

Registered number: 05476000
Charity number: 1140357

International Road Assessment Programme
(A company limited by guarantee)

Trustees' report and financial statements

For the year ended 31 December 2016

International Road Assessment Programme
(A company limited by guarantee)

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Reference and administrative details of the charity, its trustees and advisers
For the year ended 31 December 2016

Trustees	Gary Liddle, Chairman J Peter Kissinger Miquel Nadal John Dawson Saul Billingsley F Emanuel Smith (appointed 9 February 2016)
Company registered number	05476000
Charity registered number	1140357
Registered office	60 Trafalgar Square London WC2N 5DS
Principal operating office	Worting House Church Lane Basingstoke Hampshire RG23 8PX
Company secretary	Brenda King
Chief executive officer	Robert McInerney
Independent auditors	Haines Watts Chartered Accountants and Statutory Auditor 177-181 Farnham Road Slough Berkshire SL1 4XP
Bankers	Barclays Bank plc Basingstoke & Reading Business Centre 8 Market Place Basingstoke Hampshire RG21 7QA
Solicitors	Farrer & Co. 66 Lincoln Inn Fields London WC2A 3LH

International Road Assessment Programme
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Trustees' report
For the year ended 31 December 2016

The Trustees (who are also directors of the charity for the purposes of the Companies Act) present their annual report together with the financial statements of the International Road Assessment Programme (iRAP) (the company) for the ended 31 December 2016.

The Trustees confirm that the Annual Report and financial statements of the company comply with the current statutory requirements, the requirements of the company's governing document and the provisions of the Statement of Recommended Practice (SORP), applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) as amended by Update Bulletin 1 (effective 1 January 2015).

Since the charity and the group qualifies as small under section 383, the strategic report required of medium and large companies under The Companies Act 2006 (Strategic Report and Director's Report) Regulations 2013 is not required.

The company and the group also operate under the name iRAP.

Objectives and Activities

a. Policies and objectives

iRAP was established to promote international road safety and quality of roads for the benefit of the public.

b. Grant making policies

iRAP makes grants in furtherance of its objects including the development and application of road assessment. During the year, iRAP made a charitable donation to the European Road Assessment Programme (EuroRAP) of €nil in 2016. (2015: €450,000).

Achievements and performance

a. Review of activities

The iRAP programme continues to grow in impact and outcomes worldwide, with activities and influence extending across more than 1,000,000km of assessments spanning 80 countries. Importantly, more than 30 countries have completed and opened safer roads that have been in part, or fully influenced, by iRAP assessments. With the focus on ensuring roads are upgraded to save lives, the multi-billion dollar investments now influenced by iRAP assessments, are delivering results.

Linked to the global UN Sustainable Development Goal to halve road deaths and injuries by 2020, many partners are embracing 3-star or better targets for existing and new roads. iRAP investment plans are providing the business case for investment in safer roads and risk mapping is allowing countries to target and performance track investment.

The charity's global work has been centred on the success of partners embracing the iRAP metrics for safety. The expanded 3-star campaign recognizes the tragedy of new 1 and 2-star roads still being financed and built and efforts to support agencies implementing international, national and project-level targets for safer roads. This approach typically requires successful projects to build confidence and effective advocacy to generate awareness, momentum and commitment to the safe system and iRAP metrics at the policy level.

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Global and Regional Impact

Key iRAP achievements at the Global and Regional level include:

World Bank: The publication of the World Bank Environmental and Social Safeguards in August 2016 is a significant institutional outcome at the global level. Many of the development banks align their safeguards with the World Bank, with the impact likely to extend to multi-billion dollar infrastructure investment annually. For the first-time ever, there is now a Road Safety Safeguard that directly references the completion of a road safety assessment for each phase of a project. iRAP is now working closely with the Bank in the lead up to implementation of the new safeguards from early 2018.

Bloomberg Philanthropies: The iRAP work across 10 cities and 5 countries with the Global Road Safety Facility has proceeded well with a successful extension of the partnership being finalized for 2017-2018. The work is directly linked to World Bank and local agency investment in road infrastructure seeking to increase the travel on 3-star or better roads.

OECD / ITF: Contributions to, and the launch of the OECD / ITF Safe System Report "Zero Road Deaths and Injuries" with partnership from ITF, FIA Foundation, FIA, UN, Global NCAP and National Government partners is also a key achievement. The report captures the "potential for Safe System road infrastructure to be defined as a five-star standard", in addition to examples of global star rating policies, key infrastructure investment priorities and the business case for safer roads.



World Road Association / PIARC: Launch of the PIARC Road Safety Manual and iRAP's role as English speaking secretary on the Road Safety Committee for the period 2016-2019. The Committee is focused on researching, sharing and presenting information on safe system outcomes and road safety infrastructure policies worldwide.

United Nations: iRAP continues to actively support the United Nations agencies through inputs to the UN Secretary General High Level Working Group on Sustainable Transport; UN Road Safety Collaboration; UN DESA; UNECE and the regional commissions. The charity's input includes policy level recommendations and advice such as the following in the UN Secretary General's report:

"To improve infrastructure, including by targeting the highest volume 10 per cent of existing roads and set appropriate road infrastructure star rating targets for all relevant road users and adopting minimum three-star standards and road safety audits for all new road construction"

UN Secretary General Report A/70/386

UNESCAP: iRAP has undertaken a detailed review of design standards for the Asian Highway Network that covers 141,000km of road across 32 countries. The review of standards has particularly focused on the

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inclusion of critical road features for pedestrians, cyclists and motorcyclists, as well as important additions in relation to roadside safety, median separation and intersection design. The use of star ratings to describe the total safety performance of road designs has also been included in the review.

World Health Organisation: WHO leads the response to global road safety on behalf of the United Nations, with major initiatives underway associated with the setting of Global Voluntary Indicators for Road Safety building on similar work for Non-communicable Diseases. The potential inclusion of star rating targets for new road designs and existing road networks has been included in early drafts of the indicators, and specific targets for individual road attributes will also be explored. iRAP has also played a lead role in shaping the Save LIVES package that will be launched in 2017.

FIA and OECD: Globally significant work with FIA and OECD has been completed in benchmarking the safety performance of roads across Latin America. The work is helping fine tune the methodology by which iRAP metrics can be used to benchmark countries that should flow through to global level benchmarking and the WHO Global Status Reports as and when sufficient global data becomes available.

FIA Foundation: The Financing for Development Series seeks to set the agenda for Impact Investment in road safety. iRAP has played a lead role in exploring the potential structures and business case for this type of investment, through work with Social Finance and Impact Strategist. The advocacy and partnership work to develop a live Footpaths for Africa or similar bond/impact investment is currently being explored.

European Commission: The ongoing inputs to the EC Road Infrastructure Safety Management Committee reinforce work for improved infrastructure. The use of safe system principles and the role of RAP related protocols as an eligible part of the response by countries in the region is well recognized. The potential for star rating and risk mapping related policy and guidelines is continuously being progressed.

Asian Development Bank: The long-term partnership with the Asian Development Bank includes recommendations for 4-star or better high-volume roads and 4-star or better roads for pedestrians and cyclists in villages. This is having a direct impact at a project level in selected countries. The partnership has also led to a major new funded partnership to support the Bank to scale up road safety interventions throughout Asia, and to support high-level in-country missions.

b. Programme Activity

iRAP's work in more than 80 countries has led to the risk mapping of over 800,000km and the star rating of over 700,000km of roads.

Importantly an estimated US\$40 billion of road investment in high income countries has been influenced and made safer through iRAP partnerships, and an estimated US\$13 billion of road investment in low and middle income countries has been improved.

Examples of programme activity include:

ChinaRAP: The Chinese Ministry of Transport is mobilizing multi-billion investment across the country as part of the Highway Safety to Cherish Life initiative. The ChinaRAP team is helping inform this investment with an estimated 150,000km of star ratings and investment plans now completed and an estimated 30,000km of road upgrades completed. Thousands of local design teams have been trained by the ChinaRAP team at the Research Institute of Highways.

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India: The Indian programme continues to expand with important projects extending across 10+ states and surveys commenced on a large length of national highways connecting Delhi, Mumbai and Chennai. Development of local leadership to build and expand the impact of IndiaRAP is now a priority for the charity.

UK: Building on the successful partnership with the Road Safety Foundation and Highways England, the Department for Transport has now used the annual national risk mapping to target high risk local roads, undertake star rating and investment plan analyses and target GBP 175 million of local roads funding. The Safer Roads Fund will help prioritise high-return investments and save lives on local roads long into the future.

Bloomberg supported cities: With support from the World Bank Global Road Safety Facility (GRSF) and as part of the Bloomberg Initiative for Global Road Safety (BIGRS), during 2015 and 2016, assessments of more than 900km of roads in nine out of the 10 priority cities were carried out. More than 100km of road designs were assessed and more than 350 people took part in capacity-building iRAP training and meetings. These activities helped many cities take quick steps in road safety, such as including pedestrian safety facilities in designs of Ho Chi Minh City's first Bus Rapid Transit (BRT) system and the urgent repairs to street lighting in Accra.

Australia: The partnership with Austroads, AAA and ARRB Group has resulted in the assessment of over 100,000km of roads across the country with varying levels of investment mobilized to upgrade the roads. One road in particular, the Bruce Highway in Queensland, highlights the full cycle of club advocacy through to road authority success. Successful advocacy by the club led to large funding commitments by Government. The iRAP and ANRAM processes informed the investment mobilized and lives are now being saved. The road agency currently estimates a 50% reduction in fatalities on the highway with 50 lives already saved.

Belize: The Government of Belize in cooperation with the Caribbean Development Bank have undertaken an iRAP assessment in the country, targeting a high-risk corridor for upgrade. The Belize City to Belmopan Road is raising the safety performance of the road from 5% at a 3-star or better rating, to 100% meeting the standard. 75km of road has been upgraded so far with simple, high-return investments that have already resulted in a 37% reduction in fatalities between 2012 and 2015.

Chile: The iRAP partnership with AutoPista Centrale to assess and upgrade the toll-road in Chile to 3-star or better standard has generated immediate results. It highlights the potential of productive partnerships with the private sector in managing high-volume safe networks to maximize travel on 3-star and better roads.

Netherlands: The ANWB continues to lead engagement and advocacy with provincial governments in The Netherlands to ensure roads are upgraded following iRAP's star rating and investment plan work across 10,000km of the provincial road network. This work has now led to one province (Friesland) investing €30 million in targeted road upgrades focused on safety outcomes. The ANWB is also leading the development of the CycleRAP initiative with iRAP Centre of Excellence SWOV.

New Zealand: The kiwiRAP partnership involving the NZ Transport Agency, NZ Automobile Association, Accident Compensation Corporation, Police and other partners, continues to provide world-leading contributions to the global programme. The work to risk map and star rate extensive urban networks in New Zealand has provided the evidence base to better understand and improve iRAP urban models, in addition to the immediate benefits of targeting risk in urban areas. Major investment is also being mobilized with the Wellington Gateway toll-road project where 4-star minimums were specified, and the winning proponent has delivered a 4.8 star facility. The Safety Alliance will mobilise NZ\$754 million over 10 years to raise the star rating to 3.5 stars or better on 135km of highway. The project will save an estimated 1,426 deaths and serious injuries over 10 years.

Philippines: The Philippines completed design, construction and post-construction assessments of more than 180km of roads, including the Agoo-Baguio road safety demonstration corridor.

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Malaysia: The commitment of the Minister of Transport in Malaysia to deliver 75% of travel on 3-star or better roads was launched in February this year and represents the first middle-income country with a star rating policy at the national level. The work will see a partnership involving MIROS and Shell, along with local partners including AAM, to play an active role to assess the Malaysian road network and target investment to maximize travel on 3-star or better roads.

Brazil: The iRAP partnerships in Brazil with LabTrans and the World Bank have resulted in the establishment of BrazilRAP. The focus on building local capacity and ownership has proved successful with star rating assessments now completed on over 8,000km of road. A combination of World Bank and locally funded assessments are planned on approximately 40,000km of road in the next 1-2 years linked to loan commitments to support upgrades. This includes planned assessments in the states of Bahia, Matto Grosso, Rio Grande, Sao Paulo and Tocantis and initial discussions with Espirit Desanto and Santa Catarina.

Indonesia: The national government's Institute of Road Engineering (IRE) has been trained by iRAP and ARRB teams, and has now assessed thousands of kilometres of national highways using their own resources. A current project will assess close to 1,000km of toll road facilities, with immediate upgrades likely.

Portugal: The RACC is leading a small pilot study on 194km of the Portuguese road network from Lisbon to Alpalhão as part of an initial partnership with Estradas de Portugal.

Pan-European Risk Mapping: As part of the partnership with Highways England, the Pan-European Risk Mapping will deliver a unique picture of roads across Europe that can be used for benchmarking, competition building and performance tracking across Europe.

USA: The leadership transition of usRAP to the Roadway Safety Foundation has proceeded smoothly. In addition to the strategically important partnership with FHWA, at the national level that will see assessments undertaken on county roads. The States of Utah and Alabama continue to lead the way with network-wide surveys and institutional leadership. AAA FTS is also playing a key role looking at policy targets across the country.

c. iRAP Products and Systems

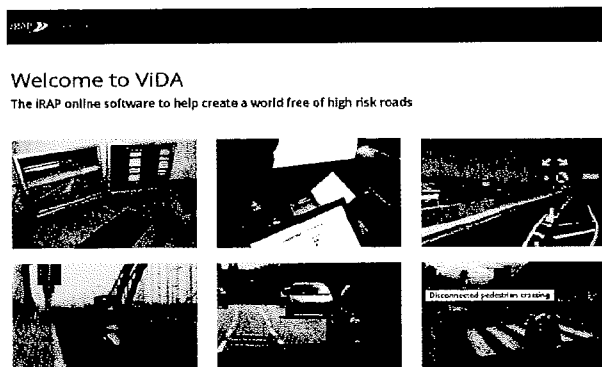
The iRAP Products and Systems remain at the core of the iRAP programme through the provision of free-to-air tools, systems, specifications and support materials for RAP members, partners, suppliers and other stakeholders around the world. The iRAP Product success and continuous growth in usage and innovation highlights the relevance of the iRAP protocols, tools and systems for iRAP's key stakeholders worldwide.

The use of ViDA (the iRAP Star Rating web application) continued to grow over the last 12 months, both in terms of the number of users, and data processed and stored. There are now more than 3,000 users of ViDA and over 17 million kilometres of data has been processed.

In line with usage growth, the ViDA core systems have received ongoing development. Key aspects of development work include enhancing processing speeds, data security, resilience and reliability, all with a view to improving the relevance and reliability for end users, system stability and reduced processing and storage costs. Developments have included:

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- Creator phase I – this update will further enhance and ensure the quality, reliability and traceability of iRAP assessments. This is increasingly important as a large number of new users start applying and using iRAP tools globally. The updates have included a new step by step process where quality assurance reviews are tracked, and previously manual processes are automated to reduce the potential for user error.
- Enhanced international support – to support ViDA's international user base, more comprehensive support for languages has been included and additional file formats have been added for data download files (ViDA is currently available in English, Spanish, Portuguese and Croatian).
- New data reports – to increase the impact and analysis of Star Ratings, two new reports have been added to ViDA; the road attribute snapshot and risk worms by crash type.
- Key metrics tracking – to help measure ViDA's utilisation, an initial system metric feature has been incorporated. This function tracks ViDA growth of users, processing and data storage.
- Beta testing – to support the development process, Beta testing functionality has been added to ViDA. This enables a subset set of users to have access to new features whilst still in the final stages of development.
- Consistent roll out procedure – procedures have been developed along with supporting systems to ensure that updates to ViDA are carried out whilst ensuring consistency of service.

Key new product development research and development has included:

- Together with FedEx, iRAP is developing a Star Rating for Schools application that will make it easy for schools, NGO's, community groups and road agencies to measure the safety of the journey to school. The app will be available globally and help focus attention on achieving a 3-star or better journey to school for all.
- The continued development of the Star Rating Demonstrator is bringing the safety of road infrastructure into policy, design and community forums. The link between lives saved and key road attributes is now moving from evidence based research into simple tools that help stakeholders explore how simple and cost-effective safer roads can be.

d. Investment policy and performance

Under the memorandum and articles of association, the charity has the power to invest in any way the Trustees wish.

The charity has adopted a low risk approach to investing surplus cash by placing cash on deposit accounts at the bank.

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Financial review

a. Going concern

After making appropriate enquiries, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Accounting Policies.

b. Principal funding

iRAP benefits from the generous support of the FIA Foundation for the Automobile and Society and the official UN Decade of Action Road Safety Fund. This support will continue throughout the United Nations' Decade of Action for Road Safety 2011-2020.

Our partnerships with the Global Road Safety Facility, World Bank, Caribbean Development Bank, Asia Development Bank, European Commission, Australian AID, Latin American Development Bank and the Inter-American Development Bank continue to enable iRAP assessments to be undertaken in low-income and middle-income countries around the world. The financing for the road upgrades is typically supported by these same agencies in partnership with the relevant government agency.

High-income countries continue to invest in their own programmes with central iRAP support. Automobile club and government partners finance and undertake national assessments with the RAP protocols integrated in their advocacy, policy and decision making as appropriate.

The iRAP Centre of Excellence network now includes ARRB Group (Australia); MRI Global (USA), the Malaysian Institute of Road Safety Research (MIROS); TRL (UK); the Instituto Mexicano del Transporte, Korean Transport Institute (KOTI), SWOV (Netherlands) and LabTrans (Brazil) and the Research Institute of Highways (China).

Many individuals also donate their time and expertise to support iRAP's charitable objectives.

c. Reserves Policy

With the financial support of the FIA Foundation, the Trustees are agreed that iRAP holds sufficient funds to meet both contractual obligations and to enable future programme development. Over the UN Decade of Action for Road Safety 2011-2020 for which the FIA Foundation has pledged support, the Trustees have agreed that iRAP should seek to grow its reserves towards €1m if the programme continues broadly at its current size. At the year end, the charity had available reserves of €591,615.

Structure, governance and management

a. Constitution

iRAP is registered as a charitable company limited by guarantee and was set up by a Memorandum of Association on 12 May 2008. A subsidiary company, Road Assessment Services Limited, was incorporated on 15 May 2012. It is a wholly owned subsidiary of iRAP and together they form the iRAP group.

The principal object of the company and the group is the international promotion of the improvement of road safety and quality of roads for the public benefit.

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b. Method of appointment or election of Trustees

The management of the company and the group is the responsibility of the Trustees who are elected and co-opted under the terms of the Articles of Association.

Trustees are sought for the Board specifically to add value to the charity. This is both in terms of creating a Board that is representative of the community that the charity serves and one that has all of the skills and experience required to properly carry out the work of the charity.

c. Policies adopted for the induction and training of Trustees

The charity is fortunate that it is able to attract committed individuals with great relevant experience in the field and in public life. When a potential trustee is identified, they are usually invited to attend a Trustees' meeting in the capacity of observer. Once they and the Board of Trustees have gained a greater understanding of each other they are nominated for election to the position of trustee and elected by unanimous decision.

Most Trustees are already familiar with the practical work of the charity and familiar with the work of charities in general. New Trustees are given briefings to provide personally tailored orientation to brief them as appropriate on their legal obligations under charity and company law, the content of the Memorandum and Articles of Association, the committee and decision making processes, the business plan and recent financial performances of the charity. The opportunity of the new Trustee is generally taken to provide the Board as a whole with presentations of overall progress with the charity's work. If needed, Trustees would be encouraged to attend appropriate external training events where these will facilitate the undertaking of their role.

d. Pay policy for senior staff

It is essential for iRAP to have credible leaders who bring professional expertise, leadership experience and who are capable of developing and growing the organisation to be world class. Having a competitive reward offering is one of the many ways in which iRAP can secure the very best people.

iRAP has a clear and transparent policy that not only ensures the selection and retention of high calibre leaders but also ensures our donors, supporters, staff, volunteers, beneficiaries and public recognise the importance of accountability in all aspects of our work including the determination of pay and benefits of the Chief Executive and senior management team.

The Board of Trustees is responsible for defining iRAP's pay policy approving and deciding on the salaries of the Chief Executive and the senior management team. The Board delegates this responsibility to the Remuneration Committee which is chaired by a nominated trustee. More information about pay ranges for our senior staff is in the relevant disclosure on staff costs.

Our approach is to pay a fair salary to attract and retain skilled and expert senior leaders for iRAP. Salaries and benefits should be competitive within the charity sector, proportionate to the complexity of each role and responsible in line with our charitable objectives. To achieve this our Executive Group Pay Policy aims to:

- Ensure performance is reviewed and reported to the Remuneration Committee on an annual basis.
- To pay a fair salary in the respective geographic market to attract and retain skilled staff, meeting all national pay standards and provide all staff with a living wage.
- Apply performance related pay elements only where required.
- Monitor charity sector trends through appropriate surveys.

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e. Organisational structure and decision making

The charity is ultimately governed by the Trustees who agree and monitor the Forward Plan and approve all of the charity's policies. The day to day running of the charity is delegated to staff under the leadership of the Executive. Trustee meetings are held at least twice a year primarily to review financial reports, discuss issues of strategic direction, and programme priorities.

For the purposes of company law, the Trustees shown on page 1 are the directors of the company. The Trustees who served during the year were as follows:

John Dawson
J Peter Kissinger
Miquel Nadal
Gary Liddle
Saul Billingsley
F Emmanuel Smith

The minimum number of Trustees shall be two save for circumstances where a charity (as defined by s1 of the Charities Act 2011) is appointed as a trustee, in which case it may serve as a sole trustee of the charity. The maximum number is twelve.

f. Risk management

IRAP acknowledges at all times the risks associated with its work as a charitable company. The charity has risk management policies and procedures through which risks arising from existing operations and developments are identified and evaluated. The Trustees are required to analyse these, assess them according to their impact on the Charity and their likelihood of occurrence and report on procedures which are in place or are developed or enhanced to provide assurance that the risk is being minimised. The key risks which iRAP has identified and the steps being taken to minimise these risks are listed below:

Volatility in funding and other financial risks:

This risk is managed by the provision and review of management accounts and long terms financial forecasts with action plans to bridge any funding gaps. In addition to this, the Charity's Reserves policy is regularly reviewed to ensure that it is in line with the charity's needs. Volatility in exchange risks is managed through the provision of forward currency hedging. The risk of fraudulent payments is minimised through the provision of a dual signatory policy on all payments.

Reputation risk:

The risk to iRAP's reputation is minimised through the provision of strong quality assurance processes. In addition to this, iRAP works very closely with all key stakeholders and holds regular meetings and workshops with them to update them on progress and developments to ensure that the iRAP high standards are maintained.

Retention of key staff:

Staff contingency plans have been developed and reward and retention strategies in place. Performance reviews are held with staff to regularly review their progress against objectives set.

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Plans for future periods

a. Future developments

Following the announcement of the UN SDG target to halve road deaths and injuries by 2020, iRAP is ready for scale and is prepared to help countries worldwide to maximise travel on 3-star or better roads for all road users. This focus on objective star rating policy targets and minimum 3-star standards for all new road construction provides partners with the mechanism to build the political will, investment business case and ultimate measure of success associated with road engineering and speed management improvements that will save lives on scale.

To facilitate global activity in a sustainable way the charity has consolidated global product development, high-level programme support, advocacy and communications into a core team that is fully supported with charitable funds and donations. This allows for independent support of partners worldwide and confidence for agencies setting star rating policy targets and using the iRAP products, systems and specifications.

The focus on programme support will be targeted on ensuring high-risk roads are upgraded, and as such charitable support will be focussed on those road networks and partners where there are commitments to upgrade the safety and star rating of roads.

To meet the demand for project related support services that grow as the programme grows, the establishment of the global iRAP Strategic Projects team provides a focal point for project level support, strategic projects, supplier market development and quality assurance services. Consolidation of these services at the global level ensure efficiencies of scale and shared knowledge that will ensure programme improvements are rapidly deployed from and to each programme, partner and supplier in each region.

As a charity, iRAP welcomes the support of additional donors to help us accelerate and increase our support for partners worldwide. With the UN target now providing an unprecedented political will and opportunity to scale up action worldwide, iRAP stands well prepared to make a significant contribution to the achievement of that target.

Trustees' responsibilities statement

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

Company law requires the Trustees to prepare financial statements for each financial year. Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable 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 in the Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable group will continue in operation.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company and the group's transactions and disclose with reasonable accuracy at any time the

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financial position of the charitable 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 the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

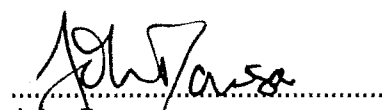
The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable group's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Disclosure of information to auditors

Each of the persons who are Trustees at the time when this Trustees' report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charitable group's auditors are unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charitable group's auditors are aware of that information.

This report was approved by the Trustees on **22.01.17** and signed on their behalf by:


.....
John Dawson
Trustee

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Independent auditors' report to the members of International Road Assessment Programme

We have audited the financial statements of International Road Assessment Programme for the year ended 31 December 2016 which comprise the group Statement of financial activities, the group and charity Balance sheets, the group Cash flow statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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, section 151 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 Auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its members, as a body, for our audit work, for this report, or for the opinion we have formed.

Respective responsibilities of Trustees and auditors

As explained more fully in the Trustees' responsibilities statement, the Trustees (who are also the directors of the charity 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.

We have been appointed as auditors under the Companies Act 2006 and section 151 of the Charities Act 2011 and report to you in accordance with those Acts. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

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

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2016 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; and
- have been prepared in accordance with the requirements of the Companies Act 2006 and the Charities Act 2011.

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Independent auditors' report to the members of International Road Assessment Programme

Opinion on other matter prescribed by the Companies Act 2006

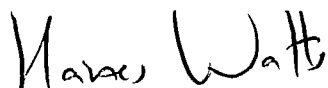
In our opinion, based on the work undertaken in the course of the audit, the information given in the Trustees' report for the financial year for which the financial statements are prepared is consistent with those financial statements and such reports have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the group and the parent charity and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustee's Report.

We have nothing to report in respect of the following matters where the Companies Act 2006 and the Charities Act 2011 requires us to report to you if, in our opinion:

- the parent charity has not kept adequate and sufficient accounting records, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charity 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 take advantage of the small companies' exemption from the requirement to prepare a Group strategic report.



Jonathan Moughton (Senior statutory auditor)

for and on behalf of

Haines Watts

Chartered Accountants and Statutory Auditor

177-181 Farnham Road

Slough

Berkshire

SL1 4XP

Date:

25 September 2017

Haines Watts are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

International Road Assessment Programme
(A company limited by guarantee)

Consolidated statement of financial activities incorporating income and expenditure account
For the year ended 31 December 2016

	Note	Unrestricted funds 2016 €	Total funds 2016 €	Total funds 2015 €
Income from:				
Donations and legacies	2	1,320,898	1,320,898	1,200,000
Charitable activities	3	979,830	979,830	472,286
Net income from trading activities	4	34,450	34,450	314,853
Total income		<u>2,335,178</u>	<u>2,335,178</u>	<u>1,987,139</u>
Expenditure on:				
Charitable activities		<u>2,275,956</u>	<u>2,275,956</u>	<u>1,930,738</u>
Total expenditure		<u>2,275,956</u>	<u>2,275,956</u>	<u>1,930,738</u>
Net movement in funds		59,222	59,222	56,401
Reconciliation of funds:				
Total funds brought forward		<u>532,392</u>	<u>532,392</u>	475,991
Total funds carried forward		<u><u>591,614</u></u>	<u><u>591,614</u></u>	<u><u>532,392</u></u>


The notes on pages 20 to 29 form part of these financial statements.

International Road Assessment Programme
(A company limited by guarantee)
Registered number: 05476000

Consolidated balance sheet
As at 31 December 2016

	Note	€	2016 €	€	2015 €
Fixed assets					
Tangible assets	7		50,162		236
Current assets					
Debtors	9	891,251		1,093,061	
Cash at bank and in hand		430,288		130,614	
		<u>1,321,539</u>		<u>1,223,675</u>	
Creditors: amounts falling due within one year	10	(780,087)		(691,519)	
Net current assets			<u>541,452</u>		<u>532,156</u>
Net assets			<u>591,614</u>		<u>532,392</u>
Charity Funds					
Unrestricted funds	11		<u>591,614</u>		<u>532,392</u>
Total funds			<u>591,614</u>		<u>532,392</u>

The financial statements were approved and authorised for issue by the Trustees on 22.09.17 and signed on their behalf, by:



John Dawson


The notes on pages 20 to 29 form part of these financial statements.

International Road Assessment Programme
(A company limited by guarantee)
Registered number: 05476000

Charity balance sheet
As at 31 December 2016

	Note	€	2016 €	€	2015 €
Fixed assets					
Tangible assets	7		-		236
Investments	8		1		1
			<u>1</u>		<u>237</u>
Current assets					
Debtors	9	908,495		870,302	
Cash at bank		401,993		125,426	
		<u>1,310,488</u>		<u>995,728</u>	
Creditors: amounts falling due within one year	10	(718,874)		(463,572)	
Net current assets			<u>591,614</u>		<u>532,156</u>
Net assets			<u>591,615</u>		<u>532,393</u>
Charity Funds					
Unrestricted funds	11		<u>591,615</u>		<u>532,393</u>
Total funds			<u>591,615</u>		<u>532,393</u>

The financial statements were approved and authorised for issue by the Trustees on **22.09.17** and signed on their behalf, by:



John Dawson

The notes on pages 20 to 29 form part of these financial statements.

International Road Assessment Programme
(A company limited by guarantee)

Consolidated statement of cash flows
For the year ended 31 December 2016

	Note	2016 €	2015 €
Cash flows from operating activities			
Net cash provided by/(used in) operating activities	13	349,836	(306,545)
Cash flows from investing activities:			
Purchase of tangible fixed assets		(50,162)	-
Net cash used in investing activities		(50,162)	-
Change in cash and cash equivalents in the year		299,674	(306,545)
Cash and cash equivalents brought forward		130,614	437,159
Cash and cash equivalents carried forward	14	430,288	130,614

The notes on pages 20 to 29 form part of these financial statements.

International Road Assessment Programme
(A company limited by guarantee)

Charity cash flow statement
For the year ended 31 December 2016

	Note	2016 €	2015 €
Cash flows from operating activities			
Net cash provided by/(used in) operating activities	13	276,567	<i>(309,023)</i>
Change in cash and cash equivalents in the year		276,567	<i>(309,023)</i>
Cash and cash equivalents brought forward		125,426	<i>434,449</i>
Cash and cash equivalents carried forward	14	401,993	<i>125,426</i>

The notes on pages 20 to 29 form part of these financial statements.

International Road Assessment Programme
(A company limited by guarantee)

Notes to the financial statements
For the year ended 31 December 2016

1. Accounting policies

1.1 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 (FRS 102) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair' view. This departure has involved following the Charities SORP (FRS 102) published on 16 July 2014 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

International Road Assessment Programme meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

1.2 Reconciliation with previous Generally Accepted Accounting Practice

In preparing these accounts, the Trustees have considered whether in applying the accounting policies required by FRS 102 and the Charities SORP FRS 102 the restatement of comparative items was required.

No restatements were required.

1.3 Company status

The charity is a company limited by guarantee. The members of the company are the Trustees named on page 1. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity.

1.4 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes.

1.5 Income

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

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

International Road Assessment Programme
(A company limited by guarantee)

Notes to the financial statements
For the year ended 31 December 2016

1. Accounting policies (continued)

1.6 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

Support costs are those costs incurred directly in support of expenditure on the objects of the charity and include project management carried out at Headquarters.

Charitable activities and Governance costs are costs incurred on the charity's educational operations, including support costs and costs relating to the governance of the charity apportioned to charitable activities.

1.7 Basis of consolidation

The financial statements consolidate the accounts of International Road Assessment Programme and all of its subsidiary undertakings ('subsidiaries').

The charity has taken advantage of the exemption contained within 408 of the Companies Act 2006 not to present its own income and expenditure account.

1.8 Tangible fixed assets and depreciation

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Office equipment	-	3 years straight line
Asset under construction	-	To be depreciated once the asset is available for use

1.9 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.

1.10 Debtors

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

1.11 Cash at bank and in hand

Cash at bank and 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.

International Road Assessment Programme
(A company limited by guarantee)

Notes to the financial statements
For the year ended 31 December 2016

1. Accounting policies (continued)

1.12 Liabilities and provisions

Liabilities are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide. Provisions are measured at the best estimate of the amounts required to settle the obligation.

1.13 Derivative financial instruments

The Charity's activities expose it to the financial risk of changes in foreign exchange rates and they therefore enter into forward contracts to hedge against volatile exchange rate movements.

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently remeasured at their fair value. The method of recognising any resulting gain or loss depends on whether the derivative is designated as a hedging instrument and, if so, the nature of the item being hedged.

Changes in the fair value of any derivative instruments that do not qualify for hedge accounting are recognised immediately in the income statement.

1.14 Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into euros at rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into euros at the rate ruling on the date of the transaction. Exchange gains and losses are recognised in the statement of financial activities.

1.15 Pensions

The charity operates a defined contribution pension scheme and the pension charge represents the amounts payable by the charity to the fund in respect of the year.

2. Income from donations and legacies

	Unrestricted funds 2016 €	Total funds 2016 €	<i>Total funds 2015 €</i>
Grants	1,320,898	1,320,898	<i>1,200,000</i>
	<hr/>	<hr/>	<hr/>
<i>Total 2015</i>	<i>1,200,000</i>	<i>1,200,000</i>	
	<hr/>	<hr/>	

International Road Assessment Programme
(A company limited by guarantee)

Notes to the financial statements
For the year ended 31 December 2016

3. Income from charitable activities

	Unrestricted funds 2016 €	Total funds 2016 €	Total funds 2015 €
Project delivery income	979,830	979,830	472,286
	<u>979,830</u>	<u>979,830</u>	<u>472,286</u>
<i>Total 2015</i>	<i>472,286</i>	<i>472,286</i>	
	<u>472,286</u>	<u>472,286</u>	

4. Trading activities

	Unrestricted funds 2016 €	Total funds 2016 €	Total funds 2015 €
Net income from trading subsidiary	34,450	34,450	314,853
	<u>34,450</u>	<u>34,450</u>	<u>314,853</u>
	<u>34,450</u>	<u>34,450</u>	<u>314,853</u>

The wholly owned subsidiary, Road Assessment Services Limited, which is incorporated in the United Kingdom, pays its taxable profits to the charity by Gift Aid. Its results are consolidated with those of International Road Assessment Programme. The charity owns the entire issued share capital of one ordinary share of £1.

5. Net income/(expenditure)

This is stated after charging/(crediting):

	2016 €	2015 €
Depreciation of tangible fixed assets:		
- owned by the charitable group	236	1,064
Auditors' remuneration - audit	8,000	8,000
Movement on foreign exchange	72,094	38,759
	<u>80,330</u>	<u>47,823</u>

During the year, no Trustees received any remuneration (2015 - €NIL).

During the year, Trustees were reimbursed expenses of €4,085 (2015 - €NIL).

International Road Assessment Programme
(A company limited by guarantee)

Notes to the financial statements
For the year ended 31 December 2016

6. Staff costs

Staff costs were as follows:

	2016	<i>2015</i>
	€	€
Wages and salaries	1,198,919	<i>870,143</i>

The average number of persons employed by the charity during the year was as follows:

	2016	<i>2015</i>
	No.	No.
Trustees	6	<i>5</i>
Employees	13	<i>19</i>
	19	<i>24</i>

The number of higher paid employees was:

	2016	<i>2015</i>
	No.	No.
In the band €60,001 - €70,000	2	<i>2</i>
In the band €70,001 - €80,000	1	<i>1</i>
In the band €80,001 - €90,000	0	<i>0</i>
In the band €90,001 - €100,000	0	<i>4</i>
In the band €100,001 - €200,000	5	<i>2</i>

€291,586 was paid to key management of the charity during the year.

International Road Assessment Programme
(A company limited by guarantee)

Notes to the financial statements
For the year ended 31 December 2016

7. Tangible fixed assets

Group	Office equipment €	Asset under construction €	Total €
Cost			
At 1 January 2016	3,192	-	3,192
Additions	-	50,162	50,162
At 31 December 2016	<u>3,192</u>	<u>50,162</u>	<u>53,354</u>
Depreciation			
At 1 January 2016	2,956	-	2,956
Charge for the year	236	-	236
At 31 December 2016	<u>3,192</u>	<u>-</u>	<u>3,192</u>
Net book value			
At 31 December 2016	<u>-</u>	<u>50,162</u>	<u>50,162</u>
<i>At 31 December 2015</i>	<u>236</u>	<u>-</u>	<u>236</u>

Asset under construction relates to the new accounting system, Microsoft Dynamics GP, that was in the process of being implemented at year end.

Charity	Office equipment €
Cost	
At 1 January 2016 and 31 December 2016	<u>3,192</u>
Depreciation	
At 1 January 2016	2,956
Charge for the year	236
At 31 December 2016	<u>3,192</u>
Net book value	
At 31 December 2016	<u>-</u>
<i>At 31 December 2015</i>	<u>236</u>

International Road Assessment Programme
(A company limited by guarantee)

Notes to the financial statements
For the year ended 31 December 2016

8. Fixed asset investments

Charity	Shares in group undertakings €
At 1 January 2016 and 31 December 2016	<u><u>1</u></u>

9. Debtors

	<u>Group</u>		<u>Charity</u>	
	2016 €	2015 €	2016 €	2015 €
Trade debtors	277,932	176,752	145,744	63,861
Amounts owed by group undertakings	-	-	222,247	230,769
Other debtors	183,549	289,031	176,370	237,601
Prepayments and accrued income	429,770	627,278	364,134	338,071
	<u><u>891,251</u></u>	<u><u>1,093,061</u></u>	<u><u>908,495</u></u>	<u><u>870,302</u></u>

10. Creditors: Amounts falling due within one year

	<u>Group</u>		<u>Charity</u>	
	2016 €	2015 €	2016 €	2015 €
Trade creditors	40,615	138,613	37,063	50,007
Other taxation and social security	2,073	12,367	2,073	12,367
Other creditors	447,642	203,400	417,481	203,400
Accruals and deferred income	289,757	337,139	262,257	197,798
	<u><u>780,087</u></u>	<u><u>691,519</u></u>	<u><u>718,874</u></u>	<u><u>463,572</u></u>

International Road Assessment Programme
(A company limited by guarantee)

Notes to the financial statements
For the year ended 31 December 2016

11. Statement of funds

Statement of funds - current year

	Balance at 1 January 2016 €	Income €	Expenditure €	Balance at 31 December 2016 €
Unrestricted funds				
Reserves	532,392	2,335,178	(2,275,956)	591,614

Statement of funds - prior year

	Balance at 1 January 2015 €	Income €	Expenditure €	Gains/ (Losses) €	Balance at 31 December 2015 €
Unrestricted funds					
General funds	475,991	1,987,139	(1,930,738)	-	532,392
	475,991	1,987,139	(1,930,738)	-	532,392
Total of funds	475,991	1,987,139	(1,930,738)	-	532,392

12. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2016 €	Total funds 2016 €
Tangible fixed assets	50,162	50,162
Current assets	1,321,539	1,321,539
Creditors due within one year	(780,087)	(780,087)
	591,614	591,614

International Road Assessment Programme
(A company limited by guarantee)

Notes to the financial statements
For the year ended 31 December 2016

12. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior year

	<i>Unrestricted funds 2015 €</i>	<i>Total funds 2015 €</i>
Tangible fixed assets	236	236
Current assets	1,223,675	1,223,675
Creditors due within one year	(691,519)	(691,519)
	<u>532,392</u>	<u>532,392</u>

13. Reconciliation of net movement in funds to net cash flow from operating activities

	2016 €	group 2015 €	2016 €	charity 2015 €
Net income for the year (as per Statement of Financial Activities)	59,222	56,401	(76,858)	56,401
Adjustment for:				
Depreciation charges	236	1,064	236	1,064
Decrease/(increase) in debtors	201,810	(528,159)	(430,888)	(320,339)
Increase in creditors	88,568	164,149	784,077	(46,149)
Net cash provided by/(used in) operating activities	<u>349,836</u>	<u>(306,545)</u>	<u>276,567</u>	<u>(309,023)</u>

14. Analysis of cash and cash equivalents

	2016 €	group 2015 €	2016 €	charity 2015 €
Cash in hand	430,288	130,614	401,993	125,426
Total	<u>430,288</u>	<u>130,614</u>	<u>401,993</u>	<u>125,426</u>

15. Pension commitments

The group operates a defined contributions pension scheme. The pension cost charge in the year represents contributions payable by the group and amounted to €118,855 (2015: €46,975).

International Road Assessment Programme
(A company limited by guarantee)

Notes to the financial statements
For the year ended 31 December 2016

16. Related party transactions

Mr J Dawson and Mr F Smith, trustees of the company, are also directors of the European Road Assessment Programme ("EuroRAP AISBL"), which was awarded a grant in the year of €nil (2015: €450,000).

Mr J Dawson and Mr M Nadal are directors of the FIA Foundation and Mr Saul Billingsley is the Executive Director, which made grants to iRAP totalling €1,300,000 (2015: €1,200,000).

Mr J Dawson is Chairman of the Management Committee of the Road Safety Foundation which made a grant to iRAP totalling €52,515 (2015: €nil).

The company has branches in Australia and Chile that service certain projects on behalf of the company as well as incurring costs in respect of the administration of those branches. In this respect charges are made from and to the head office to and by the branches at commercial rates.

Included within other creditors at year end is €344,153 (2015: €178,294) owed to related parties.

17. First time adoption of FRS 102

It is the first year that the charity has presented its financial statements under SORP 2015 and FRS 102. The following disclosures are required in the year of transition. The last financial statements prepared under previous UK GAAP were for the year ended 31 December 2015 and the date of transition to FRS 102 and SORP 2015 was therefore 1 January 2015. The policies applied under the charity's previous accounting framework are not materially different to FRS 102 and have not impacted on funds or net income/expenditure.