

Company number: 2744185
Charity number : 1027201

THE INSTITUTE FOR WAR AND PEACE REPORTING (IWPR)

Limited by guarantee

ANNUAL REPORT AND FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2018

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THE INSTITUTE FOR WAR AND PEACE REPORTING

ANNUAL REPORT AND FINANCIAL STATEMENTS

CHARITY INFORMATION

Governing Document	Memorandum and Articles of Association dated 1 September 1992
Company number	2744185
Charity number	1027201
Trustees	<p>The Trustees who served during the period and up to the date of this Report were as follows:</p> <p>Sir David Bell (Chairman) Richard Caplan Christina Lamb Zoran Pajic Stephen Jukes Christian Toksvig Michael Immordino (Appointed 21 September 2017) Simon Hersom (Appointed 29 June 2018)</p>
Registered office and operational address	48 Gray's Inn Road London WC1X 8LT
Independent Auditor	Haysmacintyre LLP 10 Queen Street Place London EC4R 1AG
Bankers	National Westminster Bank plc 218 Upper Street London N1 1SP
Solicitors	Bates Wells Braithwaite 10 Queen Street Place London EC4R 1BE

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TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2018

The Trustees present their Annual Report together with the Audited Financial Statements for the year ended 31 December 2018.

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

1. ORGANISATIONAL GOVERNANCE AND STRUCTURE

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

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

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

In the prior financial year, the charity incorporated a For Profit subsidiary, IWPR UK Limited, a company limited by shares. IWPR UK Limited delivers programmes that meet the Group's objectives outlined in Section 3 below and where the donor allows for an element of profit to be made. Any profits made by IWPR UK Limited will be gift aided to the UK charity to support its activities.

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

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

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

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

2. REMUNERATION POLICY FOR KEY MANAGEMENT PERSONNEL

The Trustees consider the Executive Director, the Chief Financial Officer, the Asia Director, MENA Director, the Development Director and the HR/Resources Director to comprise the key management personnel of the charity

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in charge of directing, controlling, running and operating the Charity on a day to day basis. In view of the nature of the charity, the Trustees benchmark against pay levels in similar sized charities. The remuneration benchmark is the mid-point of the range paid for similar roles in similar charities.

3. OBJECTIVES AND ACTIVITIES

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

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

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

4. PROGRAMME ACTIVITIES: FRONTLINE SUPPORT

In 2018, the IWPR International Network continued its work in more than two dozen countries in crisis and conflict around the world. The challenges facing freedom of expression and critical journalism only sharpened over the year - with hot conflict, fragile and violent environments, numerous areas with restrictive governments directly inhibiting or attacking independent voices and civil society, and a diverse range of countries across the continents engaged in delicate social and political transitions.

The year saw an increasing focus on the role of foreign propaganda and extremist hate speech in impacting both traditional and social media platforms, with effects stretching from war zones and developing countries to established western democracies in Europe and even the United States. This included increasing sophistication of anti-democratic groups and states in exploiting digital vulnerabilities not only to distort public discourse and debate but also directly to threaten and attack honest local voices around the world. Continuing recent trends, the year saw significant numbers of journalists attacked, arrested and killed.

Against these risks, IWPR has continued to support local independent voices to drive positive change. We have continued our core work of training and mentoring basic and advanced journalism skills, while also significantly increasing our support for civic activists and civic groups so that they too can speak out and be heard.

MIDDLE EAST & NORTH AFRICA

Libya

IWPR's two largest projects - funded by the US Department of State and the UK's Conflict, Stability, and Security Fund - provided core support for Libyan media outlets, educational institutions, government bodies and CSOs. The 24-month US-funded Aswaat min Libya (Voices from Libya) project strengthens community radio through commercial sustainability, management trainings and digital security trainings for dozens of station staff. IWPR developed digital strategies with each partner, enabling them to better use social media to produce more varied content and engage audiences and advertisers. Aswaat also continued IWPR's partnership with the University of Tripoli Media Lab to complete media awareness trainings for nearly 100 officials and produce three televised political salons with the government media office, resulting in a vibrant live and digital discussion on elections, the draft constitution, and the impact of the country's incessant factional fighting.

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Ante Raeda (You Are A Pioneer), a 30-month UK-supported gender rights project, capped off a very successful first phase with 20 civil society partners with a conference and the launch of a deep-dive report. Based on nearly 80 interviews conducted inside Libya, the report represents the most current research on civil society and women's empowerment in Libya to date, and laid out extensive recommendations. It also highlighted a unique opportunity for women, due primarily to the liquidity crisis in Libya, to advance through economic independence. Thus, a number of awarded subgrants focus on building women's status through economic empowerment. For example, one partner is bringing the first Arabic e-learning course to Libya and had more than 500 Libyans register to take part in their Adventurous Investors online learning course.

IWPR awarded grants to ten Libyan CSOs to implement women-focused activities that advance women's political participation and economic empowerment, as well as raising awareness on social issues including women's rights and gender-based violence.

In addition, nine online training videos were produced in Arabic and shared publicly via IWPR's website and partner social media accounts. They will be used by the 18 civil society groups participating in Ante Raeda's second phase in external trainings with partners and beneficiaries.

Under this phase, ten CSOs will be awarded subgrants focusing on Libyan women's social, economic, and political empowerment. Protecting Civil Society and Activists in Libya (PAX), IWPR's longest-running US-funded project in Libya, supported five CSOs develop and launch effective advocacy campaigns around freedom of expression that reached more than 210,000 people on social media.

IWPR wound down the US-funded Libyan Women's Radio Network, which supported women in journalism while also enabling community stations and local CSOs to develop programming around gender rights and empowerment. Hostile environment and first aid training remained central to IWPR's Libya programming, with our ten Libyan instructors training hundreds of journalists, activists, and CSO staff.

Tunisia

IWPR's two Tunisia-focused programmes gained significant momentum during the first half of 2018; both are US-funded and represent strategic partnerships with other US implementers. Under the Judicial Sector Reform (JSR) project, a partnership with the American Bar Association and the International Republican Institute (IRI), IWPR trained 16 Tunisian media outlets in legal reporting skills and supported the development of programmes to deliver messages on legal literacy to local communities. The project partners also finalised instructional materials for Tunisian lawyers, judges and journalists, including a manual for basic legal reporting, to be published by IWPR in association with the Tunisian Young Lawyers Association and Tunisian Bar Association.

IWPR also partnered with IRI on its second Tunisian project, Supporting Tunisian Elections, which worked with community radio stations and journalists ahead of the country's first municipal elections. IWPR's partner stations in Tunisia's interior produced dozens of programmes in the run-up to the vote, also learning how to better use social media to promote content and grow audience numbers. Based on the strength of this programming, IRI awarded IWPR a second subgrant to continue working with additional partner radio stations later in 2018. Both projects were extremely well-received due to their unique approaches, including working in-house with media outlets so that trainers and trainees are able to apply their new skills in real time.

Iraq

IWPR Iraq continued to support reconciliation, stability, social cohesion, freedom and personal agency across the country through its network of public influencing moderate voices and grassroots activities carried out inside and outside Iraq.

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As part of our long-running work to boost civic engagement and political participation, IWPR launched #Don'tStayAtHome ahead of crucial Iraqi parliamentary elections on May 12, 2018.

Amid widespread calls for a boycott of the elections, IWPR's awareness was the only activist-led drive in Iraq to support the polls, with independent research by YouGov confirming the effort's positive impact on people's intention to vote.

Starting in mid-January, IWPR organised 18 electoral workshops in six key areas of Iraq - Baghdad, Anbar, Diyala, Salahuddin, Kirkuk, and Nineveh - and hosted nine innovative theatrical events to raise awareness through drama, comedy and satire.

We also deployed our ground-breaking team of social media champions to boost public awareness with more than 2,000 pieces of unique content and provide a vital independent space for Iraqis to engage positively with election issues.

Widespread local and pan-Arab media interest in IWPR's election campaign included an article in The National, an English-language UAE newspaper featuring our champion Ahmed al-Basheer and his use of comedy to engage youth voters.

IWPR continued to support recently-liberated areas such as Mosul through concerted social media reporting and messaging. Grassroots activities built bridges with the rest of Iraq – and also internationally, as evidenced by the concert held in the Austrian city of Linz by world-class percussionist Martin Grubinger to celebrate the first anniversary of the Mosul liberation. The event was held in honor of IWPR champion Mosul Eye in cooperation with Josef Weidenholzer, an Austrian politician and member of the European Parliament. The concert was transmitted live by Iraqi national broadcaster al-Iraqiya as well as broadcast on giant screens inside Mosul itself.

The efforts of IWPR champion Manar al-Zubaidi to support Iraq's marginalised gypsy community were also recognised. During the international Anana festival for Folklore and World Heritage in the Estonian capital Tallinn, al-Zubaidi was honored for her 2016 campaign that led to the creation of a school in a gypsy community where children had been denied access to education for the last 15 years.

A recent campaign of intimidation against activists and journalists – especially women – by local militias spurred IWPR champions to launch the campaign #That'sEnough. This calls for civil society to oppose the killing and threatening of moderate voices in Iraq, and preserve the gains achieved in the past few years. It also calls on the government and security institutions to ensure citizens' safety and act to stop demonisation, online and offline.

Syria

Despite the desperate situation in Syria, IWPR continued to implement its Alternative Voices, funded by the Dutch Ministry of Foreign Affairs and Reinforce Civic Response projects, funded by DRL.

We invested more than 1,200 hours in journalism training, publishing hundreds of articles on our Syria Stories platform, and continued to work through local partners such as Olive Branch, Women Now, Basmeh and Zeitoune to empower local women to become more independent within their communities and be catalysts of change.

Nearly 6,000 women visited our Al Abzimo and My Space centres where they can access diverse training opportunities including first aid, literacy, social media language and IT skills. Our online advocacy campaign Liberated T reached more than 26,000 followers on Facebook, providing a platform for Syrian women to share stories through video, art and animation. In May alone, Liberated T reached more than 132,000 people. Media outlets such as the Guardian have shared content from Liberated T, and it was named as one of the most inspiring projects to celebrate on International Women's Day by video campaign group Witness.

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IWPR continued to provide vital digital security training, with one female trainee from Raqqa explaining how she had previously been repeatedly blackmailed by hackers. "I am really looking forward to going further with this training and teaching all girls facing this issue how to change their online behaviour," she said following the course.

In summer 2018, the southwestern Syrian city of Dara'a was recaptured by the regime, causing the displacement of over 325,000 civilians, with many Syrian journalists fleeing to Jordan. In response, IWPR held two trainings for Syrian civil society activists in Amman on advocacy and conflict sensitive journalism.

IWPR also received the names of thousands of detainees killed in regime prisons by the Syrian Internal Affairs Department. In response, we launched a project to empower Syrian activists in documenting rights abuses, advocating at a community-level and understanding international accountability mechanisms and transitional justice. We also initiated a project to support women, youth and marginalised groups in the regions of Ayn Issa, Raqqa, Hasaka, and Qamishli, liberated from Islamic State. IWPR continued to fund six centres for women in northwest Syria and provide remote training sessions covering a variety of topics for more than 200 women.

Two advocacy tours held in the Netherlands and the US brought Syrian female activists together with officials, journalists and concerned citizens to raise awareness on the importance and urgency of supporting independent voices in Syria. In addition, a conflict sensitive journalism manual was launched in Gaziantep, Turkey, at the end of November, complemented by a five-episode video series. In November, IWPR participated as a member of the Steering Group in London of the Marie Colvin Circle, commemorating her loss in Syria and working to support women journalists across the Middle East.

Digital security in MENA

Among the major digital threats faced by human rights defenders in repressive countries are eavesdropping on email and phone communication, physical seizure and checks of mobile and computer devices, phishing campaigns on social media and attacks against websites in an effort to make them dysfunctional.

IWPR's CyberArabs website and helpline offers advice and emergency assistance to actors who have been victims of such attacks, as well as latest information on digital security threats and tools, tailored to Arabic speaking audience.

This year we published an Arabic version of the IWPR-developed Cyber-women guide, an extensive holistic tool with over 20 training modules aimed at digital security trainers working with female human rights defenders. IWPR sees involvement of the corporate sector as crucial in managing organisational digital security threats and so strengthened this link by engaging Private Internet Access who provided free VPN for at-risk activists and journalists. The programme also reached out to key corporate actors - Mozilla Foundation, Facebook, Jigsaw, Hollaback! and The Guardian project - to begin forming working groups with CSOs and journalists in order to combat online harassment. IWPR aims to take this work forward under future digital security programming.

Also, as part of IWPR's Safety Awareness and Action project (SAWA) to promote digital security for women human rights defenders - which also operates in the MENA region - we travelled to the Internet Freedom Festival to present Cyberwomen (<https://cyber-women.com>) and Hacks de Vida - a manual of best practice for people supporting women who have suffered online gender-based violence. Both were well received by a digital security community that feels this gender component has been too long sidelined.

LATIN AMERICA

IWPR's most important and sustainable recent achievement in Cuba has been the launch of a minority-focused youth e-magazine, Tremenda Nota. In the face of bigotry, propaganda, repression and fake news, the

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magazine has covered issues pertaining to those at the periphery of society in sensitive and inclusive way. The magazine is apolitical, but rejects the idea that equality and social inclusion are a given in Cuba. By doing so, it has attracted new, younger and highly talented LGBT+, women and afro-Cuban journalists into the fold of independent media – previously white, middle-aged and male dominated. Through training and mentoring by IWPR staff, writers have improved the quality of their multimedia production, their journalistic work ethics and the sensitive coverage of issues with a human rights focus. They have also slowly taken over the reins of the magazine and are increasingly able to run it independently from IWPR, with sustainable outside funding. The magazine is gradually increasing audience numbers and social media presence, is regularly cited by other sources inside and outside Cuba and has become a reference point for news and information on minority issues in Cuba.

IWPR also achieved greater solidarity between diverse and sometimes competitive media organizations, uniting the directors of independent media organizations around the one issue that unites them – freedom of the press. Concretely, this has resulted in a secure communications mechanism, managed by IWPR, whereby they can share information regarding government repression and ensure that they publish news and raise awareness regarding human rights violations against journalists from other media. They also contributed collectively to IWPR's Security Manual for Cuban Journalists.

The IWPR Cuban team secured renewed funding from the two donors supporting its work for the coming two years. However, they continue to look to ways to diversify the funding sources from European governments and private foundations, and in particular to expand work to other parts of the Americas.

AFRICA

Nigeria & Kenya

IWPR's Voices for Change project supports human rights defenders, civil society groups and journalists to work together to effectively raise public awareness and launch robust advocacy campaigns related to human rights violations. In the first half of 2018 we convened roundtables with CSOs and journalists in Nigeria and Kenya, forging relationships between two often opposed groups, and ran workshops and mentoring in human rights accountability reporting. Encouraging the use of investigative reporting tools and techniques across a diverse range of actors, the project aims to ultimately increase prosecutions related to human rights violations.

The project is funding a number of investigative reports and advocacy campaigns. In Kenya, these include an advocacy campaign to end extrajudicial killings and enforced disappearances on the Kenyan coast and a TV investigation into the killings of pastoralists by Kenya's police force in the restive Laikipia county. In Nigeria, these include a radio advocacy campaign educating citizens on the realities of human trafficking, and an investigative report highlighting the plight of underage inmates in detention centres. Voices for Change runs until October 2019, and is being implemented in collaboration with the International Centre for Investigative Reporting in Nigeria, and Africa Uncensored in Kenya. Our donor has recently renewed support for a further year of programming.

BALTICS AND CENTRAL EUROPE

IWPR delivered two research projects for the UK Government's Conflict, Stability and Security Fund (CSSF), exploring the link between attitudes, perceptions and media usage across the Baltics (Estonia, Latvia and Lithuania) and Central Europe (the Czech Republic, Hungary, and Slovakia). The research primarily consisted of quantitative interviews with over 1,000 respondents in each country, including a focus on how social media usage - including exposure to pro-Russian narratives - affects attitudes and perceptions. The research was complemented by focus group discussions and expert interviews, providing unprecedented insights into the dynamics of the countries and people's changing perspectives in a quickly transforming informational landscape. The research was well-received by the donor and government representatives in-country.

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Ukraine

IWPR programming in Ukraine works to support a strong cadre of independent media voices and to build civil society capacity to address systemic corruption. This has focused on establishing regional partnerships among civil society groups and media – ‘accountability Clusters’ – in Kyiv, Kharkiv, Lviv and Odessa, delivering impressive results in a wide range of areas, including public procurement, e-declarations, land allocations and improved monitoring of city and regional council spending.

Our current programming, with support from Norway, continues to work with a range of civic oversight initiatives tackling transparency and accountability issues, with a total of nine regional sub-grants (selected from 59 applications) with more than 100,000 euros awarded over the second half of 2018. These initiatives cover five main and nine secondary regions and include monitoring of public procurement, conflicts of interest among local officials, competitive appointment of healthcare institutions managers, establishment of municipal property registers, and wide variety of local budgets issues: effectiveness of special target programs, and participative budget procedures.

Central Asia, Caucasus, Moldova and Ukraine

IWPR's From the Borderland to the Steppes project is underway across ten countries in Central Asia and the Caucasus as well as in Moldova and Ukraine, areas that share common challenges such as poor governance and the consequences of unresolved armed conflicts. Supported by the Norway MFA, it builds on over 15 years' experience in the region while putting significant emphasis on media innovation. It marks the first time IWPR has operated in Moldova, and we are establishing a number of partnerships with human rights, media and legal actors in-country. Given recent developments in many of the countries - including the so-called Velvet Revolution in Armenia, protests in Georgia, and disinformation actions across all countries - the work of IWPR and our supported journalists remains vital. Many stories from the project can be found on our Central Asia reporting platform CABAR.asia, and the IWPR website at <https://iwpr.net/focus/from-borderland-to-steppes>. From the Borderland to the Steppes runs until 2020.

In June IWPR formed partnerships with key think tanks, educational and media institutions in Moldova, and organised a two-day workshop for 15 Georgian regional journalists, covering how to identify and deconstruct disinformation and read polls. The session was organized in partnership with the Vilnius-based Eastern Europe Studies Center and featured Rytas Staselis, Lithuania's best-known investigative journalist. We also developed a curriculum for our webinar platform, where journalists receive training on ethics, physical and digital safety and security, countering disinformation and other relevant subjects.

In October, the Tbilisi office organized a hackathon in which students developed applications to help newsrooms access public information and report on key environmental issues using satellite imagery. The winners were invited to participate in the project's grant competition on media tech innovation and will join a cross-border boot camp scheduled next year. Also, for the sixth year running, IWPR ran Georgia's leading journalism prize in partnership with the European Union Monitoring Mission; the winner will participate in a one-month fellowship at IWPR's head office in London.

CENTRAL ASIA

In January 2018, IWPR's offices in Bishkek and Dushanbe began mentorship programmes for journalism students at local universities. IWPR then trained 40 young writers, with 20 of their best reports published on the CABAR website. This was redesigned, growing its audience from around 50,000 visitors in November 2017 to 133,000 in June 2018. In March, IWPR launched the CABAR.asia school of analytics to train young practitioners to write accessible articles on the region in both Russian and local languages, selecting 48 candidates out of nearly 400 applicants. Eight of the successful applicants were from Uzbekistan.

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In July, IWPR launched the CABAR.asia Young Experts Programme, with 20 participants from Kazakhstan, Kyrgyzstan, Tajikistan and Uzbekistan. The week-long training focused on writing analytical articles, policy papers and data collection and visualisation. IWPR worked closely with graduates of the CABA.asia school of Analytical Journalism and their alumni organisation. Publications over this period included four analytical briefs and 24 articles as well as two investigative reports in Russian, English and local languages. Strong emphasis was put on the topics of corruption and countering Russian influence. In addition, the summer school conducted eight further trainings for 130 journalists and launched an online school of analytics to bring the alumni network and new experts and journalists together through online learning and cooperation opportunities.

IWPR identified new opportunities in Uzbekistan with potential reforms allowing us to intensify our activities. In October IWPR held meetings with representatives of independent media outlets, lawyers, rights defenders and young experts in Tashkent. The same month also saw a four-day long training-of-trainers for five Uzbek media professionals in Bishkek. These trained experts will conduct workshops for journalists and students in Tashkent next year. Also in October, IWPR presented research on the development of media and civil society in Kazakhstan, Kyrgyzstan, Tajikistan and Uzbekistan. The findings were widely shared among local media outlets and cited on national, local and international platforms.

Tajikistan

The problem of radicalisation remains a serious one in Tajikistan, where more than 2,000 citizens have left to fight in Syria and Iraq. IWPR completed a US State Department-funded project to address radical extremism in Tajikistan and contribute to public discussion of sensitive issues such as religion, extremism and terrorism.

IWPR-trained journalists published 65 articles on radicalisation, a topic that barely featured in the Tajik media before the project began in 2016. We also organised lectures for nearly 400 parents in areas vulnerable to Islamist recruitment as well as running a series of public talks for 700 university students, and engaged directly with Muslim religious leaders as well as with government authorities. A new project, also supported by the State Department and addressing the same theme, was launched on a regional basis.

Afghanistan

IWPR delivered a highly successful six-month project - Supporting Investigative Reporting in Local Media and Strengthening Civil Society, funded by the British Embassy in Kabul, which ran until March 2018. The programme encouraged a culture of constructive debate and critical thinking by developing a networked, professionalised local media sector that values in-depth reporting, good governance and the rule of law. This is significant in the Afghan context, with many local journalists believing that investigation is a government responsibility. IWPR's efforts to change this culture and build the capacity of local Afghan media embodies IWPR's global mission of giving voice and driving change.

The initial objective of mentoring 120 local reporters from 30 of Afghanistan's provinces was surpassed; 125 journalists from 33 provinces were trained as well as six editors from three local partner NGOs. The project also provided on-the-job coaching to the reporters through the production and publication of 88 in-depth investigative print and radio reports on critical issues in three languages – Pashto, Dari and English – to reach a wider, global audience. Furthermore, six radio forums increased national awareness of these concerns, reaching a total of 11 million Afghans. The final three radio forums were made public by giving access to an audience of 60 people, including teachers, university students, CSO and human rights activists. The forums were aired through two additional partner radio stations in different provinces, expanding their reach.

IWPR Afghanistan was also granted a mini-reporting project, funded by the Postcode Lottery fund, which it successfully delivered over the second half of 2018.

The project strengthened and sustained the gains IWPR has made in supporting the voices of journalists and civic activists, while continuing to improve reporting standards among Afghan reporters and raising awareness

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of critical political, economic and social issues among the public. We produced 32 in-depth reports on critical issues, including many related to women's rights and the October 2018 parliamentary election as well as ongoing peace efforts and security challenges. Civil society groups and NGOs in Afghanistan have felt under pressure as the US held its first direct talks with representatives of the Taliban in Qatar and other Gulf countries. These talks have directly affected the US and other major donors' commitments to funding significant programmes, particularly those aimed at media, freedom of press and addressing violent extremist ideologies. During the second half of 2018, IWPR was required to close down its long-standing Afghan office and release our wonderful staff. We have, however, maintained a skeleton administrative infrastructure in hopes that we can re-establish significant new programming in the near future.

5. FUTURE PLANS

Over the course of the year, IWPR refreshed its planning, resulting in an updated strategic plan for 2018-22, confirming our commitment to the following priorities:

1. To extend networks of those we support, especially women, youth, minorities and moderate voices in extreme environments;
2. To strengthen the ability of local media and local civic voices to drive positive change in societies under stress;
3. To support content production and expanded media platforms for local voices to have impact in-country, regionally and internationally;
4. To enhance the capacity and security of local media and civil society groups, especially those under attack;
5. To increase IWPR's capacity to deliver our mission, diversify financial support and invest in people and ideas.

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

6. RISK MANAGEMENT

The Trustees have examined the major strategic, business and operational risks which the Charity faces, including a Risk Register, and confirm that systems have been established to mitigate those risks.

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

The key areas of risk are:

- **Safety & Security** - life and security of personnel and beneficiaries, security and integrity of offices and information;
- **Financial** - adequate resources appropriately controlled, managed and reported on

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- **Operational** - programming implemented according to charitable mission, donor commitments and impact/output targets, institutional ethical and quality standards and beneficiary benefit
- **Legal & Regulatory** - compliance with Charity Commission, Companies House, employment and other law and regulations, donor and partner organization requirements and local laws and regulations
- **Governance** - oversight and management of the charity, faithfulness to organizational objectives and mission, quality assurance, institutional cohesion

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

- **Teamwork and shared vision** - through regular communications both internal and external with stakeholders, all projects are kept on track with a common aim, reinforcing what project success looks like and also mitigating risks that could otherwise arise in this space;
- **Regular and structured reporting** - using established reporting structures and timelines, all stakeholders know where to look and when for the latest project developments. Critical risk reports are sent in a timely fashion to those who might be affected;
- **Active Board communications oversight** - a SPoC on the board is responsible for risk oversight. This allows for a deeper understanding of risk at board level and swift decision making when full board feedback is not practicable.
- **Training & systems improvement** - rather than revolutionary changes, which can be highly disruptive and unsettling - particularly in the area of risk - an incremental approach is being taken towards risk culture. Through intuitive systems available to relevant personnel, the charity is able to monitor both project risk at the strategic and operational levels, as well as empowering individual staff to prepare for their own travel - both foreign and domestic - be updated on both critical infrastructure and hazardous situations as they happen, and then call for assistance if they need it. This is backed up by comprehensive insurance and a network of known providers who are able to supply medical and security assistance as required.
- **External feedback and assessment** - by working with external agencies, the charity ensures that all work follows best practice, ensuring project success and the highest possible degree of risk mitigation.

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

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

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

- **Financial reporting** - monthly, quarterly, annually
- **Safety & Security** - monthly programme-by-programme reporting
- **Implementation** - monthly programme-by-programme reporting
- **Management Updates** - monthly reporting to Board by finance, development and programmes, keyed to monthly teleconferences
- **Board Reports** - quarterly reports to Board of Trustees keyed to Board meetings
- **Management Committee** - biweekly meeting
- **Stakeholder Assessment** - beneficiary feedback mechanisms, keyed to programme milestones

THE INSTITUTE FOR WAR AND PEACE REPORTING

TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2018

- **Donor Communications** - regular donor reports and consultation/feedback, generally on quarterly basis.

7. FINANCIAL REVIEW

Total income for 2018 was £5,864,322, down £32,512 or 0.5% on 2017, and principally comprised:

- £4,472,910 from charitable activities, which is analysed by donor in Note 4;
- £1,283,262 from our subsidiary IWPR Limited from two Foreign and Commonwealth Office contracts.

Total expenditure for the year was £5,822,026, up £730,567 or 14%, on the previous year. Support costs were 7% of total expenditure in 2018 (2017: 17%), leaving 93% (2017: 83%) for direct programme expenses.

Reserves

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

Unrestricted reserves at 31 December 2018 were £1,654,778 an increase of £42,296 on 2017. This increase reflects:

- unrecovered overheads and program overspend in the Charity
- offset by the profit made by IWPR UK Limited

IWPR UK Limited made a profit of £142,903 in the 12 months to 31 December 2018, this excludes 2017 gift aided profits to the charity for £ (8,170).

8. PARTNERS AND SUPPORTERS

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

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

THE INSTITUTE FOR WAR AND PEACE REPORTING

TRUSTEES REPORT FOR THE YEAR ENDED 31 DECEMBER 2018

STATEMENT OF TRUSTEES' RESPONSIBILITIES

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

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

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

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

STATEMENT OF DISCLOSURE TO THE AUDITOR

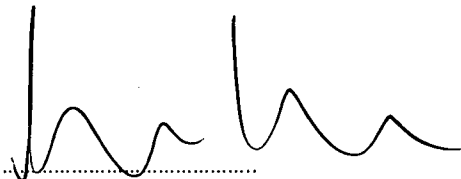
So far as the Board of Trustees are aware:

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

AUDITORS

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

Approved by the Trustees on 24 September 2019 and signed on their behalf by:


.....
Trustee **SIMON HERSON**

THE INSTITUTE FOR WAR AND PEACE REPORTING

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

Opinion

We have audited the financial statements of the Institute for War and Peace Reporting for the year ended 31 December 2018 which comprise the Consolidated Statement of Financial Activities, the Consolidated and Parent Balance Sheet, the Consolidated Cash Flow statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the group's and of the parent charitable company's affairs as at 31 December 2018 and of the group's and parent charitable company's net movement in funds, including the income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Responsibilities of trustees for the financial statements

As explained more fully in the trustees' responsibilities statement set out on page 10, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the group's and the parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the group or the parent charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

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

Conclusions relating to going concern

THE INSTITUTE FOR WAR AND PEACE REPORTING

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

(including an income and expenditure account)

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group's or the parent charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Trustees' Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

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

THE INSTITUTE FOR WAR AND PEACE REPORTING

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

Use of our report

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



Murtaza Jessa (Senior Statutory Auditor)

For and on behalf of Haysmacintyre LLP, Statutory Auditors

Date: *24 September 2019.*

10 Queen Street Place
London
EC4R 1AG

THE INSTITUTE FOR WAR AND PEACE REPORTING

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

		Year ended 31 December 2018			2017
	Note	Unrestricted funds	Restricted funds	Total funds	Total funds
Income from:					
Charitable activities	4	224,615	4,248,295	4,472,910	3,518,482
Donations and legacies		108,117	-	108,117	103
Trading activities of subsidiary	5	1,283,262	-	1,283,262	903,936
Gain on sale of property		-	-	-	1,465,940
Other		33	-	33	8,373
TOTAL		1,616,027	4,248,295	5,864,322	5,896,834
Expenditure on:					
Raising Funds		71,638	-	71,638	89,652
Charitable activities		332,778	4,277,251	4,610,029	4,106,041
Trading activities of subsidiary		1,140,359	-	1,140,359	895,766
TOTAL	6 & 8	1,544,775	4,277,251	5,822,026	5,091,459
Net income for the year		71,252	(28,956)	42,296	805,375
Gross transfer between funds		(28,956)	28,956	-	-
NET MOVEMENT IN FUNDS		42,296	-	42,296	805,375
Total funds brought forward		1,612,482	-	1,612,482	807,107
TOTAL FUNDS CARRIED FORWARD		1,654,778	-	1,654,778	1,612,482

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

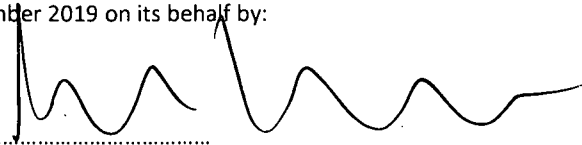
The notes on pages 19 to 32 form part of these financial statements.

BALANCE SHEETS AS AT 31 DECEMBER 2018

	Note	Group 2018 £	Group 2017 £	Charity 2018 £	Charity 2017 £
FIXED ASSETS					
Investments	9	-	-	2	2
Tangible fixed assets	10	2,368	4,918	2,368	4,918
TOTAL FIXED ASSETS		2,368	4,918	2,370	4,920
CURRENT ASSETS					
Debtors	11	1,411,786	1,145,339	1,515,468	1,319,516
Cash		1,552,361	2,683,238	903,898	2,189,549
		2,964,147	3,828,577	2,419,366	3,509,065
CREDITORS: amounts falling due within one year	12	(1,311,737)	(2,221,013)	(909,861)	(1,909,673)
NET CURRENT ASSETS/(LIABILITIES)		1,652,410	1,607,564	1,509,505	1,599,392
NET ASSETS		1,654,778	1,612,482	1,511,875	1,604,312
FUNDS					
Restricted funds		-	-	-	-
Unrestricted funds:					
General reserves	13	1,654,778	1,612,482	1,511,875	1,604,312
		1,654,778	1,612,482	1,511,875	1,604,312

The net movement in funds for the year relating to the parent charity alone amounted to a deficit of £92,437 (2017: a surplus of £797,205).

The financial statements were approved and authorised for issue by the Board of Trustees and were signed on 24 September 2019 on its behalf by:


 Trustee **SIMON HERSON**

The notes on pages 19 to 32 form part of these financial statements.

THE INSTITUTE FOR WAR AND PEACE REPORTING

CASH FLOW STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2018

	Note	2018 £	2017 £
CASH FLOWS FROM OPERATING ACTIVITIES			
Net cash used in operations	A	(1,130,877)	(1,687,468)
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of tangible fixed assets		-	(4,736)
Proceeds from sale of tangible fixed assets		-	3,686,373
NET CASH PROVIDED BY/(USED IN) INVESTING ACTIVITIES		-	3,681,637
CHANGE IN CASH AND CASH EQUIVALENTS IN THE PERIOD		(1,130,877)	1,994,169
Cash and cash equivalents at 1 January		2,683,238	689,069
CASH AND CASH EQUIVALENTS AT 31 DECEMBER	B	1,552,361	2,683,238

	2018 £	2017 £
Note A		
Reconciliation of net movement in funds to net cash flow from operating activities		
Net movement in funds for the year per the Statement of Financial Activities	42,296	805,375
Adjustments for:		
Depreciation charges	2,550	12,339
Profit on sale of property	-	(1,465,940)
(Increase)/decrease in debtors	(266,447)	(100,906)
Increase/(decrease) in creditors	(909,276)	(938,336)
Net cash provided by (used in) operating activities	(1,130,877)	(1,687,468)
Note B		
Analysis of cash and cash equivalents		
Cash in hand	1,552,361	2,683,238
Total cash and cash equivalents	1,552,361	2,683,238

THE INSTITUTE FOR WAR AND PEACE REPORTING

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2018

1. BASIS OF PREPARATION OF FINANCIAL STATEMENTS

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

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

The financial statements are presented in Sterling (£).

Company status

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

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

The financial statements consolidate the accounts of The Institute for War and Peace Reporting and its subsidiary, IWPR UK Limited (also a public benefit entity), as at 31 December 2018.

Going concern

After reviewing the Charity's forecasts and projections, the Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. The financial statements have, therefore, been prepared on the going concern basis.

2. ACCOUNTING POLICIES

2.1 Fund accounting

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

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

2.2 Income

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

2.3 Expenditure

Resources expended are accounted for on an accruals basis.

THE INSTITUTE FOR WAR AND PEACE REPORTING

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2018

2.3 Expenditure (continued)

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

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

2.4 Pensions

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

2.5 Other employee benefits

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

Employee termination benefits are accounted for on an accruals basis.

2.6 Tangible fixed assets and depreciation

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

Fixtures and fittings	- 3 years
Computers	- 3 years

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

2.7 Operating leases

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

2.8 Foreign currency

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

2.9 Financial instruments

a) Financial assets

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

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

THE INSTITUTE FOR WAR AND PEACE REPORTING

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2018

2.9 Financial instruments (continued)

b) Financial liabilities

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

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

2.10 Debtors

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

2.11 Creditors

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

2.12 Employee benefits

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

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

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

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

4. INCOME FROM CHARITABLE ACTIVITIES

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

THE INSTITUTE FOR WAR AND PEACE REPORTING

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2018

4. INCOME FROM CHARITABLE ACTIVITIES – continued

	Unrestricted Funds 2017 £	Restricted Funds 2017 £	Total funds 2017 £	Total funds 2016 £
Royal Ministry of Foreign Affairs Norway	-	199,504	199,504	715,813
Foreign & Commonwealth Office	-	2,169,051	2,169,051	2,139,394
European Union	-	116,470	116,470	358,421
Ministry of Foreign Affairs Netherlands	-	885,936	885,936	538,096
HIVOS	-	81,209	81,209	571,721
Peace Support Fund	-	66,312	66,312	112,158
SIDA	-	-	-	126,314
Deutsche Welle	-	-	-	51,162
	-	3,518,482	3,518,482	4,613,079

5. TRADING ACTIVITIES OF SUBSIDIARY

The Charity's wholly owned subsidiary, IWPR UK Limited, engages in activities that further the mission and objects of the Charity. IWPR UK Limited's income from trading activities was £1,283,262 in 2018 (2017: £903,936) all of which was receivable from the Foreign & Commonwealth Office. The trading results of IWPR UK Limited are set out in Note 9 below.

6. NET MOVEMENT IN FUNDS

	2018 £	2017 £
Net movement in funds is stated after charging:		
Depreciation:	2,550	12,339
Auditors remuneration – audit (excluding VAT)	19,000	16,500
- donor audits and other work (excluding VAT)	27,065	46,200

THE INSTITUTE FOR WAR AND PEACE REPORTING

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2018

7. STAFF COSTS

London staff costs:

	2018	2017
	£	£
Salaries	787,959	516,963
Social security costs	94,582	62,419
Pension costs	25,648	19,639
	<u>908,189</u>	<u>599,021</u>

Included in salaries are redundancy costs of £3,004 which were all paid during the year (2017: £5,551).

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

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

	2018	2017
Media development, training and reporting	8	5
Support	4	4
	<u>12</u>	<u>9</u>

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

	2018	2017
£130,000-£140,000	1	-
£120,000 - £130,000	-	1
£90,000 - £100,000	2	-
£80,000 - £90,000	-	2
£60,000 - £70,000	1	-
	<u>4</u>	<u>3</u>

The total employee benefits of the key management personnel of the UK Charity and the group were £382,493 (2017: £317,701).

THE INSTITUTE FOR WAR AND PEACE REPORTING

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2018

8. TOTAL EXPENDITURE

	2018			2017
	Direct costs £	Support Costs £	Total Costs £	Total costs £
Raising funds costs	-	71,638	71,638	89,652
Charitable activities: Media development, training and reporting	4,277,251	332,778	4,610,029	4,106,041
Trading activities	1,134,924	5,435	1,140,359	895,766
	5,412,175	409,851	5,822,026	5,091,459

	2018 £	2017 £
Support costs		
Staff costs	203,215	303,770
Staff overheads	37,371	44,101
Grant to IWPR US	62,809	-
Depreciation	2,550	12,339
Governance: Audit fees	19,000	19,800
Other	84,906	505,257
	409,851	885,267

THE INSTITUTE FOR WAR AND PEACE REPORTING

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2018

8. TOTAL EXPENDITURE continued

	2017		
	Direct costs £	Support Costs £	Total Costs £
Raising funds costs	-	89,652	89,652
Charitable activities: Media development, training and reporting	3,314,695	791,346	4,106,041
Trading activities	891,497	4,269	895,766
	4,206,192	885,267	5,091,459

	2017 £
Support costs	
Staff costs	303,770
Staff overheads	44,101
Depreciation	12,339
Governance: Audit fees	19,800
Other	505,257
	885,267

THE INSTITUTE FOR WAR AND PEACE REPORTING

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2018

9. INVESTMENTS

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

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

IWPR UK limited: Summarised Income statement

	2018 £	2017 £
Income	1,283,262	903,936
Expenditure	(1,134,924)	(891,497)
Gross profit	148,338	12,439
Administrative expenses	(5,435)	(4,269)
	142,903	8,170
Gift aid to Charity	(8,170)	-
	134,733	8,170

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

IWPR UK Limited: Balance sheet

	2018 £	2017 £
Debtors	23,640	25,953
Cash	648,463	479,289
Creditors	(529,198)	(497,070)
Net current assets and net assets	142,905	8,172
Share capital	2	2
Reserves	142,903	8,170
	142,905	8,172

THE INSTITUTE FOR WAR AND PEACE REPORTING

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2018

10. TANGIBLE FIXED ASSETS

Group and Charity

	Computer equipment £	Office equipment £	Total £
Cost			
At 1 January 2018	18,442	3,025	21,467
At 31 December 2018	18,442	3,025	21,467
Depreciation			
At 1 January 2018	13,524	3,025	16,549
Charge for the year	2,550	-	2,550
At 31 December 2018	16,074	3,025	19,099
Net book value			
At 31 December 2018	2,368	-	2,368
At 31 December 2017	4,918	-	4,918

11. DEBTORS

	Group		Charity	
	2018 £	2017 £	2018 £	2017 £
Inter-charity debtors	443,281	190,113	443,281	190,113
Due from subsidiary	-	-	127,322	200,130
Grants receivables	937,467	902,451	914,921	896,412
Staff advances	1,258	18,241	1,258	18,241
Prepayments	28,686	14,620	28,686	14,620
Other debtors	1,094	19,914	-	-
	1,411,786	1,145,339	1,515,468	1,319,516

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NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2018

12. CREDITORS:
Amounts falling due within one year

	Group		Charity	
	2018	2017	2018	2017
	£	£	£	£
Deferred income	713,575	1,516,137	614,765	1,498,948
Trade creditors	69,565	104,896	49,273	91,805
PAYE and other taxes	26,630	15,913	26,630	15,913
Due to IWPR US	267,652	55,203	-	-
Other creditors	71,240	66,458	71,240	66,458
Accruals	163,075	462,406	147,953	236,549
	1,311,737	2,221,013	909,861	1,909,673

Deferred income

	Group		Charity	
	2018	2017	2018	2017
	£	£	£	£
At 1 January	1,516,137	963,853	1,498,948	963,853
Amount released in year	(1,516,137)	(963,853)	(1,498,948)	(963,853)
Amount deferred in year	713,575	1,516,137	614,765	1,498,948
At 31 December	713,575	1,516,137	614,765	1,498,948

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NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2018

13. RESTRICTED FUNDS: MOVEMENT IN YEAR

	As at 1 January 18 £	Income £	Expenditure £	Transfer Between funds £	As at 31 December 2018 £
Unrestricted funds					
General funds	1,612,482	1,616,027	(1,544,775)	(28,956)	1,654,778
Total unrestricted funds	1,612,482	1,616,027	(1,544,775)	(28,956)	1,654,778
Restricted funds					
Asia	-	229,733	(218,418)	(11,315)	-
Africa	-	92	(373)	281	-
Central Asia, Caucasus & Ukraine	-	667,900	(665,461)	(2,439)	-
MENA	-	2,789,118	(2,831,547)	42,429	-
Other regions	-	561,452	(561,452)	-	-
At 31 December 2018	-	4,248,295	(4,277,251)	28,956	-
TOTAL FUNDS	1,612,482	5,864,322	(5,822,026)	-	1,654,778

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

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NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2018

13. RESTRICTED FUNDS (continued)

	As at 1 January 2017 £	Income £	Expenditure £	Transfer Between funds £	As at 31 December 2017 £
Unrestricted funds					
General funds	756,344	2,378,352	(1,173,047)	(349,167)	1,612,482
Total unrestricted funds	756,344	2,378,352	(1,173,047)	(349,167)	1,612,482
Restricted funds					
Asia	55,101	356,060	(550,048)	138,887	-
Africa	-	2,660	(6,615)	3,955	-
Central Asia, Caucasus & Ukraine	-	449,776	(492,584)	42,808	-
MENA	(4,338)	2,709,986	(2,869,165)	163,517	-
At 31 December 2018	50,763	3,518,482	(3,918,412)	349,167	-
TOTAL FUNDS	807,107	5,896,834	(5,091,459)	-	1,612,482

14. ANALYSIS OF NET ASSETS BETWEEN FUNDS

GROUP	Fixed Assets £	Net current assets/ (liabilities) £	Fund balances 2018 £
Restricted funds	-	-	-
General funds	2,368	1,652,410	1,654,778
At 31 DECEMBER 2018	2,368	1,652,410	1,654,778
CHARITY			
Restricted funds	-	-	-
General funds	2,370	1,509,505	1,511,875
At 31 DECEMBER 2018	2,370	1,509,505	1,511,875

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NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2018

14. ANALYSIS OF NET ASSETS BETWEEN FUNDS continued

GROUP	Fixed Assets £	Net current assets/ (liabilities) £	Fund balances 2017 £
Restricted funds	-	-	-
General funds	4,918	1,607,564	1,612,482
At 31 DECEMBER 2017	4,918	1,607,564	1,612,482

CHARITY	Fixed Assets £	Net current assets/ (liabilities) £	Fund balances 2017 £
Restricted funds	-	-	-
General funds	4,920	1,599,392	1,604,312
At 31 DECEMBER 2017	4,920	1,599,392	1,604,312

15. OPERATING LEASES

The Group rents its London offices under a 5 year operating lease which commenced in February 2017 with a break clause at the end of the third year.

	2018 £	2017 £
Minimum lease payments under operating lease recognised as an expense during the year	49,230	41,946

At 31 December 2018, the Charity had outstanding commitments under non-cancellable operating leases as follows:

	2018 £	2017 £
Payable within one year	49,230	49,230
Payable between two and five years inclusive	7,418	56,648
At 31 December	56,648	105,878

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NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2018

16. TAXATION

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

17. RELATED PARTY TRANSACTIONS

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

During the year, IWPR US granted £411,170 to IWPR UK to cover costs incurred by IWPR UK in the execution of projects signed by IWPR US (2017: £458,018). In addition, IWPR US incurred costs of £501,422 (2017: £533,470) in the execution of projects signed by IWPR UK.

In September 2018, IWPR UK made a grant of \$80,000 to IWPR US to support its charitable work. In December 2018, IWPR UK advanced \$50,000 to the US to provide interim funding. These funds were repaid in January 2019.

In 2019, IWPR NL approved a grant to IWPR UK of €250,000 in respect of 2018: this income and the related debtor have been reflected in IWPR UK's 2018 accounts.

As at 31 December 2018 the inter-charity debtor owed by IWPR US was £150,134 (2017: £27,957) and the inter charity debtor owed by IWPR NL was £293,147 (2017: £162,156).

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