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries to revenue and management bias in accounting estimate and application of controls around authorisation of expenditure and payments. Audit procedures performed by the engagement team included:

- Inspecting correspondence with regulators and tax authorities;
- Discussions with management including consideration of known or suspected instances of noncompliance with laws and regulation and fraud;
- Evaluating management's controls designed to prevent and detect irregularities;
- Identifying and testing journals, in particular journal entries posted with unusual account combinations, postings by unusual users or with unusual descriptions; and
- Challenging assumptions and judgements made by management in their critical accounting estimates.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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

Use of our report

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



Murtaza Jessa (Senior Statutory Auditor)
For and on behalf of Haysmacintyre LLP, Statutory Auditor

10 Queen Street Place
London

Date: 23 September 2022

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

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

		Year ended 31 December 2021			2020
	Note	Unrestricted funds	Restricted funds	Total funds	Total funds
Income from:					
Charitable activities	4	-	3,350,526	3,350,526	4,209,589
Donations and legacies		30,095	-	30,095	59,957
Trading activities of subsidiary	5	635,589	-	635,589	692,437
Other		-	-	-	384
TOTAL		665,684	3,350,526	4,016,210	4,962,367
Expenditure on:					
Raising Funds		49,489	-	49,489	47,471
Charitable activities		204,104	3,513,602	3,717,706	4,295,935
Trading activities of subsidiary		572,106	-	572,106	604,119
TOTAL	6 & 8	825,699	3,513,602	4,339,301	4,947,525
Net income/(expenditure) for the year		(160,015)	(163,076)	(323,091)	14,842
Gross transfer between funds		(163,076)	163,076	-	-
NET MOVEMENT IN FUNDS		(323,091)	-	(323,091)	14,842
Total funds brought forward		1,301,513	-	1,301,513	1,286,671
TOTAL FUNDS CARRIED FORWARD		978,422	-	978,422	1,301,513

The notes on pages 14 to 28 form part of these financial statements.

BALANCE SHEETS AS AT 31 DECEMBER 2021

	Note	Group 2021 £	Group 2020 £	Charity 2021 £	Charity 2020 £
FIXED ASSETS					
Investments	9	-	-	2	2
Tangible fixed assets		-	-	-	-
TOTAL FIXED ASSETS		-	-	2	2
CURRENT ASSETS					
Debtors	10	768,399	418,077	852,165	499,505
Cash		1,269,593	1,809,317	965,855	1,528,707
		2,037,992	2,227,394	1,818,020	2,028,212
CREDITORS: amounts falling due within one year	11	(1,059,570)	(925,881)	(903,081)	(815,019)
NET CURRENT ASSETS/(LIABILITIES)		978,422	1,301,513	914,939	1,213,193
NET ASSETS		978,422	1,301,513	914,941	1,213,195
FUNDS					
Restricted funds		-	-	-	-
Unrestricted funds:					
General reserves	12	978,422	1,301,513	914,941	1,213,195
		978,422	1,301,513	914,941	1,213,195

The net movement in funds for the year relating to the parent charity alone amounted to a deficit of £298,254 (2020: a surplus of £87,958).

The financial statements were approved and authorised for issue by the Board of Trustees and were signed on 23 September 2022 on its behalf by:



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SIMON HERSOM
Trustee

The notes on pages 14 to 28 form part of these financial statements.

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CASH FLOW STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2021

	Note	2021 £	2020 £
CASH FLOWS FROM OPERATING ACTIVITIES			
Net cash used in operations	A	<u>(539,724)</u>	<u>(987,839)</u>
 CHANGE IN CASH AND CASH EQUIVALENTS IN THE PERIOD		 (539,724)	 (987,839)
Cash and cash equivalents at 1 January		<u>1,809,317</u>	<u>2,797,156</u>
 CASH AND CASH EQUIVALENTS AT 31 DECEMBER	B	 <u>1,269,593</u>	 <u>1,809,317</u>
		2021	2020
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		(323,091)	14,842
Adjustments for:			
Depreciation charges		-	789
(Increase)/decrease in debtors		(350,322)	82,778
Increase/(decrease) in creditors		133,689	(1,086,248)
 Net cash provided by (used in) operating activities		 <u>(539,724)</u>	 <u>(987,839)</u>
Note B			
Analysis of cash and cash equivalents			
Cash in hand		1,269,593	1,809,317
 Total cash and cash equivalents		 <u>1,269,593</u>	 <u>1,809,317</u>

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NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2021

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 the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (Charities SORP 2019 (Second Edition, effective 1 January 2019)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

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 2021.

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. The ongoing COVID-19 pandemic, including the impact it has had on the UK government's commitment to overseas aid, caused the Trustees to review the positions of the Charity and its subsidiary. Revised forecasts were prepared to review the impact 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.

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NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2021

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.

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NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2021

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 2021 £	Restricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Foreign, Commonwealth & Development Office	-	1,086,759	1,086,759	2,039,032
Royal Ministry of Foreign Affairs Norway	-	986,139	986,139	879,383
Foreign Office of Federal Republic of Germany	-	170,624	170,624	-
Wellspring Philanthropic Fund	-	75,941	75,941	375,138
European Union	-	106,662	106,662	-
Other	-	924,401	924,401	916,036
	-	3,350,526	3,350,526	4,209,589

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NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2021

4. INCOME FROM CHARITABLE ACTIVITIES – continued

	Unrestricted Funds 2020 £	Restricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Foreign, Commonwealth & Development Office	-	2,039,032	2,039,032	2,031,024
Royal Ministry of Foreign Affairs Norway	-	879,383	879,383	928,823
Dutch Post Code Lottery	-	-	-	292,816
Ministry of Foreign Affairs Netherlands	-	-	-	173,048
European Union	-	375,138	375,138	40,082
Other	-	916,036	916,036	644,057
	-	4,209,589	4,209,589	4,109,850

5. TRADING ACTIVITIES OF SUBSIDIARY

The Charity 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 £ 635,589 in 2021 (2020: £692,437) all of which was receivable from the Foreign, Commonwealth & Development Office. The trading results of IWPR (UK) Limited are set out in Note 9 below.

6. NET MOVEMENT IN FUNDS

	2021 £	2020 £
Net movement in funds is stated after charging:		
Depreciation	-	789
Auditors remuneration - audit (excluding VAT)	24,500	23,350
Donor audits and other work (excluding VAT)	16,662	21,990

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NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2021

7. STAFF COSTS

London staff costs:

	2021 £	2020 £
Salaries	1,277,674	1,128,316
Social security costs	152,051	134,544
Pension costs	48,170	41,833
	<u>1,477,895</u>	<u>1,304,693</u>

No redundancy costs were incurred in 2021 (2020: £0).

In addition to the London staff, the activities of IWPR UK are carried out by local staff and consultants in the field offices. These staff and consultants work on shared programmes managed by IWPR and IWPR US. In total IWPR's contribution towards these costs were £478,527.

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

	2021	2020
Media development, training and reporting	13	11
Support	6	6
	<u>19</u>	<u>17</u>

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

	2021	2020
£130,000-£140,000	1	1
£90,000 - £100,000	1	1
£80,000 - £90,000	2	1
£70,000 - £80,000	4	3
£60,000 - £70,000	1	2
	<u>9</u>	<u>8</u>

The total employee benefits of the key management personnel of the UK Charity and the group were £562,761 (2020: £523,618).

Trustees received no remuneration or other benefits for volunteering their time during the year and no trustee expenses were incurred (2020: £0).

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NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2021

8. TOTAL EXPENDITURE

	2021			2020
	Direct	Support	Total	Total
	Costs	Costs	Costs	costs
	£	£	£	£
Raising funds costs	-	49,489	49,489	47,471
Charitable activities: Media development, training and reporting	3,263,362	454,344	3,717,706	4,295,935
Trading activities	569,245	2,861	572,106	604,119
	3,832,607	506,694	4,339,301	4,947,525

	2021	2020
	£	£
Support costs		
Staff costs	215,368	193,413
Staff overheads	38,386	28,912
Depreciation	0	789
Governance: Audit fees	24,500	23,350
Other	228,440	161,479
	506,694	407,943

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.

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2021

	2020		
	Direct costs £	Support Costs £	Total Costs £
Raising funds costs	-	47,471	47,471
Charitable activities: Media development, training and reporting	3,938,483	357,452	4,295,935
Trading activities			
	601,099	3,020	604,119
	4,539,582	407,943	4,947,525

Support costs	2020
	£
Staff costs	193,413
Staff overheads	28,912
Depreciation	789
Governance: Audit fees	23,350
Other	161,479
	407,943

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NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2021

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, Registered office address 48 Gray's Inn Road, London, WC1X 8LT, which was incorporated on 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

	2021	2020
	£	£
Income	635,589	692,437
Expenditure	(569,245)	(601,099)
Gross profit	66,344	91,338
Administrative expenses	(2,861)	(3,020)
	<u>63,483</u>	<u>88,318</u>

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

IWPR (UK) Limited: Balance sheet

	2021	2020
	£	£
Debtors	186,090	134,822
Cash	303,740	280,610
Creditors	(426,345)	(327,112)
Net current assets and net assets	<u>63,485</u>	<u>88,320</u>
Share capital	2	2
Reserves	<u>63,483</u>	<u>88,318</u>
	<u>63,485</u>	<u>88,320</u>

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NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2021

10. DEBTORS

	Group		Charity	
	2021	2020	2021	2020
	£	£	£	£
Inter-charity debtors	551,530	86,478	551,530	86,478
Due from subsidiary	-	-	269,856	216,251
Grants receivables	197,456	285,430	12,445	152,180
Staff advances	995	1,307	995	1,307
Prepayments	18,418	44,592	17,339	43,289
Other debtors	-	270	-	-
	768,399	418,077	852,165	499,505

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NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2021

11. CREDITORS:
Amounts falling due within one year

	Group		Charity	
	2021	2020	2021	2020
	£	£	£	£
Deferred income	640,504	610,325	640,504	610,325
Trade creditors	62,631	26,584	62,631	24,964
PAYE and other taxes	44,088	42,459	44,088	42,459
Due to IWPR US	141,705	62,522	-	-
Other creditors	39,425	46,619	27,061	8,940
Accruals	131,217	137,372	128,797	128,331
	<u>1,059,570</u>	<u>925,881</u>	<u>903,081</u>	<u>815,019</u>

Deferred income

	Group		Charity	
	2021	2020	2021	2020
	£	£	£	£
At 1 January	610,325	1,124,065	610,325	1,076,277
Amount released in year	(610,325)	(1,124,065)	(610,325)	(1,076,277)
Amount deferred in year	640,504	610,325	640,504	610,325
At 31 December	<u>640,504</u>	<u>610,325</u>	<u>640,504</u>	<u>610,325</u>

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

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NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2021

12. RESTRICTED FUNDS: MOVEMENT IN YEAR

	As at 1 January			Transfer	As at 31 December
	2021	Income	Expenditure	Between funds	2021
	£	£	£	£	£
Unrestricted funds					
General funds	1,301,513	665,684	(825,699)	(163,076)	978,422
Total unrestricted funds	1,301,513	665,684	(825,699)	(163,076)	978,422
Restricted funds					
Central Asia, Caucasus & Ukraine	-	1,242,247	(1,239,895)	(2,352)	-
MENA	-	912,762	(1,026,428)	113,666	-
Other regions	-	1,195,517	(1,247,279)	51,762	-
At 31 December 2021	-	3,350,526	(3,513,602)	163,076	-
TOTAL FUNDS	1,301,513	4,016,210	(4,339,301)	-	978,422

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 2021

12 RESTRICTED FUNDS - continued

	As at 1 January			Transfer	As at 31 December
	2020	Income	Expenditure	Between funds	2020
	£	£	£	£	£
Unrestricted funds					
General funds	1,286,671	752,778	(714,103)	(23,833)	1,301,513
Total unrestricted funds	1,286,671	752,778	(714,103)	(23,833)	1,301,513
Restricted funds					
Central Asia, Caucasus &					
Ukraine	-	1,414,098	(1,413,745)	(353)	-
MENA	-	1,879,455	(1,902,560)	23,105	-
Other regions	-	916,036	(917,117)	1,081	-
At 31 December 2021	-	4,209,589	(4,233,422)	23,833	-
TOTAL FUNDS	1,286,671	4,962,367	(4,947,525)	-	1,301,513

THE INSTITUTE FOR WAR AND PEACE REPORTING

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2021

13. ANALYSIS OF NET ASSETS BETWEEN FUNDS

GROUP	Fixed assets	Net current assets/(liabilities)	Fund balances
	£	£	£
Restricted funds	-	-	-
General funds	-	978,422	978,422
At 31 DECEMBER 2021	-	978,422	978,422

CHARITY	Fixed assets	Net current assets/(liabilities)	Fund balances
	£	£	£
Restricted funds	-	-	-
General funds	2	914,939	914,941
At 31 DECEMBER 2021	2	914,939	914,941

THE INSTITUTE FOR WAR AND PEACE REPORTING

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2021

13 ANALYSIS OF NET ASSETS BETWEEN FUNDS - continued

GROUP	Fixed assets	Net current assets/(liabilities)	Fund balances
	£	£	£
Restricted funds	-	-	-
General funds	-	1,301,513	1,301,513
At 31 DECEMBER 2020	-	1,301,513	1,301,513

CHARITY	Fixed assets	Net current assets/(liabilities)	Fund balances
	£	£	£
Restricted funds	-	-	-
General funds	2	1,213,193	1,213,195
At 31 DECEMBER 2020	2	1,213,193	1,213,195

14 OPERATING LEASES

The Group rented its London offices under a 5 year operating lease that expired in February 2022. The lease was renewed under a new 5 year operating agreement commencing on 24 February 2022, with a break clause in February 2025.

	2021	2020
	£	£
Minimum lease payments under operating lease		
recognised as an expense during the year	49,230	49,230

At 31 December 2021, the Charity had outstanding commitments under non-cancellable operating leases as follows:

	2021	2020
	£	£
Payable within one year	37,746	49,230
Payable between two and five years inclusive	77,543	7,283
At 31 December	115,289	56,513

THE INSTITUTE FOR WAR AND PEACE REPORTING

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2021

15 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.

16 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 £872,121 to IWPR UK to cover costs incurred by IWPR UK in the execution of projects signed by IWPR US (2020: £813,211). In addition, IWPR US incurred costs of £512,844 (2020: £695,117) in the execution of projects signed by IWPR UK.

As at 31 December 2021 there was an inter-charity debtor owing by IWPR US of £522,203 (2020: £66,883) and an inter-charity creditor owing to IWPR US of £141,705 (2020: £62,522). The inter-charity debtor owing by IWPR NL as at 31 December 2021 was £29,321 (2020: £19,595).

David Bell is a trustee of IWPR UK, IWPR US and IWPR NL. Simon Hersom is a trustee of both IWPR UK and IWPR NL. Stephen Jukes and Richard Caplan are trustees of both IWPR UK and IWPR US (Richard Caplan resigned as a trustee of IWPR UK in June 2021).

17 ANALYSIS OF CHANGES IN NET DEBT

	At 1 January 2021 £	Cashflows £	Non-cash changes £	At 31 December 2021 £
Cash at bank and in hand	1,809,317	(539,724)	-	1,269,593
	1,809,317	(539,724)	-	1,269,593

18 POST BALANCE SHEET EVENTS

There have been no post balance sheet events that would impact on the Financial Statements for the year ended 31 December 2021.