

**CONCILIATION RESOURCES**

**DIRECTORS' AND TRUSTEES' REPORT  
AND ACCOUNTS**

**FOR THE YEAR ENDED 31 DECEMBER 2011**

**Company No: 03196482  
Charity No: 1055436**

# CONCILIATION RESOURCES

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## CONCILIATION RESOURCES

### Legal and administrative details

<b>Directors and Trustees</b>	Mr B Afako Mr M Bradbury (Chair) Mr G Carey Mr A Carl (Executive Director) Mr R Cooke (Hon. Treasurer) Ms L Philipson Ms M Picken Ms C Sexton Ms C Sriram Ms T Whitfield
<b>Secretary</b>	Ms S Sinanan ( <i>to October 2011</i> ) Mr M Waterson ( <i>from November 2011</i> )
<b>Executive Management Team</b>	Mr A Carl – Executive Director Mr J Cohen – Director of Programmes Mr D Newton – Director of Policy, Practice & Communications <i>(from February 2011)</i> Ms S Sinanan – Director of Operations ( <i>to October 2011</i> ) Mr M Waterson – Director of Operations <i>(from November 2011)</i>
<b>UK Company Number</b>	03196482
<b>UK Charity Number</b>	1055436
<b>Registered Office</b>	173 Upper Street London N1 1RG
<b>Auditors</b>	Ramon Lee & Partners Kemp House 152 - 160 City Road London EC1V 2DW
<b>Bankers</b>	Royal Bank of Scotland 40 Islington High Street London N1 8XJ  COIF Charity Deposit Funds 80 Cheapside London EC2V 6DZ  Triodos Bank Brunel House 11 The Promenade Bristol BS8 3NN

# CONCILIATION RESOURCES

## DIRECTORS' AND TRUSTEES' REPORT

### FOR THE YEAR ENDED 31 DECEMBER 2011

The Directors and Trustees present their report and audited accounts for the year ended 31 December 2011.

The accounts have been prepared in accordance with the accounting policies set out in note one to the accounts and comply with the Charity's governing document, applicable law and the requirements of the Statement of Recommended Practice, 'Accounting and Reporting by Charities' issued in March 2005.

## STRUCTURE, GOVERNANCE AND MANAGEMENT

### Governing document

Conciliation Resources (CR) is a company limited by guarantee and not having a capital divided by shares.

The company was incorporated on 9 May 1996 and is a registered charity constituted as a limited company under the Memorandum and Articles of Association. The charity registration number is 1055436 and the company registration number is 03196482.

### Organisation

CR is governed by an international Board of Trustees, which meets four times a year. Financial and management reports are provided quarterly to the Board of Trustees and its Finance Sub-Committee, including statements of individual accounts by restricted and unrestricted funds.

The Executive Director, who is supported by an Executive Management Committee made up of our Director of Programmes, Director of Operations and our Director of Policy, Practice and Communications, provides overall organisational management. Each Programme Director is responsible for the management of his or her area of work and the organisation actively seeks to provide opportunities for mutual support and learning. Programme Directors are assisted by project staff and occasionally by interns or volunteers. In addition to its in-house staff, CR works closely with a pool of external consultants.

CR is based in London but is also registered in Sierra Leone as an international non-governmental organisation. The office in Freetown is staffed by nationals. CR receives some grants directly in country to support local and regional peace and social development initiatives. CR's fixed assets in Sierra Leone, including computers and a vehicle, are part of these audited accounts. All project expenditure is covered by specific West Africa programme budgets.

### Recruitment and appointment of Trustees

As set out in the Articles of Association, the Board of Trustees of Conciliation Resources nominates the Chair of the Trustees. The Board of Trustees has power to appoint additional Trustees as it considers fit to do so in-line with a regularly reviewed skills audit and organisational policy on the 'role of the board of CR'.

The Trustees in office as at 31<sup>st</sup> December 2011 are set out on page two. The Trustees are also the legal directors and members of the company with their financial responsibilities limited by guarantee to £10.

### Trustee induction and training

The Trustees maintain a good working knowledge of charity and company law and best practice through regular training sessions provided by external consultants. New Trustees are given copies of the Memorandum and Articles of Association.

### Related parties

The charity has close working relationships with other charities and organisations (local and international) with which it cooperates in pursuit of its charitable objectives. This includes collaborative project partnerships, consortium initiatives and cooperative networks. These include a partnership with the international NGO Saferworld on the EC-funded "People's Peacemaking Perspectives" project producing locally-informed policy and analysis based on participative processes; and a consortium funded by the EC in support of the conflict resolution process in Nagorny Karabakh with International Alert, the Crisis Management Initiative, Kvinna Til Kvinna and LINKS.

# CONCILIATION RESOURCES

## DIRECTORS' AND TRUSTEES' REPORT (Cont/d)

### FOR THE YEAR ENDED 31 DECEMBER 2011

#### Risk management

Major risks to which the charity is exposed, as identified by the Trustees (governance, operational, financial and external), are compiled in a 'risk register' and are reviewed at least annually. Because the nature of CR's overseas work is in countries affected by conflict, the security situation in these countries is more frequently reviewed and CR seeks to take all steps to avoid undue risk to staff and project partners. Systems developed to mitigate these risks include staff safety and security policies and guidelines. In addition, CR pays an insurance premium for staff travelling to conflict zones. To mitigate financial risk and insecurity, as well as dependency on any single donor, CR aims to have a broad donor base, both for the organisation as a whole and for each programme. CR is also continuing to seek and secure long-term funding both institutionally and for programmes. CR holds its funds across three banks to spread risk.

#### Public Benefit statement

The Trustees consider that they have complied with Section 17 of the Charities Act 2011 with regard to the guidance on public benefit published by the Charity Commission. The paragraphs below demonstrate the public benefit arising through the Charity's activities.

#### OBJECTIVES AND ACTIVITIES

The Charity's objective is to promote the provision of services and carrying out of activities directed towards conciliation, mediation, arbitration, conflict resolution, reconciliation, peacebuilding or reparation and to advance public education and training in the subjects of conflict resolution, prevention and peace processes and provide practical support to help people affected by violent conflict achieve lasting peace. We draw on our shared experiences to improve peacebuilding policies and practice worldwide.

The Trustees have paid due regard to the Charity Commission's Guidance on Public Benefit when determining the activities of the Charity. CR's work has the charitable purposes of:

*"the advancement of human rights, conflict resolution or reconciliation or the promotion of religious or racial harmony or equality and diversity"*

These are for the public benefit as set out in the Charities Act 2006. To this end this year the Charity has carried out the activities described below.

The organisation's five broad strategic objectives are to:

- 1) **Support people to build peace:** supporting partners, networks and individuals who act as intermediaries to develop their capacities and leadership to take on the challenges of conflict transformation;
- 2) **Strengthen peacebuilding policies and practice:** working to influence governmental policies and targeted multilateral agencies to recognise the rights, needs and interests of conflict-affected groups and encouraging them to employ conflict transformation approaches in doing so;
- 3) **Promote Understanding of peaceful ways to resolve conflicts:** working with partners to raise levels of public awareness of peace-related issues and challenge widely held stereotypes in specific contexts;
- 4) **Create opportunities for dialogue between divided communities** to build links and relationships across conflict divides;
- 5) **Strengthen the organisation to deliver on our mission.**

#### SELECTED ACHIEVEMENTS IN 2011

In 2011, a selection of highlights includes:

##### Promoting understanding of peaceful ways to resolve conflict

- **South Caucasus:** An opinion survey helped inform debate among the displaced in Georgia and – through facilitated discussions and coverage in national newspapers and on TV talk shows – brought their voices into the Georgian mainstream. The survey discovered that almost two thirds of the displaced would not support the use of force to resolve the conflict.

## CONCILIATION RESOURCES

### DIRECTORS' AND TRUSTEES' REPORT (Cont/d)

#### FOR THE YEAR ENDED 31 DECEMBER 2011

- Colombia: Together with our partner Indepaz we promoted the notion that more inclusive decision-making processes that strengthen existing democratic institutions form a key part of a 'citizen's path to peace'. A jointly published book and several opinion articles in Colombian and international media influenced people's thinking on the conflict and how to move out of the current deadlock.
- East and Central Africa: Abductees from the Lords Resistance Army are returning to their communities after hearing radio broadcasts developed by journalists, supported by Conciliation Resources. Our partners have formulated their own strategies to influence local, national and international decision-makers on the importance of putting the needs of their communities first and ensuring that a military response is part of a wider political strategy.
- Fiji: Our partners' training and awareness raising work, including workshops conducted with senior civil servants, has helped people to understand and appreciate the value of dialogue and public consultations in moving from military rule back to a constitutional democracy.
- Cross-border approaches to conflict resolution: Our 22<sup>nd</sup> Accord publication *Paix sans frontieres: building peace across borders* presented new thinking by investigating cross-border peacebuilding experiences. The publication and presentations in London, New York, Brussels, Freetown and Monrovia contributed to, and reinforced, important shifts in the field of peacebuilding.
- South Caucasus: Screenings of films made by young Azeris and Karabakh Armenians as part of our Dialogue through Film initiative, meant people on all sides of the conflict divide could find out about the lives, hopes, fears and opinions of the other and debate issues raised by the films. Through 90 screenings and moderated discussions, over 3,200 people across the region were able to participate, resulting in the fostering of a greater mutual understanding between the different sides.

#### **Creating opportunities for dialogue between divided communities**

- The Philippines: Our Dialogue Series brought international experts with comparative experiences on complex and contentious topics to meet with the Government's Peace Panels, the armed forces and civil society groups. Participants in the process welcomed insights on constitutional reform, human rights and transitional justice, and on how Muslim women have been actively involved in formal peace negotiations in Aceh, Indonesia.
- South Caucasus: Our youth study programme assisted young Georgians and Abkhaz to sustain contact across the conflict divide. Participants became increasingly proactive in sharing their experience with peers at home, facilitating discussions around issues of conflict among students, activists and young politicians through public seminars, information-sharing sessions and TV debates.
- West Africa: District Dialogue Platforms convened by partners in Sierra Leone, Liberia and Guinea created space for local communities to raise and discuss issues affecting them directly with their district councils. As a result, officials have been addressing people's concerns, helping prevent community-level frustrations that may have lead to violence and conflict in the future.
- India and Pakistan (Jammu and Kashmir): We have assisted with strengthening collaboration and confidence building across the Line of Control (LoC) by creating links between educational institutions. As a result, Vice Chancellors from both sides have established an informal cross-LoC platform to further reinforce these connections. This built on a report we commissioned, written by respected authors on either side of the LoC that examined the scope for cross-LoC cooperation. Meetings were facilitated between senior educationalists in neutral locations such as Dubai and Istanbul.
- The Philippines: We have been an active member of the International Contact Group established in 2009 to support the Malaysian mediation of the Mindanao peace process supporting negotiations between the Government of the Philippines and the Moro Islamic Liberation Front. Both parties have repeatedly highlighted the importance of the supportive role of the ICG for the continuity of the talks and within this we have provided papers and brought the issue of gender to the forefront of the negotiations.

#### **Strengthening peacebuilding policies and practice**

- South Caucasus: Our initiative the Karabakh Contact Group (KCG) established a 'safe space' for Armenian and Azerbaijani analysts and practitioners to think collaboratively and make recommendations to move peacebuilding policies forward. Focusing on contentious issues, the KCG published in-depth research and accessible discussion papers offering clear guidelines for addressing core problems such as forced displacement and political status in the Karabakh peace process.
- Proscription and peace processes: Our thematic work on engaging armed groups has focused on the impact on peace and mediation processes of proscribing armed groups as 'terrorists'. These measures act as both a legal and political barrier to meaningful engagement. Following extensive discussions with diplomats and conflict resolution specialists we published a report on the impact proscription has had on mediation and peace processes.



## CONCILIATION RESOURCES

### DIRECTORS' AND TRUSTEES' REPORT (Cont/d)

#### FOR THE YEAR ENDED 31 DECEMBER 2011

- Conflict and Development: Thirty-eight governments and international organisations have signed up to the 'New Deal' that reframes the way that they seek to engage in states affected by conflict and fragility. Through our engagement in the OECD's International Dialogue on Peacebuilding and Statebuilding (a forum which brings together governments of countries affected by conflict with their international partners to address the challenges of fragile states) and our presence at the Busan High Level Forum we played a key role in ensuring that locally-owned political dialogue and people-centred concepts of security were included in the New Deal for Engagement in Fragile States.
- India and Pakistan (Jammu and Kashmir): working on a cross-LoC trade initiative with the Jammu and Kashmir Joint Chamber of Commerce and Industry we facilitated, at a meeting in Istanbul, the signing of the first written agreement on non-governmental cooperation between the private sectors from both sides of the LoC.

#### Supporting people to build peace

- Basque country: Along with other actors, and based on earlier talks and a workshop in the region, Conciliation Resources was invited to co-sponsor an important international peace conference, held in October 2011. The international panel, which included Kofi Annan, issued a declaration that called on ETA to formally end the armed confrontation. Following this, ETA made an announcement that it would end its armed activity after four decades of violence.
- India and Pakistan (Jammu and Kashmir): Workshops with community and women's groups involving a range of people from different sectors of society – human rights activists, social workers, lawyers, students, academics, journalists, business women and community development workers – have encouraged people from both sides of the Line of Control to talk constructively about a future without conflict. Over 1000 people have so far been involved in such discussions.
- The Philippines: We enhanced visibility of, and support for, women from conflict-affected areas – notably Muslim women – by inviting them to international events in Manila and Brussels. Through promoting dialogue among women with different cultural, religious and political perspectives, we have also advanced implementation of international standards on women, peace and security that respond to the local context.
- East and Central Africa: With our support, a newly formed Regional Civil Society Task Force is now regularly sharing information on Lord's Resistance Army activities across the region and advocating for civil protection and a political solution to the conflict. Members of the Task Force have been interviewed on radio and TV, regionally and internationally, and their views have influenced policymakers across the region and in Europe.
- Fiji: The continued support that Conciliation Resources has provided to the Citizen's Constitutional Forum, Pacific Centre for Peacebuilding and Dialogue Fiji has enabled them to play leading roles in engaging the people and Government of Fiji in moving the country towards a return to constitutional democracy.

#### Strengthening CR's capacities to fulfil our mandate

- During 2011 a new Conflict of Interest and Reporting of Gifts Policy was introduced along with a policy on Value for Money and Procurement.
- In 2011 we held two organisational retreats that had as a main focus the development of our 2012-14 strategic framework.
- Staff members took part in a variety of training programmes in the UK and internationally and we brought staff together in an organisation-wide simulation exercise to enhance our understanding of negotiation processes.
- External evaluations were undertaken of our work under a UK-DFID Governance and Transparency Fund programme, a UK Conflict Pool-funded initiative in India-Pakistan on Kashmir and an EU Instrument for Stability-funded initiative in Georgia. All gave positive assessments of our work.
- Building on work in 2010 to initiate an organisational identity review and rebrand process we developed a new identity, including a new logo, new organisational strap line and key messages.

#### Publications and other resources produced in 2011

- [Policy brief: Liberia and Sierra Leone](#), People's Peacemaking Perspectives project (also available in French), November 2011
- [Individual rights, societal choices: Confronting legacies of displacement in the Nagorny Karabakh conflict \(policy brief\)](#), (also available in Azeri, Armenian and Russian) November 2011
- [Time for a new peace paradigm for Colombia](#), Kristian Herbeolzheimer, November 2011



## CONCILIATION RESOURCES

### DIRECTORS' AND TRUSTEES' REPORT (Cont/d)

#### FOR THE YEAR ENDED 31 DECEMBER 2011

- ['When will this end and what will it take?': People's perspectives on addressing the Lord's Resistance Army conflict](#), (also available in French) November 2011
- [Policy brief: The Lord's Resistance Army](#), People's Peacemaking Perspectives project, October 2011
- [Advocacy capacity building: A training toolkit](#) (also in French), October 2011
- [Forced displacement in the Nagorny Karabakh conflict: Return and its alternatives](#), (Also in Russian) August 2011
- Comment piece about South Sudan's independence: [South Sudan: new opportunities, ongoing challenges](#), August 2011
- [Walking the tightrope in Kazan: The summit and its aftermath](#), Laurence Broers, July 2011
- As part of the Civil Society Advisory Group to the International Dialogue on Peacebuilding and Statebuilding, we produced [a submission to input into the Monrovia meeting](#), June 2011
- Presentation given by Andy Carl: [Implications of the US Government's 'material support laws' for international peacebuilding](#), June 2011
- [Displacement in Georgia: IDP attitudes to conflict, return and justice](#), (also in Georgian) April 2011
- [Displacement in Georgia: IDP attitudes to conflict, return and justice: Policy brief](#), (also in Georgian and Russian), April 2011
- [Report: Dialogue series no. 1: Christine Bell](#), April 2011
- [Reflections and recommendation for the UK's Building Stability Overseas Strategy](#), March 2011
- [Los límites de la violencia](#), Kristian Herbolzheimer, Razonpublica, March 2011
- [Transformation of the Georgian-Abkhaz conflict: Rethinking the paradigm \(Abkhaz perspective\)](#), February 2011
- [Transformation of the Georgian-Abkhaz conflict: Rethinking the paradigm \(Georgian perspective\)](#), February 2011
- [Terrorised villagers appeal to LRA rebels to return home, interview with Kennedy Tumutegereize](#), Reuters AlertNet, February 2011
- [Cross Line of Control trade in Kashmir](#), interview with partners, BBC Urdu World Service, February 2011
- [Paix sans frontières: building peace across borders \(Accord\)](#), January 2011
- [Paix sans frontières: building peace across borders: Policy brief](#), (also in French), January 2011
- [LRA: Ugandan bishop urges negotiated settlement](#), January 2011, Interview with partner on BBC World news TV
- Trading for peace in Kashmir, The Hub, interview with partners on BBC World radio
- Critique of US strategy on LRA conflict: Kennedy Tumutegereize, BBC news, January 2011
- [Intra-Kashmir trade: Policy brief](#), January 2011
- [Mediating peace with proscribed armed groups](#), January 2011
- [Online journal: Analyticon](#)
- Website with films and comment pieces about Abkhazia: [www.asarkia.info](http://www.asarkia.info)
- [Kashmir film: A journey through River Vitasta](#)
- [Community peacebuilding and the LRA conflict: interview with Archbishop Odama](#)

Further information on CR's other achievements in 2011 can be found in our annual review on our website (<http://www.c-r.org/about/annual-reports.php>)

## FINANCIAL REVIEW

The Statement of Financial Activities shows a net movement of funds of £720,773 (2010 – surplus £290,546) for the year and total funds available stand at £2,151,781 (2010 - £1,431,009).

CR's grant income for this year has increased by 19 per cent on the previous year, supported by our institutional donors and a number of new donors, the increase includes 751,934 as part of our first year of a three year Programme Partnership Agreement (PPA) funded by the UK Department for International Development, which operates April 2011- March 2014 and an additional £721,595 from the Norwegian Ministry of Foreign Affairs. This increased budget reflects a growth in our charitable activities and our continued investment in management, administration and fundraising to further improve in effectiveness, efficiency and our commitment to strengthening the future security of the organisation.



## CONCILIATION RESOURCES

### DIRECTORS' AND TRUSTEES' REPORT (Cont/d)

#### FOR THE YEAR ENDED 31 DECEMBER 2011

##### **Principle financial management policies**

CR has a financial regulations policy set up and reviewed in consultation with the Board of Trustees. This sets out the allocation of financial management responsibilities, identifying lines of reporting for all aspects of operations, including controls, with the delegation of authority and responsibilities clearly defined. CR uses a nominal ledger coding system for all financial transactions. All project expenditure is checked against budget and authorised by the appropriate Programme Director, who is responsible for ensuring that expenditure remains within budget. It is then double-checked by two authorised signatories before payment is made.

##### **Principal funding sources**

The principle funding sources for the charity are currently grant income and donations mainly from governments and charitable organisations. Further details of funding are provided in notes 2 and 3 to the Financial Statements.

##### **Investment powers and policy**

CR received income through donations, grants, project income and other sources. CR plans its activities over one, three and five-year time horizons and budgets to expend all anticipated income. CR has no permanent endowment and provides for capital expenditure within each budget. The only funds that Conciliation Resources holds that are not expendable within 12 months of receipt are reserves and any grants or contracts for activities over a longer period. Consequently its policy for investment is to retain funds as cash and place them on bank deposit, or on deposit with the COIF Charities Deposit Fund at the best rate available.

##### **Reserves policy**

CR aims to keep a prudent working balance of unrestricted reserves equalling six months core operating costs to cover future contractual liabilities, mainly staff salaries and rent (estimated at £349,662 in 2012 and £290,878 in 2011). It is the policy of the Trustees to allocate a share of any unrestricted surplus at the end of each year towards the targeted balance. CR met its target for unrestricted reserves in 2011.

The operating reserves for CR are estimated at £420,941 for 2012. It has been deemed prudent by the Board to make the following additional designation of reserves - £53,368 for Staff Contingency; and £10,000 for Building Maintenance and Refurbishment to reflect our 10-year lease arrangement where CR have a greater share of responsibility for care of the building.

The goal of building these future unrestricted reserves will be balanced against the needs of specific programme areas. The Board of Trustees will keep the reserves policy under regular review.

##### **FUTURE PLANS**

At the beginning of 2012 we finalised a three-year strategic framework for the period 2012-2014, which clarifies the areas of our core competence and more tightly defines the parameters of our work. By 2015 it is our ambition to point to several examples where Conciliation Resources' influence and efforts have helped end a conflict or prevented an outbreak of violence. This will mean paying close attention to influencing official processes while continuing to work with our civil society partners on the many different dimensions of peacebuilding.

In continuing to develop our annual programme planning processes we will also pay increased attention to how we capture impact in the design, monitoring and evaluation of our work. Plans go through extensive consultation on design and strategy through rigorous peer review. Each year annual drafts are appraised and approved by the Board.

CR's geographic priorities are all contexts of conflict and fragility where CR sees some prospect of preventing or reducing the conflict, or at best contributing to its transformation. CR has responded to invitations to work in areas where there is an acute need to support a dynamic civil society, and where we have or can identify expertise.

##### **South Caucasus**

In the Georgian/Abkhaz conflict context, our work includes developing new opportunities for dialogue between youth and on issues of how to deal with the past and legacies of the conflict; nurturing fragile cross-conflict relations; an IDP network engaging in public debate and influencing policy; and decreased marginalisation of the Gal/i population. In Armenia and Azerbaijan we aim to expand the number of people and organisations willing to advocate for peace and to see a shift in the discourse on the conflict in Nagorny Karabakh towards one that shows an understanding of the rights and interests of conflict affected communities.

# CONCILIATION RESOURCES

## DIRECTORS' AND TRUSTEES' REPORT (Cont/d)

### FOR THE YEAR ENDED 31 DECEMBER 2011

#### **East and Central Africa**

CR will be supporting a dynamic Regional Civil Society Task Force, with membership from Uganda, Southern Sudan, Central African Republic and Democratic Republic of Congo, seeking to counter the impact of the conflict with the Lord's Resistance Army enhancing community security. We also help build more resilient societies with informal and community-based processes for return, reintegration and reconciliation and participative processes of analysis and civic dialogue with policy makers, and generally a greater involvement of women in peacebuilding.

#### **West Africa**

CR will support government and civil society efforts that address threats to peace by promoting good governance, community mediation and community security especially in fragile borderland communities, in the Mano River Union region. Building on research undertaken in 2011 we will examine the scope to support peacebuilding initiatives in border areas of Cote d'Ivoire and in the Plateau State of Nigeria.

#### **Fiji**

CR will support internal efforts to return Fiji to the path of constitutional democracy, addressing the profound challenges to governance. This includes an increase in peoples' participation in dialogue across conflict divides and internal reform processes.

#### **India & Pakistan**

Focussing on the conflict over Jammu and Kashmir, CR will support civil society actors in developing their capacities to participate in peacebuilding on both sides of the Line of Control, promoting Kashmiri voices in the peace process that is otherwise dominated by Indo-Pak perspectives. Some of the areas of work include: strengthened confidence across the LoC in the areas of trade and tertiary education; an increase in the peacebuilding skills and influence of a number of NGOs; increased engagement by women in peacebuilding; the establishment of a Kashmir Initiative Group to generate fresh perspectives on policy options; and working with diaspora groups to reflect on their peacebuilding potential.

#### **Philippines (Mindanao)**

CR provides mediation support to the Malaysian facilitator of the peace talks between the Government of the Philippines and the Moro Islamic Liberation Front (MILF) as a member of the International Contact Group. We will work to sustain a dialogue process involving regional civil society networks in the government-MILF peace talks and to develop an International Action Plan on women peace and security.

#### **Colombia**

This is more modest engagement where we support efforts aimed at ensuring that the design of new peace architecture draws on experience and best practice in peacebuilding in part gained from exchange visits with the Philippines.

#### **Middle East (Lebanon)**

CR will work in partnership with local actors to document peacemaking processes in Lebanon in our Accord series with a focus on participatory analysis. The outcome will be that policy makers and peace activists working on the peace processes in the Middle East are informed by high-quality analysis and debate and local and international perspectives.

#### **Middle East (Lebanon)**

CR will work in partnership with local actors to document peacemaking processes in Lebanon in our Accord series with a focus on participatory analysis. The outcome will be that policy makers and peace activists working on the peace processes in the Middle East are informed by high-quality analysis and debate and local and international perspectives.

#### **Policy themes**

CR will focus our efforts on engaging with governments and regional and international institutions to improve peacebuilding practice and capacities, both as CR and in consortia and networks. Our key themes and issues will include:

- Public participation in peace and political settlement processes.
- Engaging armed groups and overcoming the related problems of proscription.
- Governance and peacebuilding.
- Cross-border peacebuilding.
- Peace processes, dialogue and mediation.

## CONCILIATION RESOURCES

### DIRECTORS' AND TRUSTEES' REPORT (Cont/d)

FOR THE YEAR ENDED 31 DECEMBER 2011

#### TRUSTEES' RESPONSIBILITIES IN RELATION TO THE FINANCIAL STATEMENTS

The Trustees (who are also directors of Conciliation Resources for the purposes of company law) are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulation.

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). 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 company and of its income and expenditure 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 judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the 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 company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

#### STATEMENT OF DISCLOSURE TO AUDITOR

In accordance with company law, the company's Directors certify that:

- so far as they are aware, there is no relevant audit information of which the company's auditors are unaware; and
- as the Directors of the company they have taken all the steps that they ought to have taken 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

A resolution was proposed and agreed at the Annual General Meeting that Ramon Lee & Partners be re-appointed as auditors of the Charity for the ensuing year.

This report has been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006.

#### APPROVAL

This report was approved by the Board of Directors and Trustees 11<sup>th</sup> June 2012 and signed on its behalf.

  
M Bradbury  
CHAIR

# REPORT OF THE INDEPENDENT AUDITOR TO THE MEMBERS OF CONCILIATION RESOURCES

We have audited the financial statements of Conciliation Resources for the year ended 31<sup>st</sup> December 2011 which comprise: the Consolidated Statement of Financial Activities (Summary Income and Expenditure Account), Statement of Financial Activities (Summary Income and Expenditure Account), the Group Balance Sheet, Balance Sheet and 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 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 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 any responsibility to anyone other than the company and the company's members as a body, for our work, for this report, or for the opinions we have formed.

## RESPECTIVE RESPONSIBILITIES OF TRUSTEES AND AUDITORS

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.

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 charitable company'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 Director's and Trustees report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

## OPINION ON THE FINANCIAL STATEMENTS

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent charitable company's affairs as at 31<sup>st</sup> December 2011, and of the group's and the parent charitable company'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.

## OPINION ON THE OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006

In our opinion the information given in the Trustees' Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

## MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

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

- the parent charitable company 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 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 exemption in preparing the Director's and Trustees report.

  
**DAVID TERRY (SENIOR STATUTORY AUDITOR)  
FOR AND ON BEHALF OF STATUTORY AUDITORS  
RAMON LEE & PARTNERS  
CHARTERED ACCOUNTANTS**

**KEMP HOUSE  
152/160 CITY ROAD  
LONDON EC1V 2DW**

**11<sup>TH</sup> JUNE 2012**



**CONCILIATION RESOURCES**  
**STATEMENT OF FINANCIAL ACTIVITIES**  
**FOR THE YEAR ENDED 31 DECEMBER 2011**  
**SUMMARY INCOME AND EXPENDITURE ACCOUNT**

	<u>Notes</u>	<u>Unrestricted Funds</u> £	<u>Restricted Funds</u> £	<u>Total 2011</u> £	<u>Total 2010</u> £
<b>INCOMING RESOURCES</b>					
<i>Incoming resources from generating funds:</i>					
<i>Voluntary income:</i>					
Grants & donations receivable	2	1,477,231	-	1,477,231	481,934
Activities for generating funds:					
Fees receivable		5,272	-	5,272	2,991
Other income		3,727	-	3,727	4,591
Interest receivable		4,205	-	4,205	3,573
<i>Incoming resources from charitable activities:</i>					
Grants & donations receivable	3	-	3,258,430	3,258,430	3,504,468
Manuscript sales and other income		-	11,147	11,147	10,557
<b>Total incoming resources</b>		<u>1,490,435</u>	<u>3,269,577</u>	<u>4,760,012</u>	<u>4,008,114</u>
<b>RESOURCES EXPENDED</b>					
Cost of generating voluntary income		221,588	-	221,588	125,487
Charitable activities		927,089	2,814,825	3,741,914	3,479,860
Governance costs		75,737	-	75,737	112,221
<b>Total resources expended</b>	4	<u>1,224,414</u>	<u>2,814,825</u>	<u>4,039,239</u>	<u>3,717,568</u>
Net movement in funds		266,021	454,752	720,773	290,546
<i>Reconciliation of funds</i>					
Total funds, brought forward		483,907	947,101	1,431,008	1,140,462
<b>Total funds, carried forward</b>	10	<u>749,928</u>	<u>1,401,853</u>	<u>2,151,781</u>	<u>1,431,008</u>

The Statement of Financial Activities also complies with the requirements for an Income & Expenditure Account under the Companies Act 2006.

**CONTINUING OPERATIONS**

None of the company's activities were acquired or discontinued during the above two financial periods.

**TOTAL RECOGNISED GAINS AND LOSSES**

The company has no recognised gains or losses other than the above movement in funds for the above two financial periods.


The notes on page 14 to 22 form part of these accounts.

**CONCILIATION RESOURCES**  
**BALANCE SHEET AS AT 31 DECEMBER 2011**

	<u>Notes</u>	<u>2011</u>		<u>2010</u>	
		£	£	£	£
<b>FIXED ASSETS</b>					
Tangible assets	7		18,394		28,899
<b>CURRENT ASSETS</b>					
Debtors	8	529,588		483,266	
Cash at bank and in hand		1,762,062		1,102,137	
		2,291,650		1,585,403	
<b>CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR</b>					
	9	158,263		183,294	
<b>NET CURRENT ASSETS</b>			2,133,387		1,402,109
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			2,151,781		1,431,008
<b>INCOME FUNDS</b>					
Unrestricted income funds:	10		749,928		483,907
Restricted income funds	10		1,401,853		947,101
			2,151,781		1,431,008

These financial statements have been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006.

These accounts were approved by the Board of Directors and Trustees on 11<sup>th</sup> June 2012 and were signed on its behalf by:

.....  ..... **M Bradbury (Chair)**

.....  ..... **R Cooke (Hon. Treasurer)**

**Company Registration No. 03196482**

The notes on pages 14 to 22 form part of these accounts.

# CONCILIATION RESOURCES

## NOTES TO THE ACCOUNTS

### FOR THE YEAR ENDED 31 DECEMBER 2011

#### 1. ACCOUNTING POLICIES

The principal accounting policies are summarised below. The accounting policies have been applied consistently throughout the year and in the preceding year.

##### 1.1 Basis of preparation of accounts

The financial statements have been prepared under the historical cost convention. The financial statements have been prepared in accordance with the Statement of Recommended Practice – Accounting and Reporting by Charities (SORP 2005) issued in March 2005, applicable UK Accounting Standards and the Companies Act 2006. The principal accounting policies adopted in the preparation of the financial statements are set out below.

##### 1.2 Incoming resources

Voluntary income including donations, gifts and grants that provide core funding or are of general nature are recognised where there is entitlement, certainty of receipt and the amount can be measured with sufficient reliability. Such income is only deferred when:

The donor specifies that the grant or donation must only be used in future accounting periods; or  
The donor has imposed conditions which must be met before the charity has unconditional entitlement.

Income from charitable activities includes income received under contract or where entitlement to grant funding is subject to specific performance conditions is recognised as earned (as the related goods or services are provided). Grant income included in this category provides funding to support performance activities and is recognised where there is entitlement, certainty of receipt and the amount can be measured with sufficient reliability. Income is deferred when:

Performance related grants are received in advance of the performances or event to which they relate.

Grants received as a contribution towards the purchase of capital equipment are taken to the Statement of Financial Activities in the period in which they are received.

Investment income is recognised on a receivable basis.

##### 1.3 Volunteers and donated services and facilities

Where services are provided to the charity as a donation that would normally be purchased from our suppliers, this contribution is included in the financial statements at an estimate based on the value of the contribution to the charity. There were no such donations during the year.

##### 1.4 Resources expended

Expenditure is recognised when a liability is incurred.

- Costs of generating funds are those costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds.
- Charitable activities include expenditure associated with the main objectives of the charity and include both the direct costs and support costs relating to these activities.
- Governance costs include those incurred in the governance of the charity and its assets and are primarily associated with constitutional and statutory requirements.
- Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of the resources, e.g. staff costs by the time spent and other costs by number of work stations, or transactions.

##### 1.5 Irrecoverable VAT

All resources expended are classified under activity heading that aggregate all costs related to the category. Irrecoverable VAT is charged against the category of resources expended for which it was incurred.

## CONCILIATION RESOURCES

### NOTES TO THE ACCOUNTS (Cont/d)

#### FOR THE YEAR ENDED 31 DECEMBER 2011

#### 1.6 Pensions

The pension costs charged in the accounts represents the contributions payable by the charity during the year in accordance with FRS17. The company operates a defined contribution pension scheme on behalf of its staff. The assets of the scheme are held separately from those of the company in an independently administered fund. Contributions to the scheme are charged to profit and loss account in the year in which they are payable.

#### 1.7 Taxation

The Charity is a registered charity and, therefore, is not liable for Income Tax or Corporation Tax on income derived from its charitable activities, as it falls within the various exemptions available to registered charities.

#### 1.8 Foreign currency transactions

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rate of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are taken to the Statement of Financial Activities.

#### 1.9 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. The cost of minor additions or those costing less than £500 are not capitalised. Depreciation is provided at rates calculated to write off the cost or valuation of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Office Equipment	33 1/3% straight line.
Furniture & Fittings	33 1/3% straight line.
Motor Vehicles	33 1/3% straight line.

#### 1.10 Funds structure

Unrestricted funds are available for use at the discretion of the Trustees and in furtherance of the general objectives of the charity. Unrestricted funds include a revaluation reserve representing the restatement of investment assets at market value.

The restricted funds are monies raised for, and their use restricted to, a specific purpose or donations subject to donor imposed conditions.

## 2. VOLUNTARY INCOME

	<u>Unrestricted Funds</u>	<u>Total 2011</u>	<u>Total 2010</u>
	£	£	£
European Commission, Belgium	93,574	93,574	23,730
Department for International Development, UK	107,391	107,391	121,054
Department for International Development, UK	751,934	751,934	-
Federal Department of Foreign Affairs, Switzerland	81,991	81,991	79,379
Ministry of Foreign Affairs, Norway	-	-	55,127
Swedish International Development Co-operation Agency	377,372	377,372	198,883
Rowan Charitable Trust, UK	-	-	3,000
Anonymous donor, UK	61,937	61,937	-
Donations	3,032	3,032	761
	<u>1,477,231</u>	<u>1,477,231</u>	<u>481,934</u>



## CONCILIATION RESOURCES

### NOTES TO THE ACCOUNTS (Cont/d)

#### FOR THE YEAR ENDED 31 DECEMBER 2011

### 3. INCOME FROM CHARITABLE ACTIVITIES

	<u>Restricted Funds</u> £	<u>Total 2011</u> £	<u>Total 2010</u> £
<b><i>Policy, Practice and Communications (inc. Accord)</i></b>			
Department for International Development, UK	150,000	150,000	277,988
European Commission, Belgium	-	-	177,516
Joseph Rowntree Charitable Trust, UK	22,500	22,500	20,000
Ministry of Foreign Affairs, Norway	57,823	57,823	88,196
Rowan Charitable Trust	5,000	5,000	-
Swedish International Development Co-operation Agency	-	-	53,852
	<u>235,323</u>	<u>235,323</u>	<u>617,552</u>
<b><i>Caucasus</i></b>			
Department for International Development, UK	480,536	480,536	368,924
European Commission, Belgium	401,343	401,343	343,879
Federal Department of Foreign Affairs, Switzerland	-	-	25,806
Ministry of Foreign Affairs, Netherlands	22,779	22,779	64,205
Swedish International Development Co-operation Agency	-	-	53,852
	<u>904,658</u>	<u>904,658</u>	<u>856,666</u>
<b><i>West Africa</i></b>			
Commonwealth Foundation	-	-	10,000
European Commission, Belgium	24,132	24,132	38,619
Department for International Development, UK	139,656	139,656	114,100
Swedish International Development Co-operation Agency	-	-	53,852
Zivik, Germany	61,690	61,690	-
	<u>225,478</u>	<u>225,478</u>	<u>216,571</u>
<b><i>East and Central Africa</i></b>			
Berghof Foundation, Germany	41,993	41,993	20,460
Department for International Development, UK	136,022	136,022	84,806
European Commission, Belgium	18,379	18,379	46,169
Eva Reckitt Trust Fund, UK	-	-	1,000
Ministry of Foreign Affairs, Norway	1,149,538	1,149,538	427,943
Swedish International Development Co-operation Agency	-	-	53,852
Ministry of Foreign Affairs, Belgium	-	-	169,492
The World Bank Group	-	-	29,284
	<u>1,345,932</u>	<u>1,345,932</u>	<u>833,006</u>
<b><i>India and Pakistan</i></b>			
Foreign and Commonwealth Office, UK	61,469	61,469	213,655
	<u>61,469</u>	<u>61,469</u>	<u>213,655</u>
<b><i>Fiji</i></b>			
Anonymous grant	176,607	176,607	-
Department for International Development, UK	95,444	95,444	203,306
European Commission, Belgium	40,048	40,048	-
	<u>312,099</u>	<u>312,099</u>	<u>203,306</u>
<b><i>Philippines and Colombia</i></b>			
Ministry of Foreign Affairs, Norway	173,471	173,471	-
	<u>173,471</u>	<u>173,471</u>	<u>-</u>
<b><i>Collaborations (consortia partner funds)</i></b>			
European Commission, Belgium	-	-	563,712
	<u>-</u>	<u>-</u>	<u>563,712</u>
Total grants receivable	<u>3,258,430</u>	<u>3,258,430</u>	<u>3,504,468</u>

**CONCILIATION RESOURCES**  
**NOTES TO THE ACCOUNTS (Cont/d)**  
**FOR THE YEAR ENDED 31 DECEMBER 2011**

**4. RESOURCES EXPENDED**

	Basis of allocation	Voluntary Income £	Policy, Practice, and Communications £	Caucasus		West Africa		East and Africa		India and Pakistan		Philippines and Colombia		Program Development		Governance		2011		2010	
				£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£
<i>Costs directly allocated to activities:</i>																					
Salaries and staff costs	Direct	117,688	289,383	270,512	71,539	168,830	59,276	48,243	59,843	15,272	11,454	1,112,040	816,542								
Direct project costs	Direct	-	57,716	648,487	251,817	580,620	233,722	183,030	148,768	112,067	-	2,216,227	1,681,177								
Collaboration project direct costs	Direct	-	-	-	-	-	-	-	-	-	-	-	563,713								
Travel and accommodation	Direct	-	24,978	34,315	22,558	65,916	20,730	17,494	20,769	-	-	206,760	114,360								
Communication costs	Direct	6,793	21,279	20,605	1,371	6,683	2,982	378	1,674	-	-	61,765	33,944								
Strategic development and evaluation	Direct	-	-	-	-	-	-	-	-	-	-	30,702	68,414								
Audit fees	Direct	-	-	-	-	-	-	-	-	-	-	7,920	7,800								
<i>Support costs allocated to activities:</i>																					
Management and administration costs	Staff time	40,770	20,385	20,385	16,987	16,987	13,590	6,795	10,192	13,590	10,192	169,873	180,765								
Finance costs	Staff time	21,364	10,682	10,682	8,902	8,902	7,121	3,561	5,341	7,121	5,341	89,017	83,047								
Premises costs	Work stations	20,306	11,845	11,845	6,769	9,307	5,922	3,384	4,230	5,076	5,922	84,606	85,794								
Communication costs	Work stations	3,641	2,124	2,124	1,214	1,669	1,062	607	758	910	1,062	15,171	20,769								
Information Technology	Work stations	6039	3523	3523	2013	2768	1761	1006	1258	1510	1761	25,162	25,212								
Legal & professional fees	Usage	247	-	-	-	-	-	-	-	-	-	247	18,603								
Travel and accommodation	Work stations	2,447	1,427	1,427	816	1,121	714	408	510	612	714	10,196	8,552								
Other expenses	Work stations	2,293	1,337	1,337	764	1,051	669	382	478	573	669	9,553	8,876								
		<u>221,588</u>	<u>444,679</u>	<u>1,025,242</u>	<u>384,750</u>	<u>863,854</u>	<u>347,549</u>	<u>265,288</u>	<u>253,821</u>	<u>156,731</u>	<u>75,737</u>	<u>4,039,239</u>	<u>3,717,568</u>								

**CONCILIATION RESOURCES**

**NOTES TO THE ACCOUNTS (Cont/d)**

**FOR THE YEAR ENDED 31 DECEMBER 2011**

**5. NET MOVEMENT IN FUNDS FOR THE YEAR**

The net movement in funds is stated after charging:

	<u>2011</u>	<u>2010</u>
	£	£
Depreciation of tangible fixed assets	24,025	26,352
Directors remuneration	71,855	69,067
Audit fees	7,920	7,800
	<u>103,800</u>	<u>103,219</u>

**6. STAFF COSTS**

Staff costs were as follows:

	<u>2011</u>	<u>2010</u>
	£	£
UK Employee salaries	1,126,973	870,504
Social security costs	125,117	94,222
Pension costs	92,507	80,822
	<u>1,344,597</u>	<u>1,045,548</u>

Employees earning in excess of £60,000:

	<u>Number of employees</u>	
	<u>2011</u>	<u>2010</u>
£60,000 to £70,000	1	1
	<u>1</u>	<u>1</u>

During the year the Charity paid 5,933 (2010-£5,703) under a defined pension scheme on behalf of the staff member/director earning over £60,000.

The average monthly number of staff employed, calculated as full time equivalent in the UK by the Charity during the year was as follows:

	<u>Number of employees</u>	
	<u>2011</u>	<u>2010</u>
Executive Management Committee	3.0	3.0
Policy, Practice & communication	8.0	4.5
Caucasus	4.5	5.5
East and Central Africa	3.0	2.0
West Africa	1.0	0.5
India & Pakistan	1.0	0.5
Philippines & Colombia	1.0	0.0
Fiji	1.0	0.0
Administrative, financial management and fundraising support	7.5	6.0
	<u>30.0</u>	<u>22.0</u>

## CONCILIATION RESOURCES

### NOTES TO THE ACCOUNTS (Cont/d)

#### FOR THE YEAR ENDED 31 DECEMBER 2011

#### 7. TANGIBLE FIXED ASSETS

	<u>Office Equipment</u>	<u>Furniture &amp; Fittings</u>	<u>Motor Vehicle</u>	<u>Total</u>
	£	£	£	£
<b>COST</b>				
As at 1st January 2011	79,680	33,413	50,013	163,106
Additions	12,909	611	-	13,520
Disposals	(10,307)	(15,691)	-	(25,998)
As at 31st December 2011	<u>82,282</u>	<u>18,333</u>	<u>50,013</u>	<u>150,628</u>
<b>DEPRECIATION</b>				
As at 1st January 2011	62,707	31,156	40,344	134,207
Charge for the year	13,116	1,240	9,669	24,025
Disposals	(10,307)	(15,691)	-	(25,998)
As at 31st December 2011	<u>65,516</u>	<u>16,705</u>	<u>50,013</u>	<u>132,234</u>
<b>NET BOOK VALUES</b>				
As at 31st December 2011	<u>16,766</u>	<u>1,628</u>	<u>-</u>	<u>18,394</u>
As at 1st January 2011	<u>16,973</u>	<u>2,257</u>	<u>9,669</u>	<u>28,899</u>

#### 8. DEBTORS

	<u>2011</u>	<u>2010</u>
	£	£
Grants awarded yet to be received	422,963	400,609
Fees, manuscript sales and other income receivable	10,865	-
Other debtors & prepayments	95,760	82,657
	<u>529,588</u>	<u>483,266</u>

Other debtors and prepayments includes a rent deposit of £12,750 (2010 - £12,750), which is receivable after more than one year.

#### 9. CREDITORS: amounts falling due within one year

	<u>2011</u>	<u>2010</u>
	£	£
Deferred income (Note 13)	-	25,750
Trade creditors	69,816	92,462
Social security & other taxes	36,011	29,754
Other creditors & accruals	52,436	35,328
	<u>158,263</u>	<u>183,294</u>



# CONCILIATION RESOURCES

## NOTES TO THE ACCOUNTS (Cont/d)

### FOR THE YEAR ENDED 31 DECEMBER 2011

#### 10. MOVEMENT IN FUNDS

	<u>at 01.01.11</u>	<u>Income</u>	<u>Expenditure</u>	<u>at 31.12.11</u>
	£	£	£	£
<b>Restricted Funds:</b>				
<b>Charitable activities:</b>				
Policy, Practice and Communications	169,968	235,496	340,197	65,267
Caucasus	83,482	905,206	971,688	17,000
West Africa	46,790	225,909	272,699	-
East and Central Africa	589,532	1,352,417	810,411	1,131,538
India and Pakistan	28,026	64,979	93,005	-
Fiji	29,303	312,099	201,354	140,048
Philippines and Colombia	-	173,471	125,471	48,000
	<u>947,101</u>	<u>3,269,577</u>	<u>2,814,825</u>	<u>1,401,853</u>
<b>Unrestricted Funds:</b>				
General funds	483,907	1,490,435	1,224,414	749,928
Total funds	<u>1,431,008</u>	<u>4,760,012</u>	<u>4,039,239</u>	<u>2,151,781</u>

#### Purposes of Restricted Funds:

##### Policy and Practice (including the Accord publication series)

- The programme's goal is to improve international conflict transformation practice and policies. The aim is to inform the activities of primary parties and intermediaries in conflicts and peace negotiations with relevant comparative experience. It also aims to influence institutions and practitioners in the field of conflict resolution and development to work in more informed, inclusive and effective ways.
- The balance of funds relates to activities for the European Commission funded People's Peacemaking Perspectives project, the Norwegian Ministry of Foreign Affairs and Joseph Rowntree Charitable Trust, UK.

##### Caucasus

- The programme's goal is to improve prospects for the peaceful resolution of the conflicts over Abkhazia and Nagorny Karabakh and to promote a culture of peace based on justice and mutual respect.
- The balance of funds relates to ongoing programme funds for Georgia Abkhazia related to the grant from the United Nations Development Programme.

##### East and Central Africa

- The programme's goal is to create an environment conducive to ending the LRA conflict in Uganda, Central African Republic, Democratic Republic of Congo and South Sudan, assisting partner organisations to make more strategic and effective interventions.
- The balance of funds relates to programme and project activities, funding received in 2011 for spend in 2012-2013, for cross-border peace building in LRA affected areas funded by the Norwegian Ministry of Foreign Affairs and for project activities for Understanding the LRA & Learning from the Juba Peace Process funded by Berghof Foundation, Germany.

##### West Africa

- The programme's goal is to see that local, national and sub-regional conflict transformation processes in Sierra Leone and the Mano River Union countries help build a just and sustainable peace.

There are no balances of funds as at year ended 2011.

##### India and Pakistan

- The programme's goal is to promote ownership of and participation in the Indo-Pak peace process by Kashmiris and to contribute to enhancing the prospects for a non-violent and just transformation of the conflict.
- There are no balances of funds as at year ended 2011.

## CONCILIATION RESOURCES

### NOTES TO THE ACCOUNTS (Cont/d)

#### FOR THE YEAR ENDED 31 DECEMBER 2011

##### Fiji

- The programme's goal is to work for Fiji's return to the path of constitutional democracy, addressing the profound challenges to governance to enable more just and sustainable social and political accommodation and peaceful coexistence.
- The balance of funds relates to activities funded by the European Commission, Belgium and the Australian Agency for International Development, Australia

##### Philippines and Colombia

- The programme's goal is to contribute to strengthening local and international actors' capacities to play a constructive and problem-solving role in Filipino peace processes and to contribute to shifting the peace paradigm and restarting a peace process (including peace negotiations) in Colombia

The balance of funds relates to ongoing project funds from the Ministry of Foreign Affairs, Norway.

#### 11. ANALYSIS OF FUND BALANCES BETWEEN NET ASSETS

	<u>Unrestricted Funds</u> £	<u>Restricted Funds</u> £	<u>Total 2011</u> £	<u>Total 2010</u> £
Tangible fixed assets	18,394	-	18,394	28,899
Net current assets	731,534	1,401,853	2,133,387	1,402,109
	749,928	1,401,853	2,151,781	1,431,008

#### 12. OPERATING LEASE COMMITMENTS

The amounts payable in the next year in respect of operating leases in respect of rent and service charge are shown below, analysed according to the expiry date of the leases.

	<u>2011</u> £	<u>2010</u> £
One year	-	-
Between two and five years	51,000	51,000
	51,000	51,000

#### 13. DEFERRED INCOME

	<u>2011</u> £	<u>2010</u> £
Balance as at 1st January	25,750	43,478
Amount released to income in the year	(25,750)	(43,478)
Amount deferred in the year	-	25,750
Balance as at 31st December	-	25,750

Deferred income relates to a grant from United Nations Development Programme for a project in 2011.

## CONCILIATION RESOURCES

### NOTES TO THE ACCOUNTS (Cont/d)

#### FOR THE YEAR ENDED 31 DECEMBER 2011

#### 14. TRUSTEE REMUNERATION & RELATED PARTY TRANSACTIONS

For the whole of the year, the Charity was under the control of the Directors and Trustees as shown on page two.

Mr A Carl as both the Executive Director and a member of the Board of Trustees received remuneration (excluding pension contributions) of £65,922 (2010 – £63,364) and pension contributions to a defined benefit scheme of £5,933 (2010 – £5,703). This arrangement is in accordance with the Charity's Articles of Association, which stipulate that one trustee who is also a Chief Executive can be paid in good faith as long as inclusion in the trustee body is expedient and in the interests of the Charity.

Expenses for airfares, travel and accommodation totalling £2,775 (2010 – £6,126) were paid on behalf of five (2010 – seven) Trustees.

Ms L Philipson, a trustee, is a specialist in the field of conflict in Sri Lanka, received £2,530 (2010 – £5,000) in fees and expenses for her work attending two workshops held by Conciliation Resources on India-Pakistan Diaspora Community in the UK.