

Company number: 07296495

Charity number: 1137636

Fight for Peace International

Report and financial statements

For the year ended 31 December 2021

Fight for Peace International

Contents

For the year ended 31 December 2021

Reference and administrative detail	1-2
Trustees' annual report	3-16
Independent auditor's report	17-20
Statement of financial activities (incorporating an income and expenditure account)	21
Balance sheet	22
Statement of cash flows	23
Notes to the financial statements	24-35

Reference and administrative details

For the year ended 31 December 2021

Company number	0729649	
Charity number	1137636	
Registered office and operational address	Fight for Peace Academy Woodman Street, North Woolwich London, E16 2LS	
Country of registration	England & Wales	
Country of incorporation	United Kingdom	
Trustees	Alex Le Vey Andrea Sinclair Andrew Fox Anne-Marie Piper Audrey Bampoe (resigned on 22/04/2022) Renato Lulia Jacob	
Secretary	Valeria Tavares (resigned on 29/03/2022) Kedir Mohammed (appointed on 29/03/2022)	
Managerial staff	Jenny Oklikah Jameel Moreea Kedir Mohammed Susi Taylor Jacob Whittingham Vigors Amy Swart Tracy Pepper Jean-Pierre Moore Adam Johnson	CEO Head of Finance (left on 26/11/2021) Finance Director (from 22/11/2021) Head of Alliance (left on 18/12/2021) Director of Practice and Programme Development (left on 09/04/2021) Director of Partnerships (left on 11/08/2021) Interim People Director (from 06/04/2021) Academy Director (from 02/08/2021) Interim Director of Income Generation and Engagement (from 16/08/2021 & left on 10/06/2022)

Reference and administrative details

For the year ended 31 December 2021

Bankers	Unity Trust Bank Nine Brindley Place BIRMINGHAM, B1 2HB
Solicitors	Farrer & Co 66 Lincoln's Inn Fields LONDON, WC2A 3LH
Auditor	Sayer Vincent LLP Chartered Accountants and Statutory Auditors Invicta House, 108-114 Golden Lane LONDON, EC1Y 0TL

Trustees' annual report

For the year ended 31 December 2021

The trustees, who are also Directors of the charitable company, present their annual report (incorporating the Directors' Report) of the affairs of the charity, together with the financial statements and auditor's report for the year ended 31 December 2021.

The trustee's report has been prepared in accordance with the provisions applicable to companies entitled to small company exemption. The company has taken the exemption afforded to small companies not to present a Strategic Report.

Reference and administrative information set out on page 1 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: SORP applicable to charities preparing their accounts in accordance with FRS 102.

Charity Objectives and Activities

Objects

To act as a resource for young people throughout the world by providing advice and assistance and organising programmes of physical education and other activities as a means of:

- Helping young people advance in life by developing their skills, capacities and capabilities to enable them to participate in society as independent, mature and responsible individuals;
- Advancing education;
- Relieving unemployment, and
- Providing recreational and leisure time activities in the interest of social welfare for people who have need for whatever reason.

Mission statement

Fight for Peace works in communities affected by inequality and violence so that young people can promote and participate in peaceful and inclusive societies.

Context

About Fight for Peace

Fight for Peace supports young people to reach their full potential and promotes peace in our communities. We do this by providing access to the opportunities, support and safe environment that any young person needs to thrive, and by using a public health approach to violence prevention.

In the communities where we work, young people often face significant barriers to their development, including a lack of access to basic rights and disproportional levels of violence. We work together with young people to address these challenges via three strategic focuses:

Trustees' annual report

For the year ended 31 December 2021

At our **Academies** we work directly with young people, developing their potential through integrated programmes of support and inclusion using our Five Pillars model;

We work with our **Alliance** to build the organisational capacity and youth focused programmes of community based partners around the world, bring partners together and share learning .

Through **Collectives** we work across communities, bringing together a range of partners, services and organisations to collaborate on a range of violence prevention and collective impact programmes to support young people.

Informed by a public health approach and adapted to the different contexts in which we work, our programmes are designed to meet the needs of every young person in the community. Within this, we also focus on working intensively with individuals or groups identified as being at risk of becoming victims or perpetrators of violence. And we support young people most at risk of harm, or causing harm, to disengage from violence, and work to prevent them reoffending or being victimised again.

Activities for the public benefit

We have referred to the guidance in the Charity Commission's general guidance on public benefit when reviewing our aims and objectives and in planning our future activities. In particular, the trustees consider how planned activities will contribute to the aims and objectives they have set.

Activities undertaken in 2021 for the public benefit included:

1. Delivering sports, education, employability, youth support services and youth leadership programmes at the Fight for Peace Academy and online to young people;
2. Providing training and support Fight for Peace Alliance members in the UK and internationally to build their organisational and programming capacity, based on the Fight for Peace methodology;
3. Leading the Fight for Peace Alliance to strengthen and scale programmes for young people in communities impacted by inequality and violence , sharing practice and providing training
4. Leading Collectives programmes - which draw on the collective impact methodology - in London and Jamaica.

Structure, Governance and Management

The Charity is constituted as a company limited by guarantee and not having share capital. It is governed by its Memorandum and Articles of Association and is registered with the Charity Commission in England and Wales.

Trustees give their time voluntarily and receive no remuneration or other benefits. Trustees are required to disclose all relevant interests and by custom withdraw from any decision where a conflict of interest arises.

Trustees are recruited using appropriate recruitment methods including open advert. All appropriate checks are carried out including with the Disclosure and Barring Service, conflict of interest and case. and barring.

Trustees' annual report

For the year ended 31 December 2021

Trustees meet as a minimum quarterly and have responsibility for the overall management of the charity, ensuring compliance with the charity's objects and relevant legislation. In addition to regular quarterly board meetings, from the beginning of the COVID-19 pandemic in March 2020 trustees worked closely with the executive team via weekly then monthly board meetings that focused on responses to the COVID-19 pandemic and in managing risks. In 2022 we returned to a Bimonthly meeting cycle. It is our intention to return to quarterly meetings in 2023.

Trustees also sit on one of two committees. The charity's Audit and Risk Committee meets quarterly with clear terms of reference providing oversight and guidance on matters of finance and risk. A Development Committee which meets monthly has a clear focus on providing oversight and guidance on income generation. Trustees attending committees report to the Board on progress and matters pertinent to the Board.

Staff Remuneration Policy

In setting salaries, the Trustees take account of the skills and experience required for all roles, and the affordability for the organisation. During 2021, there were no changes to employee terms and conditions other than the flexibility to work from home during COVID restrictions. There have been no cost-of-living increases to pay bands due to the difficult trading conditions. We continue to benchmark across the sector and terms and conditions broadly remain in line with charities of a comparable size.

Risks

The trustees have considered the major risks to which the Charity is exposed. The Trustees consider the most significant risks to be related to:

- **Finance / Cashflow** – the protection of the Charity's assets and future funding and short-term liquidity risk such as inability to pay for activities, staff, and suppliers.
- **Safeguarding** - the protection of young people the Charity serves, including those served by our network of partner organisations. This risk could involve serious safeguarding incident happening due to poor safeguarding practice at the Academy.
- **Regranting** - risk associated to regranting such as recipient organisation fails or is unable to operate which could lead to loss of the Charity's assets and reputation as well as opportunity for future funding.
- **Health and safety** - the protection of staff and young people who attend our Academy and other events from a serious health & safety incident or serious injury.
- **Data breach** - the protection of confidentiality of personal information about our members, staff and partners.
- **Staff** - recruitment of staff with leadership skills and the retention of employees that work in the frontline and administration of the charity.

Systems and procedures have been established to manage risk in as efficient a manner as is appropriate to a charity of the size and scale of Fight for Peace. A risk register is maintained, and the risks are reviewed by the Executive monthly and reported every 6 months to the Audit and Risk Committee.

- **Finance / Cashflow** – The Trustees and staff work together to protect the assets and funding of the organisation to enable ongoing provision of services to our beneficiaries. Financial controls are in place, including scheme of delegation, monthly reporting schedules, and closely monitored fundraising pipeline. Regular cashflow forecast carried out and shared with the Executive Team and Board.

Trustees' annual report

For the year ended 31 December 2021

- **Safeguarding** - staff undertake Child Protection Training and have a DBS check on joining the organisation. Checks are repeated every two years as a minimum. Regular safeguarding training and review of the Safeguarding Policies are undertaken to ensure all staff are familiar with the contents. Designated safeguarding lead in place. Embedded Senior Staff Safeguarding Team with weekly meetings and reporting lines.
- **Regranting** – Regranting framework approved by the board. Robust due diligence in place using the 'know your partner' framework which is completed before sub granting.
- **Health and Safety** – Experienced and qualified Facilities Manager in place. Health and safety induction part of induction process for all staff and robust risk assessment is periodically reviewed. H&S manual and processes and regular maintenance schedule in place.
- **Data breach** - GDPR policies and procedures as well as Data Protection Lead in place with clear personal responsibility for all staff. Personal and sensitive information stored online is shared on a need-to-know basis. Secure platforms are used to store HR data and information about beneficiaries. Filing, document control & data governance system under review.
- **Staff** - Jobs advertised in wide recruitment space including social media. Regular market checks of reward performed. Staff offered flexible working, a generous holiday allowance, and access to external support where necessary.

Subsidiaries and related parties

Fight for Peace Trading Limited is a wholly owned subsidiary of Fight for Peace International. The principal activity of this trading company is the collection of royalties and the organisation of events to raise funds for the benefit of Fight for Peace International. The accounts presented from page 21 onwards are consolidated accounts.

Fight for Peace International works closely with our sister and founder organisation Luta Pela Paz based in Brazil. Luta Pela Paz and Fight for Peace share a common mission and social objectives, organisational values, working methodologies and programme designs. This is reflected in the Global Strategy designed in partnership every 4 years. The relationship is governed by a Master Framework Agreement.

Trustees

The Trustees who served during the period are shown on page 1 to these statements. Every Trustee is also a director of the company and the liability of each member in the event of winding up is limited to £1. There are a minimum of three trustees at any time.

One trustee resigned in April 2022 and we are working to replace this role with the appropriate skills during 2022.

Trustees' annual report

For the year ended 31 December 2021

Overview of Organisation Performance

2021 has been a year like no other for Fight for Peace, a year of digging deep and drawing on our deep sense of courage and our practical resilience in responding to the challenges of the pandemic, changes in funding, and personal loss. We give tribute to our partners in communities around the world that have faced significant hardship with determination and perseverance.

Financial landscape

During 2021 we have experienced significant short term financial challenges. This was primarily down to 3 key factors:

COVID brought an unprecedented slowing down of grant making for organisations across the charity sector, and general uncertainty in the grant-making and corporate environment. The exception was emergency or COVID related support (which we were the beneficiaries of). This however was insignificant compared to the previous income levels raised particularly from Trusts and Foundations.

At the same time, the significant financial support that we received from Reebok ended in 2021, much earlier than expected. We thank Reebok for their contribution which has been significant over the years and as they continue to provide clothing for young people and team members at our Academy.

The increase in demand for services amongst the young people we serve, as well as greater complexity of need, including increased social isolation, disconnect from school, family stress and mental health challenges.

The financial factors resulted in a reduction year on year of income over £2m (2021: £2.1m / 2020: £4m) and a loss in year of £954k.

During the year, we acted quickly to reduce our cost base significantly through: Reductions in non-vital programme spend, team restructuring including voluntary and compulsory redundancies, and merging director posts and imposing a recruitment freeze.

Throughout this process, frontline services to young people have been protected. This strategic decision reflects the importance of our impact on young people's lives and the increased need for support we are seeing due to Covid.

An effective rebuild of the income pipeline in early 2022 and diversification into new income areas such as events (funded by our corporate partners) has helped improve the financial position in subsequent year. This includes the development of long-term strategic partnerships, including our new relationship with Sport England as a national partner working to improve the 'sport for development' sector across the country.

The position continues to improve and although leaner, we maintained high-quality personal development, employability, and sports services for young people at our London Academy and achieved excellent outcomes with our Fight for Peace Alliance and Collectives partners across the UK and internationally.

Delivery highlights included:

- Receiving the prestigious Children and Young People Now Youth Justice Award for our Special Project work with young men impacted by violence and trauma.

Trustees' annual report

For the year ended 31 December 2021

- Strengthening the work of Alliance partner organisations working in communities most affected by COVID-19, and our report on the way partners were proactively responding to the increased challenges faced by young people (such as poor mental health).
- Establishing a comprehensive neighbourhood violence prevention programme with consortium partners, Ambition Aspire Achieve, Exit Foundation, and Rights and Equalities in Newham (REIN), with the support of Newham Council, funded by the Mayor of London's Violence Reduction Unit.
- Providing a platform for the voices of young people in our Jamaica Collectives programme to challenge stigma and focus on their strengths and aspirations.
- Supporting young creatives to play a full part in our communications, producing much of our video and photography content during the year.

The development of a new Global Strategy for the next three years with our sister and founder organisation, Luta pela Paz, underpins the importance of our strong partnership and heritage as a global organisation, and our ambition to rebuild and return to sustainable growth. We are developing innovative ways to strengthen our working practices, leadership, and services, which will sustain us into the future.

Achievements and Performance

LONDON ACADEMY

Key Metric:

556 young people accessed services, including 210 new members.

88% of members rate our work as good or excellent.

78% of young people who reported improved mental health attribute it to support from their coach/mentor.

92% of young people who reported improved confidence attribute it to doing sports.

Key achievements:

Throughout the pandemic, services to young people remained our priority with over 290 mentoring sessions taking place. Over 384 combat sports sessions were delivered and during the third UK lockdown, we rolled out online provision of sports, personal development and mentoring programmes for young people and embarked on a phased reopening of our face-to-face services from March 2021 in line with government guidelines.

Our athletes excelled despite long absences from competition due to the pandemic, with several competing successfully in London & regional boxing competitions.

61 young people received employment support and we produced a series of employment Tips & Tricks videos for social media aimed at supporting young people to build their skills for securing a job in testing times.

Trustees' annual report

For the year ended 31 December 2021

We launched the Man Talk personal development group providing a space for boys and young men at Fight for Peace to come together to discuss issues that affect them and gain a deeper personal understanding of what masculinity means in our society.

Young creatives played an important role in the work of our communications team producing and influencing digital and visual content aimed at highlighting the work of Fight for Peace and amplifying the voices of our young people. Creative projects included short films, photo shoots, blogs written for our website and social media content.

FAHMIDA SULTANA, HEAD OF YOUTH COUNCIL

There were many highlights in the year 2021, but one of the most pleasant highlights for me would be seeing more young people joining Fight for Peace. Throughout the year, the number of new members has been increasing, and I've loved seeing how young people have built the confidence and grown throughout the whole journey from where they have started.

I'm very excited to see how Fight for Peace will grow and have a positive impact on young people's lives, helping and guiding them through any hardship or difficulties they may face on their journey, particularly as we slowly come out of the pandemic as it can be hard to get back to normal.

My hopes for the future as a Head of Youth Council is to allow young people to build their journey from where they started to where they will become, making an impact through building confidence, leadership skills and much more that can be passed onto the next generation. I also hope that I can be a role model for those who seek a vision of who they would like to become.

Focus for 2022- Centre of Excellence

- Improve, strengthen, and replicate core approaches, including an increased emphasis on support services and mental health.
- Extend the operational hours of Open-Access and targeted sessions to offer wider range of services to young people.
- Deepen our relationship with Alliance partners through focused work on education and sharing practice developed by partners supporting young people through the pandemic.
- Strengthen our teams of sports coaches (Life Champions: coaches that combine sports with mentoring and youth work).
- Develop, share and promote programmes and services that respond to 3 key transversal themes: gender and sexuality, race and ethnicity, and disability. Specifically in 2022, we will develop targeted services for young people with disability and the LGBTQ community.

ALLIANCE

2021 Key metric:

Through the Fight for Peace Alliance, we provided grants to 22 Alliance partner organisations across England to help reduce the negative impact of the COVID-19 pandemic

21 new Alliance partner organisations were trained in the Fight for Peace methodology in Brazil.

183 young people participated in alternative education programmes delivered by Alliance partner organisations.

Trustees' annual report

For the year ended 31 December 2021

Key achievements:

We completed and published our five parts Fighting Back podcast series which saw Alliance partner organisations from across the UK come together to discuss and share learning on responses to the COVID-19 pandemic, and adapting services to meet the needs of some of our most vulnerable groups of young people.

We provided support to 23 Alliance partner organisations to continue delivering alternative education programmes, using Fight for Peace methodology adapted for their local communities. We commissioned an external evaluation of this programme and shared key findings with our partners.

An important step was the creation of a development group composed of representatives from Alliance partner organisations to support and guide the continued development of the Alliance.

Despite the pandemic, Fight for Peace Alliance partner organisations simultaneously staged events in six locations in Wales, England and Northern Ireland. As part of the events, participating organisations led workshop style sessions covering a range of topics including youth leadership, education, working with students with Special Education Needs and Disabilities (SEND), inclusive boxing, and nutrition.

Finally, we worked closely with four Alliance partner organisations to understand how young people had been affected by the COVID-19 pandemic and the adaptations made to meet growing needs. We found that mentoring services provided grew by 18%, and the demand for non-sport support increased. As a result, Fight for Peace produced a position paper which advocated for authorities to provide more resources for upskilling sports coaches to professionalise the role they fulfil as mentors and role models to respond to the mental health needs of young people.

Focus for 2022:

- Refresh the Alliance strategy in line with the new Fight for Peace organisational strategy. We aimed to do this in 2021 but work has carried over to 2022 due to the pandemic.
- Continue to build capacity amongst partners particularly new and developing members.
- Commence delivery of our unique Life Champions training for coaches across the Alliance network.
- Continue to collaborate with Alliance partners in the areas of income generation, programme design and influencing local and national policy for Sport for development.
- Create a systems approach to gathering and utilising network data to gain insight in the areas the network operates- this will be developed as part of a digital platform.

COLLECTIVES

2021 Key metric:

ACT-AS-1 partners delivered over 200 detached outreach street work sessions in Newham, engaging more than 2000 young people.

UP Unity & Peace in Jamaica delivered:

- 1153 psycho-social support sessions delivered to 260 participants, including 234 parent/family support sessions.
- 605 sports sessions delivered to 266 participants.
- 334 education sessions delivered to 130 participants.
- 19 gender-based violence awareness workshops for community members

Trustees' annual report

For the year ended 31 December 2021

Key achievements:

ACT-AS-1

In 2021, Fight for Peace was successful in a consortium bid to the Mayor of London's Violence Reduction Unit to deliver a two-year programme working in a collective with three local organisations, Ambition Aspire Achieve (AAA), Exit Foundation, and Rights and Equalities in Newham (REIN).

Carried out over 200 detached outreach street work sessions, engaging more than 2000 young people in Newham. Responded to fatal and dangerous incidents in collaboration with Newham Borough Council's detached teams, having a presence in local hot spot areas and parks to help reduce the risk of increased violence.

Delivered 37 youth safety workshops in primary schools, reaching over 1100 young people. Held community round table events with 150 attendees from diverse sectors to discuss approaches to improving youth safety. Provided intense mentoring for vulnerable young people referred from specialist youth services, taking a whole family approach to offering support.

We also welcomed a visit from the Mayor of London, Sadiq Khan, and the Mayor of Newham, Rohksana Fiaz, to the areas of the borough where the ACT-AS-1 Collective operates.

NEWHAM YOUTH PARTNERSHIP

The Newham Youth Map was created with young people from Youth Empowerment, HeadStart, Fight for Peace and University College London (UCL). The map showcases youth-focused activities available in and around Newham.

The contacts and relationships in the Newham Youth Partnership built the foundation of the Multi-Agency Collective in Newham, which provides a weekly case discussion and referrals system for young people on the Child and Adolescent Mental Health Services (CAMHS) waiting list.

UP UNITY & PEACE, JAMAICA

Despite ongoing COVID restrictions, we were able to provide ongoing access to sport in communities with high levels of violence and limited access to recreational activities.

We trained 13 community-based organisations and supported collaborative programme delivery by four community-based organisations. This included homework help programmes for young people whose education had been disrupted by COVID-19. These programmes reached more than 100 students.

We also delivered a human-rights awareness programme in Kingston's Zone of Special Operations, training both community leaders and security forces and supporting co-delivery by 11 local organisations who reached more than 400 young people.

We trained and supported NGOs, community-based organisations and state agencies to improve their sport delivery and to raise awareness of using sport as a tool to reduce gender-based violence. We also developed and piloted innovative programming in sport for employability and sport-based psycho-social support.

Trustees' annual report

For the year ended 31 December 2021

We expanded our Youth Council to include 13 youth leaders from three communities and trained them in advocacy and communication to support youth-led campaigns.

We continue to strengthen our contribution to national policy and programme development in violence prevention, sharing best practices with the National Commission on Violence Prevention and the Planning Institute of Jamaica.

SOUTH AFRICA

We have now transitioned arrangements in South Africa and are no longer operating directly in this region. We continue to monitor the effectiveness of the transition and will report in 2022 on the success of the handover.

Collectives focus for 2022:

Newham Youth Partnership

- Ensure the success of the Newham Youth Partnership as the strong foundation for the in-depth collective impact programme in Newham and wider London.
- Develop our Collective Impact approach in Newham and strengthen the voice of the sector when communicating with the council.
- Build on the reputation of the Pan-Newham partnership as the route into children and young people's services across Newham and actively participate in the infrastructure body for the Voluntary Community and Faith Sector (VCS).
- Continue to build better links across the council and VCS spaces to maximise opportunities offered by the council.
- Influence the Newham Public Health Department in the design of a model of social prescribing for children and young people. This will be a system for professionals to easily identify activities in the community for young people to improve their health and wellbeing.

UP Unity & Peace, Jamaica:

- Complete the implementation of an integrated youth violence prevention programme based on the public health approach and delivered using collective impact.
- Improve trust, understanding and confidence between public security forces (police and military) and the community in the Zone of Special Operations in Denham Town.
- Secure the sustainability of the model by continuing integration with relevant government entities and advocating for sport as a tool for violence prevention to be integrated into government policy, practice and budgets.

Fundraising performance

The fundraising environment remained challenging for the most part in 2021 with a slowdown in the grant making process due primarily to COVID and change in relationship with our sponsor Reebok.

With just over £800k of new income secured, Fight for Peace income for 2021 was £2.1m (2020: £4m) of which £1.6m was restricted.

Trustees' annual report

For the year ended 31 December 2021

We are particularly delighted to become a Sport England Systems partner in 2021 extending our ability to influence the wider Sport for Development sector, bringing our expertise in the areas of youth development and violence prevention.

In 2021, Fight for Peace fundraised income was as follows:

- Statutory and Lottery sources, including Sport England, National Lottery Community Fund and GLA £1,007k (48%)
- Trusts and Foundations £649k (31%)
- Individuals & Other £175k (8%)
- Corporates (including Reebok) £285k (13%)

During 2021, in response to the challenging financial position the “Fight Back Appeal” was launched. This is the first of its kind for the charity and had limited success. However, as a direct result of this work, it strengthened our relationships with a range of partners including keystone Developers and was useful learning opportunity.

2022 has seen a return to a more positive Fundraising environment.

Fundraising policy

Fight for Peace raises funds through relationships with grant making bodies, statutory sources and companies. We have worked hard to build and maintain these relationships over many years in some cases and are focusing our attention on diversifying our income streams.

Fight for Peace follows the Code of Fundraising Practice and the Institute of Fundraising’s guidance on Treating Donors Fairly. Fight for Peace also adheres to relevant guidelines and legislation around data protection including guidance from the Information Commissioner's Office.

Third party fundraising was undertaken by some of our corporate partners, all of whom had an existing relationship with Fight for Peace. On these occasions, Fight for Peace supported them with information, brand collateral and other material, on a case-by-case basis.

Fight for Peace operates fundraising in a way that is compliant with the Fundraising Regulators Code. Fight for Peace has not received any complaints regarding fundraising to date.

Trustees' annual report

For the year ended 31 December 2021

Financial review

The Group received income of £2.1m (2020: £4m) of which the majority was voluntary income from grants and donations. This income together with funds carried over from prior year enabled Fight for Peace to deliver its activities as outlined in the Activities section of the Trustees' report. Group expenditure for the year was £3.1m (2020: £3.6m) and resulted in net deficit for the year of £954k (surplus in 2020: £390k). Main causes of the deficit are: 1) reduction in grant income due to slowdown of grant-making due to Covid; 2) reduction in royalties income following our financial support from Reebok coming to an end in 2021; & 3) increased cost due to high demand of services amongst the young people we serve. As of 31 December 2021, unrestricted funds for the year were £2.8m (2020: £3.4m).

Reserves

The Fight for Peace reserves policy is designed to provide the charity with a robust financial platform from which to manage opportunities and challenges. The policy is informed by Fight for Peace's values and an understanding of our risk profile.

The charity holds three main categories of reserves:

Restricted funds primarily derived from various funders that must be utilised for a particular charitable object of the funds. Restricted funds at the year-end were £365k (2020: £673k)

Unrestricted Designated fund represents net book value of the charity's investment in major improvement works done on its head office building which is on a long-term lease from the London Borough of Newham. Designated fund at year-end was £2.5m (2020: £2.6m).

Unrestricted General funds are generated when no stipulation is made by the donor. However, these funds must be expended in line with the charity's objects, which is the legal responsibility of the trustees. Unrestricted general funds at the year-end were £259k (2020: £793k). The reduction in this fund is mainly attributed to the deficit for the year that was caused by the key reasons discussed in the financial review section above.

The unrestricted general funds are used as free reserves to provide funds that can be drawn upon and applied at the discretion of the charity to maintain its operations. The free reserves are made up of unrestricted funds sourced from earned income, royalties, donations, and savings made against previous project budgets where the funder has agreed that Fight for Peace can use the savings as reserves.

The free reserves are available to ensure Fight for Peace can undertake the following responsibilities:

- 1** Pay redundancies in the event of downsizing or closure which will be calculated at the statutory rate.
- 2** Pay legal and financial advisors to advise on the closing down / downsizing process, plus two key administration staff to manage the process.
- 3** Retain a small senior management taskforce for 6 months, designed to save the organisation in extreme circumstances.
- 4** Retain a core frontline delivery team and associated running costs for 6 months to allow the continuation of essential Academy programmes (Open Access and tertiary casework).

Trustees' annual report

For the year ended 31 December 2021

- 5** Manage unforeseen costs, including emergencies, so that our work can continue to the highest standards in difficult or unexpected circumstances.
- 6** Bridge short-term gaps in income to ensure we can retain key staff.

A target level of unrestricted free reserves has been established in a reserves policy, to ensure the charity has adequate funds to operate, taking account of any unforeseen circumstances. The reserves fund is monitored monthly by the executive team and presented to Trustees on a quarterly basis. The target level of free reserves is currently set as £400k with an ambition to increase it to £550k by end of 2024.

Under the new strategy, the charity is putting in a concerted effort to build up its unrestricted income and free reserves. This will enable the charity to return to a position of target level free reserves in the medium & long term in line with the charity's reserves policy.

Going concern

Directors have assessed the organisation risks presented by the Management including the social and economic impact of the pandemic on income generating activities and cash flow for 2022 and into 2023.

Management has produced forecasts of income and cash generation that have been sensitised to reflect plausible upside and downside scenarios and their impact on the Charity, People and Resources which have also been reviewed by the Trustees. Contingency plans have been developed and reviewed.

These demonstrate the Charity is forecast to generate cash in the next 12 months and to the year ending December 2023 to carry on its activities and the Charity has sufficient cash reserves to enable it to meet its obligations as they fall due.

Based also on previous years' income and cash generation profiles, the Trustees believe that the Charity is well placed to manage its financing and other business risks satisfactorily. Establishment and potential future recruitment of expertise in core areas will also enable an effective rebuild of scale into 2023.

Trustees therefore have a reasonable expectation that the Charity will have adequate resources to continue in operation for at least 12 months from the signing date of the annual report and accounts and consider it appropriate to adopt the going concern basis of accounting in preparing the financial statements.

Trustees' annual report

For the year ended 31 December 2021

Trustees' responsibilities statement

The trustees (who are also directors of the organisation for the purposes of company law) are responsible for preparing the trustees' annual report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law required the trustees to prepare financial statements for each financial period which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the group for that period. In preparing these financial statements, the trustees are required to:

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

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the Group 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.

In so far as the trustees are aware:

- There is no relevant audit information of which the charitable company's auditor is unaware;
- The trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Auditor

Sayer Vincent LLP were appointed as the charitable company's auditor during the year and have expressed their willingness to continue in that capacity.

This report was approved by the Trustees on 26 September 2022 and signed on their behalf by

Anne-Marie Piper
Chair, Fight for Peace International Board of Trustees

Independent auditor's report

To the members of

Fight for Peace International

Opinion

We have audited the financial statements of Fight for Peace International (the 'parent charitable company') and its subsidiary (the 'group') for the year ended 31 December 2021 which comprise the consolidated statement of financial activities, the group and parent charitable company balance sheets, the consolidated statement of cash flows and the 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 FRS 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 incoming resources and application of resources, including its income and expenditure, for the year then ended
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice
- Have been prepared in accordance with the requirements of the Companies Act 2006 and the Charities Act 2011

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the group financial statements section of our report. We are independent of the group and parent charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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 Fight for Peace International'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.

Independent auditor's report

To the members of

Fight for Peace International

Other Information

The other information comprises the information included in the trustees' annual report, other than the group financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the group 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. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the group financial statements or our knowledge obtained in the course of 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 this gives rise to a material misstatement in the group financial statements themselves. 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 for the financial year for which the financial statements are prepared is consistent with the financial statements
- 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 their environment obtained in the course of the audit, we have not identified material misstatements in the trustees' annual report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and Charities Act 2011 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 directors 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' annual report and from the requirement to prepare a strategic report.

Independent auditor's report

To the members of

Fight for Peace International

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities set out in the trustees' annual report, the trustees (who are also the directors of the parent 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

We have been appointed auditor under the Companies Act 2006 and section 151 of the Charities Act 2011 and report in accordance with those Acts.

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 are set out below.

Capability of the audit in detecting irregularities

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- We enquired of management, and the audit and risk committee, which included obtaining and reviewing supporting documentation, concerning the group's policies and procedures relating to:
 - Identifying, evaluating, and complying with laws and regulations and whether they were aware of any instances of non-compliance;
 - Detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected, or alleged fraud;
 - The internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.
- We inspected the minutes of meetings of those charged with governance.
- We reviewed reporting from overseas partners and operations during the period.

Independent auditor's report

To the members of

Fight for Peace International

- We obtained an understanding of the legal and regulatory framework that the group operates in, focusing on those laws and regulations that had a material effect on the financial statements or that had a fundamental effect on the operations of the group from our professional and sector experience.
- We communicated applicable laws and regulations throughout the audit team and remained alert to any indications of non-compliance throughout the audit.
- We reviewed any reports made to regulators.
- We reviewed the financial statement disclosures and tested these to supporting documentation to assess compliance with applicable laws and regulations.
- We performed analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.
- In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments, assessed whether the judgements made in making accounting estimates are indicative of a potential bias and tested significant transactions that are unusual or those outside the normal course of business.

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 is available 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 and section 144 of the Charities Act 2011 and regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the 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.

Noelia Serrano (Senior statutory auditor)

28 September 2022

for and on behalf of Sayer Vincent LLP, Statutory Auditor

Invicta House, 108-114 Golden Lane, LONDON, EC1Y 0TL

Sayer Vincent LLP is eligible to act as auditor in terms of section 1212 of the Companies Act 2006

Consolidated statement of financial activities (incorporating an income and expenditure account)

For the year ended 31 December 2021

		Restricted	Unrestricted	2021 Total	Restricted	Unrestricted	2020 Total
	Note	£	£	£	£	£	£
Income from:							
Donations and legacies		1,644,814	353,892	1,998,705	2,100,408	737,669	2,838,077
Royalties		-	117,873	117,873	-	1,159,070	1,159,070
Other		-	31	31	-	753	753
Total income	2 & 10	1,644,814	471,795	2,116,609	2,100,408	1,897,492	3,997,900
Expenditure on:							
Charitable Programmes	3	1,973,959	1,097,073	3,071,032	2,109,172	1,498,733	3,607,905
Total expenditure		1,973,959	1,097,073	3,071,032	2,109,172	1,498,733	3,607,905
Net income / (expenditure) for the year	4	(329,145)	(625,278)	(954,423)	(8,764)	398,759	389,995
Transfers between funds	10	21,304	(21,304)	-	-	-	-
Net movement in funds		(307,841)	(646,582)	(954,423)	(8,764)	398,759	389,995
Reconciliation of funds:							
Total funds brought forward		673,248	3,441,835	4,115,083	682,012	3,043,076	3,725,088
Total funds carried forward	10	365,407	2,795,253	3,160,660	673,248	3,441,835	4,115,083

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in Note 10 to the financial statements.

Balance sheet

Company no. 07296495

As at 31 December 2021

		Group		Charity	
	Note	2021	2020	2021	2020
		£	£	£	£
Fixed assets:					
Tangible assets	6	2,545,260	2,671,209	2,545,260	2,671,209
Investment in subsidiary company	12	-	-	100	100
		2,545,260	2,671,209	2,545,360	2,671,309
Current assets:					
Debtors	7	101,084	643,725	106,658	508,773
Cash at bank and in hand		806,373	1,242,996	792,708	1,127,499
		907,457	1,886,721	899,366	1,636,272
Current liabilities:					
Creditors: amounts falling due within one year	8	(292,057)	(442,847)	(274,184)	(192,498)
Net current assets		615,400	1,443,874	625,182	1,443,774
Total net assets		3,160,660	4,115,083	3,170,542	4,115,083
Funds					
Unrestricted funds	9	259,053	793,346	268,935	793,346
Designated funds	9	2,536,200	2,648,489	2,536,200	2,648,489
Restricted	9	365,407	673,248	365,407	673,248
Total funds		3,160,660	4,115,083	3,170,542	4,115,083

The notes on pages 24 to 35 form part of these accounts.

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

Approved by the trustees on 26 September 2022 and signed on their behalf by

Anne-Marie Piper
Chair, Fight for Peace International Board of Trustees

Fight for Peace International

Consolidated cash flow statement

For the year ended 31 December 2021

	Note	2021 £	2020 £
Net cash flows from the operating activities	11	(433,354)	99,482
Cash flows from investing activities:			
Purchase of fixed assets		(3,268)	(40,650)
Net cash used in investing activities		(3,268)	(40,650)
Change in cash and cash equivalents in the year		(436,623)	58,832
Cash and cash equivalents at the beginning of the year		1,242,996	1,184,164
Cash and cash equivalents at the end of the year		806,373	1,242,996
Reconciliation to cash at bank and in hand:			
Cash at bank and in hand		806,373	1,242,996
Cash and cash equivalents		806,373	1,242,996

1 Accounting policies

a) Basis of preparation

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 (FRS 102) - (Charities SORP FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

These financial statements consolidate the results of the charitable company and its wholly-owned subsidiary Fight for Peace Trading Limited on a line by line basis. Transactions and balances between the charitable company and its subsidiary have been eliminated from the consolidated financial statements. Balances between the two companies are disclosed in the notes of the charitable company's balance sheet. A separate statement of financial activities, or income and expenditure account, for the charitable company itself is not presented because the charitable company has taken advantage of the exemptions afforded by section 408 of the Companies Act 2006.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy or note.

b) Statutory information

Fight for Peace International is a charitable company limited by guarantee and is incorporated in the United Kingdom. The registered office address is Fight for Peace Academy, Woodman Street, North Woolwich, London E16 2LS.

c) Public benefit entity

The charitable company meets the definition of a public benefit entity under FRS 102.

d) Going concern

The trustees have reviewed forecasts and upcoming funding produced by management and consider that there are no material uncertainties about the charitable company's ability to continue as a going concern.

In the application of the Group's accounting policies, which are described in note 1, the Trustees are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

e) Income

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

Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

For legacies, entitlement is taken as the earlier of the date on which either: the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the charity that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

Income received in advance of the provision of a specified service is deferred until the criteria for income recognition are met.

f) Donations of gifts, services and facilities

Donated professional services and donated facilities are recognised as income when the charity has control over the item or received the service, any conditions associated with the donation have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), volunteer time is not recognised so refer to the trustees' annual report for more information about their contribution.

On receipt, donated gifts, professional services and donated facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

Notes to the financial statements

For the year ended 31 December 2021

g) **Interest receivable**

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

1 **Accounting policies (continued)**

h) **Fund accounting**

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund.

Unrestricted funds are donations and other incoming resources received or generated for the charitable purposes.

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

i) **Expenditure and irrecoverable VAT**

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

- Expenditure on charitable activities includes the costs of delivering community programmes undertaken to further the purposes of the charity and their associated support costs

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

j) **Grants payable**

Grants payable are made to third parties in furtherance of the charity's objects. Single or multi-year grants are accounted for when either the recipient has a reasonable expectation that they will receive a grant and the trustees have agreed to pay the grant without condition, or the recipient has a reasonable expectation that they will receive a grant and that any condition attaching to the grant is outside of the control of the charity.

Provisions for grants are made when the intention to make a grant has been communicated to the recipient but there is uncertainty about either the timing of the grant or the amount of grant payable.

k) **Allocation of support costs**

As the charity carries out one main activity, the delivery of community programmes, all support and governance costs have been allocated to this activity. Note 3 includes details of all expenditure.

Governance costs are the costs associated with the governance arrangements of the charity. These costs are associated with constitutional and statutory requirements and include any costs associated with the strategic management of the charity's activities.

l) **Operating leases**

Rental charges are charged on a straight line basis over the term of the lease.

m) **Tangible fixed assets**

Items of equipment are capitalised where the purchase price exceeds £200. Depreciation costs are allocated to activities on the basis of the use of the related assets in those activities. Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their net realisable value and value in use.

Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The depreciation rates in use are as follows:

- | | |
|------------------------|----------|
| ● Computer Equipment | 3 years |
| ● Furniture & Fixtures | 3 years |
| ● Building | 25 years |

Notes to the financial statements

For the year ended 31 December 2021

n) **Investments in subsidiaries**

Investments in subsidiaries are at cost.

o) **Debtors**

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

p) **Cash at bank and in hand**

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account. Cash balances exclude any funds held on behalf of service users.

q) 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.

r) The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

1 Accounting policies (continued)

t) **Foreign currency translations**

Monetary assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the average rate of exchange for the year. Exchange differences are taken into account in arriving at the net incoming resources for the year.

2 Analysis of income

		Restricted	Unrestricted	2021 Total	Restricted	Unrestricted	2020 Total
	Note	£	£	£	£	£	£
Donations and legacies	10	1,644,814	353,892	1,998,705	2,100,408	737,669	2,838,077
Royalties - Reebok International		-	117,873	117,873	-	1,159,070	1,159,070
Other income		-	31	31	-	753	753
Total income from charitable activities		1,644,814	471,795	2,116,609	2,100,408	1,897,492	3,997,900

Notes to the financial statements

For the year ended 31 December 2021

3a Analysis of charitable activities (current year)

	Restricted £	Unrestricted £	2021 £	2020 £
Activities undertaken directly				
Salaries, Employers National Insurance and Pension Costs	1,145,707	638,885	1,784,591	1,797,212
Project costs	478,944	(1,385)	477,559	391,348
	1,624,651	637,499	2,262,150	2,188,560
Support costs (as detailed below)	219,505	369,179	588,684	722,715
	1,844,156	1,006,678	2,850,834	2,911,275
Grants payable				
Sports England Tackling Inequalities Fund	9,885	-	9,885	69,885
Sports England Tackling Inequalities Fund (TIF 3)	119,918	-	119,918	-
Royalties to Associacao Luta Pela Paz	-	4,821	4,821	200,888
Associacao Luta Pela Paz - Development Grant	-	85,574	85,574	345,858
Associacao Luta Pela Paz - Acessibilidade	-	-	-	80,000
	129,803	90,395	220,198	696,631
Total	1,973,959	1,097,073	3,071,032	3,607,905

	Restricted £	Unrestricted £	2021 £	2020 £
Support Costs				
Other staff costs	81,616	31,620	113,236	127,592
Legal fees	-	27,538	27,538	27,734
Professional fees	58,930	112,240	171,170	170,645
Insurance	200	15,052	15,252	29,353
Telephone and fax IT expenses	30,795	10,063	40,858	61,154
Office and administration costs	45,138	14,916	60,054	62,960
Depreciation	-	129,217	129,217	122,281
Withholding Tax	-	10,419	10,419	40,543
Governance Costs - Audit fees	-	13,860	13,860	14,752
Bank charges	354	1,636	1,990	2,130
Development/ Fundraising Costs	2,474	2,617	5,091	63,570
	219,505	369,179	588,684	722,715

3b Analysis of charitable activities (prior year)

	Restricted £	Unrestricted £	2020 £
Activities undertaken directly			
Salaries, Employers National Insurance and Pension Costs	1,797,212	-	1,797,212
Project costs	162,075	229,273	391,348
	<u>1,959,287</u>	<u>229,273</u>	<u>2,188,560</u>
Support costs (as detailed below)	-	722,715	722,715
	<u>1,959,287</u>	<u>951,988</u>	<u>2,911,275</u>
Grants payable			
Sports England Tackling Inequalities Fund	69,885	-	69,885
Royalties to Associacao Luta Pela Paz	-	200,888	200,888
Associacao Luta Pela Paz - Development Grant	-	345,858	345,858
Associacao Luta Pela Paz - Acessibilidade	80,000	-	80,000
	<u>149,885</u>	<u>546,746</u>	<u>696,631</u>
Total	<u>2,109,172</u>	<u>1,498,733</u>	<u>3,607,905</u>

	Restricted £	Unrestricted £	2020 £
Support Costs			
Other staff costs	-	127,592	127,592
Legal fees	-	27,734	27,734
Professional fees	-	170,645	170,645
Insurance	-	29,353	29,353
Telephone and fax IT expenses	-	61,154	61,154
Office and administration costs	-	62,960	62,960
Depreciation	-	122,281	122,281
Withholding Tax	-	40,543	40,543
Governance Costs - Audit fees	-	14,752	14,752
Bank charges	-	2,130	2,130
Development/ Fundraising Costs	-	63,570	63,570
	<u>-</u>	<u>722,715</u>	<u>722,715</u>

Notes to the financial statements

For the year ended 31 December 2021

4 Net expenditure for the year

This is stated after charging / (crediting):

	2021 £	2020 £
Depreciation of owned assets	129,217	122,281
Auditor's remuneration (net of VAT): Fees payable to the charity's auditor for the audit of the charity's annual financial statements	11,550	11,500

5 Staff costs

	Group & Charity 2021 £	Group & Charity 2020 £
Gross salaries	1,344,352	1,323,358
Employer's National Insurance costs	139,024	137,652
Pension Costs	37,932	40,202
Sessional staff pay	98,937	146,000
Jamaica staff cost	164,346	150,000
	1,784,591	1,797,212

	2021 No.	2020 No.
--	-------------	-------------

Average head count number of employees in the year (all employed in charitable activities)

51	48
----	----

The following number of employees received employee benefits (excluding employer pension costs and employer's national insurance) during the year between:

	2021 No.	2020 No.
£60,000 - £69,999	-	1
£70,000 - £79,999	1	1

The key management personnel of the Charity are listed on page 1. The total remuneration (including pension contributions, excluding social security costs) of the key management personnel of the Charity and Group for the year totalled £354,314 (2020: £323,263). The total social security costs of the key management personnel of the Charity and Group for the year totalled £39,484 (2020: £36,362).

During the year, the charity made a total termination payment of £24,584 (2020: none) due to redundancies. These costs are included in the gross salaries shown above.

6 Fixed assets - Charity and Group

	Building	Computer Equipment	Furniture & Fittings	Total £
Cost				
Balance at 1 January 2021	2,807,221	22,100	18,473	2,847,794
Additions	-	3,268	-	3,268
Balance at 31 December 2021	2,807,221	25,368	18,473	2,851,062
Depreciation				
Balance at 1 January 2021	158,732	10,355	7,498	176,585
Charge for the year- FFPI	112,289	9,925	7,002	129,217
Balance at 31 December 2021	271,021	20,280	14,500	305,802
Net book value				
At 31 December 2021	2,536,200	5,088	3,972	2,545,260
At 1 January 2021	2,648,489	11,745	10,975	2,671,209

Notes to the financial statements

For the year ended 31 December 2021

7 Debtors

	Group 2021 £	2020 £	Charity 2021 £	2020 £
Prepayments	19,092	43,146	19,092	43,146
Accrued income	42,413	555,977	40,807	399,766
Other debtors	39,580	44,601	46,759	65,861
	101,084	643,725	106,658	508,773

8 Creditors: amounts falling due within one year

	Group 2021 £	2020 £	Charity 2021 £	2020 £
Trade creditors	87,313	18,656	87,313	9,202
Accruals	128,664	298,826	115,101	143,550
Other creditors	10,547	1,516	39,447	3,516
Other taxes and social security costs	32,324	36,230	32,324	36,230
VAT Liability	33,210	87,620	-	-
	292,057	442,847	274,184	192,498

9a Analysis of net assets between funds - current year

Group	Designated £	Restricted £	Unrestricted £	2021 £
Tangible fixed assets	2,536,200	-	9,060	2,545,260
Current assets	-	365,407	542,050	907,457
Current liabilities	-	-	(292,057)	(292,057)
	2,536,200	365,407	259,053	3,160,660
Charity				
Tangible fixed assets	2,536,200	-	9,160	2,545,360
Current assets	-	365,407	533,959	899,366
Current liabilities	-	-	(274,184)	(274,184)
	2,536,200	365,407	268,935	3,170,542

9b Analysis of net assets between funds - prior year

Group	Designated £	Restricted £	Unrestricted £	2020 £
Tangible fixed assets	2,648,489	-	22,720	2,671,209
Current assets	-	673,248	1,213,473	1,886,721
Current liabilities	-	-	(442,847)	(442,847)
	2,648,489	673,248	793,346	4,115,083
Charity				
Tangible fixed assets	2,648,489	-	22,820	2,671,309
Current assets	-	673,248	963,024	1,636,272
Current liabilities	-	-	(192,498)	(192,498)
	2,648,489	673,248	793,346	4,115,083

Notes to the financial statements

For the year ended 31 December 2021

10a Movement in funds - current year

	At 1 January 2021 £	Income £	Transfers £	Expenditure £	At 31 December 2021 £
Restricted funds:					
BBC Children in Need	-	35,041	-	(28,367)	6,674
Berkeley Foundation	-	20,000	-	(10,076)	9,924
Comic Relief - BT Supporters Club	29,963	14,126	-	(44,089)	-
Commonwealth Foundation	46,457	-	-	(29,014)	17,443
DOE Holiday & Activity Fund	-	4,387	-	(4,387)	-
East End Community Foundation - Life Chances	-	8,000	-	(8,000)	-
Estee Lauder	-	2,913	-	(1,250)	1,663
EU	127,360	13,803	-	(184,894)	(43,731)
Fight with Insight	-	7,926	-	(7,926)	-
GLA - More than a coach	1,055	47,592	-	(52,594)	(3,947)
GLA - Sport Unites	1,583	101,251	-	(102,834)	-
Inter-American Foundation	19,212	-	-	(18,363)	848
Jack Petchey Foundation	500	23,570	-	(16,902)	7,168
James Thornton	20,000	-	-	(20,000)	-
L&Q Foundation	-	8,333	-	(8,333)	-
Laureus	11,092	75,000	-	(86,092)	-
Lewis Hamilton	37,500	75,000	-	(75,000)	37,500
London Marathon	-	25,000	-	(20,500)	4,500
Mayor's Office for Policing And Crime (MOPAC)	-	335,178	-	(213,886)	121,292
National Lottery Community Fund - GAN	309,008	265,619	-	(569,548)	5,079
NLCF	38,000	-	-	(38,000)	-
Playtech	-	60,000	-	(12,217)	47,783
SCI Jamaica	-	1,690	-	(1,690)	-
Sport England Tackling Inequalities	25,644	-	-	(25,644)	-
Sport England TIF 3	-	150,000	-	(143,046)	6,954
Street Games	-	510	-	(510)	-
Swedish Postcode	-	96,831	-	(52,200)	44,631
UEFA	-	26,196	-	(12,547)	13,650
UNICEF	-	139,546	-	(139,546)	-
US Embassy	5,875	-	-	-	5,875
Wellington	-	30,000	21,304	(17,046)	34,258
West Silvertown Foundation	-	77,301	-	(29,457)	47,844
Total restricted funds	673,248	1,644,814	21,304	(1,973,959)	365,407
Unrestricted funds:					
General funds	793,346	471,795	(21,304)	(984,784)	259,053
Designated Funds	2,648,489			(112,289)	2,536,200
Total unrestricted funds	3,441,835	471,795	(21,304)	(1,097,073)	2,795,253
Total funds	4,115,083	2,116,609	-	(3,071,032)	3,160,660

Narrative to explain purpose of restricted funds, where income of £50,000 or over has been received in year, is given in note 10c.

Notes to the financial statements

For the year ended 31 December 2021

10b Movement in funds - prior year

	At 1 January 2020	Income £	Transfers £	Expenditure £	At 31 December 2020 £
Restricted funds:					
American Friends of Jamaica	-	3,810	-	(3,810)	-
BBC Children in Need	-	27,748	-	(27,748)	-
BBC Children in Need Covid	-	4,500	-	(4,500)	-
Comic Relief - Global Alliance	23,360	11,440	-	(34,800)	-
Comic Relief - BT Supporters Club	37,402	127,136	-	(134,575)	29,963
Commonwealth Foundation	-	48,601	-	(2,144)	46,457
Community Links	-	1,500	-	(1,500)	-
East End Emergency Fund	-	3,000	-	(3,000)	-
Esmeé Fairbairn	80,000	-	-	(80,000)	-
EU	-	248,572	-	(121,212)	127,360
GLA - More than a coach	-	47,592	-	(46,537)	1,055
GLA - Sport Unites	-	70,454	-	(68,871)	1,583
GLA - Twilights Summer Sports	6,890	-	-	(6,890)	-
Home Office -UK	15,000	-	-	(15,000)	-
Inter-American Foundation	-	32,186	-	(12,974)	19,212
Jack Petchey Foundation	-	2,000	-	(1,500)	500
James Thornton	-	20,000	-	-	20,000
John Thaw Foundation	-	1,000	-	(1,000)	-
Laureus	-	96,600	-	(85,508)	11,092
Lewis Hamilton	-	75,000	-	(37,500)	37,500
London Marathon	39,371	-	-	(39,371)	-
Newham Giving grant	-	8,530	-	(8,530)	-
National Lottery Community Fund -GAN	61,648	872,682	-	(625,323)	309,008
NLCF	-	100,000	-	(62,000)	38,000
SEGRO	-	10,000	-	(10,000)	-
Sport England Tackling Inequalities	-	150,000	-	(124,356)	25,644
UEFA	(9,554)	10,582	-	(1,028)	-
UNICEF	-	53,416	-	(53,416)	-
US Embassy	12,928	-	-	(7,053)	5,875
Youth Endowment Fund	-	50,000	-	(50,000)	-
Youth Investment Fund	41,367	24,060	-	(65,427)	-
FFP UK 30 June 2019 Funds					
Wellington Management	25,000	-	-	(25,000)	-
General Funds	348,600	-	-	(348,600)	-
Total restricted funds	682,012	2,100,408	-	(2,109,172)	673,248
Unrestricted funds:					
General funds	302,302	1,897,492	(20,004)	(1,386,444)	793,346
Designated Funds	2,740,774		20,004	(112,289)	2,648,489
Total unrestricted funds	3,043,076	1,897,492	-	(1,498,733)	3,441,835
Total funds	3,725,088	3,997,900	-	(3,607,905)	4,115,083

Narrative to explain purpose of restricted funds, where income of £50,000 or over has been received in year, is given in note 10c.

10c Movement in funds - Description & purpose of major funds

Comic Relief - BT Supporters Club

Development of a partnership of local community-based organisations in Newham to provide integrated, comprehensive services to young people affected by crime and violence.

EU

Collaboration between Security Forces and Civil Society Organisations to improve human rights in Jamaica. Negative balance on the fund is believed to be temporary and is expected to be recovered through future funding.

Greater London Authority Young Londoners Fund Sport Unites Impact Partnership

Open Access sports delivery, as well as delivery of Twilight sessions and Lutadoras sessions. Some outcomes of the funding included; improvement mental health, wellbeing and resilience of young people; improved attitudes and behaviour; and, increased employment.

Laureus Sport For Good Foundation

Delivery of the FFP Alliance Programme, providing ongoing support to existing partner organisations to strengthen and scale youth violence reduction activities.

Lewis Hamilton through Comic Relief

Support for our Open Access programme enabling the young people that we engaged with to access the tailored support and range of services that they needed.

Mayor's Office for Policing and Crime (MOPAC)

Support our Act-As-1 programme to help MOPAC's MyEnds Programme which delivers targeted interventions to tackle violence in a neighbourhood area.

National Lottery Community Fund -GAN

Delivery of activities to grow, strengthen and scale the FFP Alliance in the UK, including providing grants to partners to establish alternative education programmes.

NLCF

Coronavirus Community Support Fund

Playtech

Provision of specialised support to young people by providing Personal Development sessions and upskilling our youth workers allowing for increased mentoring support to young people dealing with mental health concerns.

Sport England Tackling Inequalities Fund / Sport England TIF 3

Provided grants to Alliance partners in England to recover from the impact and inequalities caused by COVID in physical activity.

UNICEF

Support for the Psycho-Social Support Team and their provision of Psychological First Aid training within the Safer Communities Programme in Jamaica.

West Silvertown Foundation (WSF)

Provide youth empowerment activities in North Woolwich / Silvertown together with WSF who is the lead provider in a consortium commissioned by London Borough of Newham (LBN).

Youth Endowment Fund

Supported Fight for Peace to build our organisational capacity through facilitating the strengthening our Theory of Change.

11 Reconciliation of net income to cash generated by operations

	Group	
	2021	2020
	£	£
Net income for the year	(954,423)	389,995
Adjustments for:		
Depreciation charges	129,217	122,281
Operating cash flow before movement in working capital	(825,206)	512,276
Decrease (Increase) in debtors	542,641	(151,504)
Decrease in creditors	(150,789)	(261,291)
Cash generated by operating activities	(433,354)	99,482

12 Investment in Subsidiary Company

	2021	2020
	£	£
Cost		
At 31 December	100	100

Fight for Peace International owns the entire issued ordinary share capital of FFP Trading Limited (100 shares of £1 each), incorporated and registered in England and Wales, whose principal activities are the collection of royalties and organisation of events in order to raise funds for the benefit of the parent company.

The result of the Charity's trading activities through the subsidiary is detailed below FFP Trading Limited's taxable profits are donated to the charity annually through gift aid.

	2021	2020
	£	£
Subsidiary undertakings - Charity		
Turnover	27,037	1,161,070
Cost of sales	(4,821)	(200,888)
Gross profit	22,216	960,182
Administrative expenses	(31,916)	(959,922)
(Loss) / profit on ordinary activities before interest and taxation	(9,700)	261
Interest payable and similar charges	(182)	(261)
Loss on ordinary activities before taxation	(9,882)	-
Taxation on profit on ordinary activities	-	-
Loss for the financial year	(9,882)	-

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. All movements in equity are included within the statement above.

The aggregate of the assets and liabilities was:

	2021	2020
	£	£
Current assets	45,265	344,892
Current liabilities	(55,047)	(344,792)
Net assets	(9,782)	100

13 Parent charity

The parent charity's gross income and the results for the year are disclosed as follows:

	2021 £	2020 £
Gross income	2,107,284	3,997,900
Result for the year	(944,541)	389,995

14 Related party transactions

FFP Trading Ltd is a wholly owned subsidiary of Fight for Peace International. No management fee was paid by the holding company for any services provided to the subsidiary during the year (2020: Nil)

In the year, there was no payment in relation to legal advice from Farrah and Co LLP, where the Chair of Trustees, Anne-Marie Piper, is a senior partner (2020: £2,100).

15 Trustees' remuneration

None of the trustees received any remuneration of travel expenses in respect of their services during the year (2020: NIL).

16 Operating lease commitments payable as a lessee

The charity's total future minimum lease payments under non-cancellable operating leases is as follows for each of the following periods

	Office rental 2020 £	2019 £
Less than one year	7,500	7,500
One to five years	37,500	37,500
Over five years	90,000	97,500
	135,000	142,500