

CONCILIATION RESOURCES

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

FOR THE YEAR ENDED 31ST DECEMBER 2005

**Company No: 3196482
Charity No: 1055436**

CONCILIATION RESOURCES

Company Information

Directors and Trustees	Mr M Bradbury (Chair) Mr A Carl Mr R Cooke (Hon. Treasurer) -Appt'd 05/12/05 Mr M Hoffman Mr N Jefferies Mr B Jones Ms M Manderson-Mills Ms B Stolte Van Empelen Mr L Nathan Ms L Philipson -Appt'd 20/03/06 Dr N Ropers -Res'd 14/03/05 Ms V Terselic Mr H Tinsley -Appt'd 20/03/06
Secretary	Ms K Ram
Company Number	3196482
Charity Number	1055436
Registered Office	173 Upper Street London N1 1RG
Auditors	Ramon Lee & Partners Kemp House 152 - 160 City Road London EC1V 2DW
Bankers	Royal Bank of Scotland 40 Islington High Street London N1 8XJ COIF Charity Funds 80 Cheapside London EC2V 6DZ

CONCILIATION RESOURCES

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CONCILIATION RESOURCES

DIRECTORS' AND TRUSTEES' REPORT

FOR THE YEAR ENDED 31ST DECEMBER 2005

The Directors and Trustees present their report and audited accounts for the year ended 31st December 2005.

STATUS

Conciliation Resources (the word 'Limited' being omitted by licence from the Board of Trade) is registered under the Companies Act 1985 as a Company Limited by guarantee and not having a capital divided by shares. The company was registered as a charity on 17th May 1996 under Registration Number 1055436. 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.

ACTIVITIES

The charity's objective and its principal activity is to provide practical support for community-based and national organizations pursuing peacebuilding and initiatives which transform conflict in their country or region suffering from or threatened by organized violence.

In 2005, the main programme activities focused on supporting the peacemaking initiatives of partner organizations in the southern Caucasus (Georgia-Abkhazia and Nagorny Karabakh), Colombia, Fiji, the Philippines, northern Uganda, and West Africa (predominantly Sierra Leone but also with organizations in Guinea and Liberia). Work with journalists and various media organisations continued chiefly in the Caucasus. The Accord programme published two issues in the series on 'Engaging Armed Groups in Peace Processes' and on the Nagorny-Karabakh peace process and continued with the policy and comparative learning work on the Colombia project and on the issue of "public participation". Preparatory work on the Sudan peace process for publication in 2006 was also undertaken in 2005.

FUTURE ACTIVITIES

In 2006, the charity will, funding permitting, continue its programme of support for our partners' peace-building activities in the southern Caucasus (Georgia-Abkhazia and Nagorny Karabakh), Colombia, Fiji, the Philippines, northern Uganda, and West Africa (predominantly Sierra Leone but also with organizations in Guinea and Liberia). The Accord series will carry out projects and publish on the peace process in Sudan and on the role of sanctions, incentives and conditionalities in peace processes. Further project work on facilitating direct comparative learning from peace processes will also be undertaken, and the organisation will be undertaking more work to influence peacebuilding policies. There will be further consolidation of organizational development activities relating to strengthening of core support provided to programmes and partners. Special efforts will be made to support the West Africa programme because of continuing significant changes in it.

RESERVES POLICY

It is the policy of the Trustees of Conciliation Resources to allocate 75% of any unrestricted surplus at the end of each year to Unrestricted Reserves, Conciliation Resources aims to keep a prudent working balance of reserves equalling six months of operating costs to cover future contractual liabilities, mainly staff salaries and rent, (£180,000 in 2005). The need to build up the general reserves, however, will be balanced against the needs of specific programme areas that are deemed crucial for the work of the charity. The reserves policy will be kept under regular review by CR's Board.

CONCILIATION RESOURCES

DIRECTORS' AND TRUSTEES' REPORT (Cont/d)

FOR THE YEAR ENDED 31ST DECEMBER 2005

FINANCIAL RESULTS

The Statement of Financial Activities show net deficit of £307,467 (2004 – surplus £444,714) for the year, and total funds available stand at £435,088 (2004 - £742,555).

RISK

The major risks to which the charity is exposed as identified by the Trustees (governance, operational, financial and external) have been reviewed and systems – including an organizational 'risk register' and staff safety and security policies and guidelines have been established to mitigate those risks. Because the nature of CR's overseas work is in countries affected by conflict, the security situation in the countries concerned are regularly reviewed and CR seeks to take all steps to avoid undue risks taken on the part of staff and project partners. To mitigate financial risk and insecurity, as well as dependency on one donor, CR tries to have a broad donor base, both for the organisation as a whole as well as for each separate programme. CR is also continuing to seek and secure longer-term funding both institutionally and for programmes.

ORGANISATIONAL STRUCTURE

CR is governed by an international Board of experienced practitioners who meet four times a year. Financial and management reports are provided quarterly to the Treasurer. Full quarterly reports are made to the Board of Trustees and its Finance Committee, including statement of individual accounts by restricted and unrestricted funds identifying specific or general funding linked to estimates.

Overall management is provided by the Director, who is supported by an advisory senior staff team. Each Programme Manager (and Co-Manager) is responsible for his or her area of work, though the organization actively seeks to provide opportunities for mutual support and joint learning. In some cases, Programme Managers are assisted by project staff and occasionally by interns or volunteers. CR has a Core Support Team made up of our Organizational Manager, Finance and Admin Officer, Finance and Admin Assistant, and Communications Officer. In addition to its in-house staff, CR works closely with a pool of Programme Associates (currently six) and other external consultants. These core-support structures were reviewed in 2005 and CR will be introducing significant changes in 2006 to strength our capacities in this area.

CR has a financial regulations policy set up and reviewed in consultation with the Board of Trustees. This sets out the plan of the organization, defining and allocating 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 Programme Manager, who is responsible for ensuring that expenditure remains within budget, and by the Director or the Organizational Manager.

Besides its London office, CR has a field presence in Sierra Leone, where it is registered as an international non-governmental organization. CR's three offices (in Freetown, Kenema and Bo) are staffed by eighteen nationals. CR does receive 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.

GRANT MAKING POLICY

In principle, CR is not a grant-making charity. In exceptional cases, however, specific programmes have included a small-grants component, aiming to support micro-initiatives by local partners considered to be integral to the overall aim of the programme in question. In 2005, however, no such schemes were operated.

CONCILIATION RESOURCES

DIRECTORS' AND TRUSTEES' REPORT (Cont/d)

FOR THE YEAR ENDED 31ST DECEMBER 2005

INVESTMENT POLICY AND RETURN

Under the Memorandum and Articles of Association, the charity has the power to make any investment which the trustees see fit. The trustees have considered the most appropriate policy for investing funds and have found that the cash deposit, in a bank designated for the charity sector, meet their requirements to generate both income and capital growth.

DIRECTORS AND TRUSTEES

All Directors of the company are also Trustees of the charity, and there are no other Trustees. The Board has the power to appoint additional Trustees as it considers fit to do so.

The Trustees who served during the year are detailed on page 1.

TANGIBLE FIXED ASSETS

Details of movements in fixed assets used by the charity are set out in note 7 to the accounts.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees are required by law to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of its results for that period. In preparing those financial statements the Trustees are required to:

- (a) select suitable accounting policies and apply them consistently;
- (b) make judgements and estimates that are reasonable and prudent;
- (c) state whether the policies adopted are in accordance with the Charities Act 1993 and with applicable accounting standards, subject to any material departures disclosed and explained in the financial statements;
- (d) prepare the financial statements on a going concern basis unless it is inappropriate to assume that the charity will continue in business.

The Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

APPROVAL

This report was approved by the Board of Directors and Trustees on 11 April 2006 and signed on its behalf.



K RAM
SECRETARY

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF CONCILIATION RESOURCES

We have audited the financial statements of Conciliation Resources for the year ended 31st December 2005 on pages 7 to 15, which have been prepared under the historical cost convention and the accounting policies set out on page 9.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. 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 responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

RESPECTIVE RESPONSIBILITIES OF TRUSTEES AND AUDITORS

As described on page 5, the charity's trustees who are also the directors of Conciliation Resources for the purposes of company law are responsible for the preparation of financial statements in accordance with applicable law and United Kingdom Accounting Standards.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the Report of the Trustees is not consistent with the financial statements, if the charitable company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding Trustees' remuneration and transactions with the company is not disclosed.

We read the Report of the Trustees and consider the implications for our report if we become aware of any apparent misstatements within it.

BASIS OF OPINION

We conducted our audit in accordance with United Kingdom Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

OPINION

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 31st December 2005 and of its incoming resources and application of resources, including its income and expenditure in the year then ended and have been properly prepared in accordance with the Companies Act 1985.



RAMON LEE & PARTNERS
REGISTERED AUDITORS
CHARTERED ACCOUNTANTS

KEMP HOUSE
152 – 160 CITY ROAD
LONDON EC1V 2DW

25 April 2006

CONCILIATION RESOURCES

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31ST DECEMBER 2005

SUMMARY INCOME AND EXPENDITURE ACCOUNT

	<u>Notes</u>	Unrestricted <u>Funds</u> £	Restricted <u>Funds</u> £	Total <u>2005</u> £	Total <u>2004</u> £
INCOMING RESOURCES					
<i>In furtherance of the charity's objects:</i>					
Grants receivable	2	161,577	1,063,637	1,225,214	2,037,417
Less: Deferred income	9	-	-	-	(101,250)
Add: Deferred income		-	101,250	101,250	-
<i>Activities for generating funds:</i>					
Fees receivable		7,306	9,381	16,687	34,437
Manuscript sales		185	4,308	4,493	6,058
Other income		12,764	18,677	31,441	24,274
<i>Investment income:</i>					
UK bank interest receivable		24,855	-	24,855	16,947
TOTAL INCOMING RESOURCES		<u>206,687</u>	<u>1,197,253</u>	<u>1,403,940</u>	<u>2,017,883</u>
RESOURCES EXPENDED					
<i>In furtherance of the charity's objects:</i>					
- Costs of activities	3	84,984	1,536,238	1,621,222	1,485,599
Management & administration	4	88,371	1,814	90,185	87,570
TOTAL RESOURCES EXPENDED		<u>173,355</u>	<u>1,538,052</u>	<u>1,711,407</u>	<u>1,573,169</u>
Net movement in funds		33,332	(340,799)	(307,467)	444,714
Total funds, brought forward		170,462	572,093	742,555	297,841
TOTAL FUNDS, CARRIED FORWARD		<u>203,794</u>	<u>231,294</u>	<u>435,088</u>	<u>742,555</u>

The Statement of Financial Activities also complies with the requirements for an Income & Expenditure Account under the Companies Act 1985.

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 9 to 15 form part of these accounts.

CONCILIATION RESOURCES

BALANCE SHEET AS AT 31ST DECEMBER 2005

	<u>Notes</u>	<u>2005</u>	<u>2004</u>
		£	£
FIXED ASSETS			
Tangible assets	7	25,060	36,308
CURRENT ASSETS			
Debtors	8	359,246	89,051
Cash at bank and in hand		<u>282,552</u>	<u>855,993</u>
		641,798	945,044
CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR			
	9	<u>231,770</u>	<u>238,797</u>
NET CURRENT ASSETS		410,028	706,247
TOTAL ASSETS LESS CURRENT LIABILITIES		<u><u>435,088</u></u>	<u><u>742,555</u></u>
INCOME FUNDS			
Unrestricted income funds:		203,794	170,462
Restricted income funds	10	231,294	572,093
		<u><u>435,088</u></u>	<u><u>742,555</u></u>

These accounts were approved by the Board of Directors and Trustees on 11 April 2006 and were signed on its behalf by:



..... M Bradbury (Chair)



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

The notes on pages 9 to 15 form part of these accounts.

CONCILIATION RESOURCES

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31ST DECEMBER 2005

1. ACCOUNTING POLICIES

1.1 Basis of preparation of accounts

The accounts are prepared under the historical cost convention and include the results of the charity's operations, which are described in the Directors' and Trustees' Report and all of which are continuing.

The accounts have been prepared in compliance with the revised Statement of Recommended Practice "Accounting and Reporting by Charities"(SORP) issued in October 2000.

The charity has taken advantage of the exemption in Financial Reporting Standard No. 1 from the requirement to produce a cash flow statement.

1.2 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 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.

1.3 INCOME RECOGNITION

Grants received are matched against any specific project expenditure for which they have been given.

1.4 VALUE ADDED TAX

Value Added Tax is not recoverable by the charity, and, as such, is included in the relevant costs in the Statement of Financial Activities.

1.5 OPERATING LEASES

Rentals payable under operating leases are charged to the Statement of Financial Activities as incurred over the term of the lease.

1.6 EXPENDITURE OF MANAGEMENT AND ADMINISTRATION OF THE CHARITY

Administration expenditure includes all expenditure not directly related to the charitable activity. This includes a proportion of the costs of renting and running office premises and audit and legal fees.

1.7 PENSION COSTS

The Charity operates a defined contribution pension scheme on behalf of its employees. Contributions are charged to the Statement of Financial Activities in the period in which they are payable.

1.8 FOREIGN CURRENCY TRANSLATIONS

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.

CONCILIATION RESOURCES

NOTES TO THE ACCOUNTS (Cont/d)

FOR THE YEAR ENDED 31ST DECEMBER 2005

2. GRANTS INCOME

Grants receivable are shown at the agreed level of funding for the periods below.

	Programme	Unrestricted	Restricted	Total	Total
		Funds	Funds	2005	2004
		£	£	£	£
Boltons Trust, UK		-	-	-	20,000
Christian Aid, UK	West Africa	-	527	527	-
Coppings Trust, UK		-	-	-	30,000
Calpe Trust, UK		-	-	-	1,000
Charity Aid Foundation		200	-	200	-
Comic Relief (via International Alert), UK	West Africa	-	5,364	5,364	8,729
Cordaid, Netherlands		-	-	-	30,011
Department for International Development (DFID), UK		25,000	-	25,000	-
	Accord	-	150,000	150,000	125,000
	Uganda	-	79,366	79,366	177,508
	West Africa	-	96,649	96,649	125,830
European Commission, Belgium	Caucasus	-	110,934	110,934	-
Eva Reckitt Trust Fund, UK		-	-	-	2,000
Ford Foundation	Accord	-	52,589	52,589	-
Foreign and Commonwealth Office, UK	Accord	-	20,000	20,000	-
Global Conflict Prevention Pool (via FCO), UK	Caucasus	-	101,250	101,250	1,042,399
Global Conflict Prevention Pool (via International Alert), UK	Caucasus	-	97,541	97,541	65,361
Misereor, Germany	Uganda	-	1,680	1,680	-
Netherlands Ministry of Foreign Affairs, Netherlands	Caucasus	-	17,000	17,000	-
Norwegian Ministry of Foreign Affairs, Norway	Accord	-	76,148	76,148	-
Organisation for Security and Cooperation in Europe, Mission to Georgia	Caucasus	-	4,467	4,467	2,256
Project Zivik, Germany	Uganda	-	78,922	78,922	-
Rest Harrow Trust		200	-	200	-
Rowan's Charitable Trust, UK		-	-	-	3,000
Swedish International Development Cooperation Agency (SIDA)		99,999	-	99,999	97,022
	Accord	-	17,911	17,911	29,400
	Caucasus	-	8,955	8,955	67,621
	Uganda	-	86,566	86,566	-
	West Africa	-	86,566	86,566	99,961
Swiss Federal Department of Foreign Affairs		7,306	-	7,306	36,773
	Accord	-	14,612	14,612	73,546
Swiss International Development Agency		28,872	-	28,872	-
	Accord	-	57,840	57,840	-
		<u>161,577</u>	<u>1,164,887</u>	<u>1,326,464</u>	<u>2,037,417</u>

The grant from Global Conflict Prevention Pool of £101,250 represents deferred income brought forward from previous year relating to current year staff costs.

CONCILIATION RESOURCES

NOTES TO THE ACCOUNTS (Cont/d)

FOR THE YEAR ENDED 31ST DECEMBER 2005

3. CHARITABLE EXPENDITURE – Costs of Activities

	Unrestricted <u>Funds</u> £	Restricted <u>Funds</u> £	Total <u>2005</u> £	Total <u>2004</u> £
Employee salaries & expenses	137,440	401,172	538,612	440,247
Project expenses & direct costs	9,893	755,497	765,390	724,545
Travel & accommodation	4,675	139,551	144,226	174,520
Supplies & services inc. depreciation	46,406	62,681	109,087	95,412
Office rent & services	56,213	6,895	63,108	50,875
Legal & professional	212	587	799	-
Purchase of services	(13,331)	13,331	-	-
Project specific overheads recharge	(156,524)	156,524	-	-
	<u>84,984</u>	<u>1,536,238</u>	<u>1,621,222</u>	<u>1,485,599</u>

4. MANAGEMENT AND ADMINISTRATIVE EXPENDITURE

	Unrestricted <u>Funds</u> £	Restricted <u>Funds</u> £	Total <u>2005</u> £	Total <u>2004</u> £
Employee salaries & expenses	55,402	-	55,402	54,477
Legal & professional	5,875	-	5,875	8,370
Supplies & services inc. depreciation	11,470	-	11,470	8,684
Office rent & services	14,053	-	14,053	11,489
Other expenses	1,571	1,814	3,385	4,550
	<u>88,371</u>	<u>1,814</u>	<u>90,185</u>	<u>87,570</u>

5. NET MOVEMENT IN FUNDS FOR THE YEAR

The net movement in funds is stated after charging:

	<u>2005</u> £	<u>2004</u> £
Depreciation of tangible fixed assets	17,257	20,906
Audit fees	<u>5,875</u>	<u>5,640</u>

CONCILIATION RESOURCES

NOTES TO THE ACCOUNTS (Cont/d)

FOR THE YEAR ENDED 31ST DECEMBER 2005

6. STAFF COSTS

No remuneration was paid to Trustees in the year except for A Carl, who received remuneration (excluding pension contributions) of £42,911 (2004- £40,527). 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.

With the exception of A Carl's expenses, all other trustee expenses are related to board meetings. Air fares, travel and accommodation expense totalling £1,596 was paid on behalf of the trustees. A Carl's expenses relate to £1,464 worth of travel and associated costs to attend donor meetings, conferences, seminars and organisational representations.

No employee received remuneration of more than £50,000.

	<u>2005</u>	<u>2004</u>
	£	£
UK Employee salaries	465,865	374,807
Social security costs	49,266	38,619
Pension costs	36,562	29,896
	<u>551,693</u>	<u>443,322</u>

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

Direct charitable work:	14	12
Administrative work:	3	3

7. TANGIBLE FIXED ASSETS

	<u>Office Equipment</u>	<u>Furniture & Fittings</u>	<u>Motor Vehicle</u>	<u>Total</u>
	£	£	£	£
COST				
As at 1st January 2005	106,128	36,272	21,006	163,406
Additions	6,009	-	-	6,009
As at 31st December 2005	<u>112,137</u>	<u>36,272</u>	<u>21,006</u>	<u>169,415</u>
DEPRECIATION				
As at 1st January 2005	88,283	17,809	21,006	127,098
Charge for the year	10,505	6,752	-	17,257
As at 31st December 2005	<u>98,788</u>	<u>24,561</u>	<u>21,006</u>	<u>144,355</u>
NET BOOK VALUES				
As at 31st December 2005	<u>13,349</u>	<u>11,711</u>	<u>-</u>	<u>25,060</u>
As at 1st January 2005	<u>17,845</u>	<u>18,463</u>	<u>-</u>	<u>36,308</u>

CONCILIATION RESOURCES

NOTES TO THE ACCOUNTS (Cont/d)

FOR THE YEAR ENDED 31ST DECEMBER 2005

8. DEBTORS

	<u>2005</u>	<u>2004</u>
	£	£
Grants awarded yet to be received	255,628	54,174
Fees, manuscript sales and other income receivable	10,186	20,343
Other debtors & prepayments	93,432	14,534
	<u>359,246</u>	<u>89,051</u>

Expenditure has been incurred in these accounting periods for the grants awarded yet to be received. Other debtors and prepayments includes a rent deposit of £12,500 (2004 - £12,500), which is receivable after more than one year.

9. CREDITORS: amounts falling due within one year

	<u>2005</u>	<u>2004</u>
	£	£
Grant refundable	81,846	78,100
Grant deferred	-	101,250
Trade creditors	28,671	5,584
Social security & other taxes	15,966	11,829
Other creditors & accruals	105,287	42,034
	<u>231,770</u>	<u>238,797</u>

The grant refundable referred to above relates to funding received from the European Commission for a project in Papua, Indonesia, which was cancelled.

CONCILIATION RESOURCES

NOTES TO THE ACCOUNTS (Cont/d)

FOR THE YEAR ENDED 31ST DECEMBER 2005

10. RESTRICTED FUNDS

	<u>Balance</u> <u>as at 1.1.05</u>	<u>Income</u>	<u>Expenditure</u>	<u>Balance</u> <u>at 31.12.05</u>
	£	£	£	£
Accord	74,480	393,205	329,151	138,534
Caucasus	449,601	368,407	728,886	89,122
Fiji	4,203	-	4,203	-
Uganda	2,955	246,535	245,852	3,638
West Africa	40,854	189,106	229,960	-
	<u>572,093</u>	<u>1,197,253</u>	<u>1,538,052</u>	<u>231,294</u>

- Accord - The aim of this programme is to inform and strengthen peace processes and strategies. Balance relates to cumulative sales income, ongoing general programme costs funded by Department for International Development to March 2006, ongoing project activities for 2006 'Comparative Learning' and Engaging Armed Groups in Peace Processes funded by the Ford Foundation and Norwegian Ministry of Foreign Affairs.
- Caucasus - The goals of this programme are to improve the prospects for the peaceful and just transformation of the conflicts over Abkhazia and Nagorny Karabakh, and promote a culture of peace based on justice and mutual respect. Balance relates to project activities funded by the Global Conflict Prevention Pool and programme consultancy income.
- Fiji - Support to the Citizens Constitutional Forum designed to promote awareness amongst all communities about human, civic and group rights.
- Uganda - Working with local partners to create an environment conducive to ending war in northern Uganda, a lasting settlement, and development of a just peace.
- West Africa - Providing conflict transformation and peacebuilding support to indigenous partner organizations.

11. FUNDS OF THE CHARITY

Restricted funds represent the remaining balance of funds received from donors for specific project expenditure and any surplus/deficit on those ongoing projects.

Unrestricted funds represent the balance of funds received from donors and from other sources, which are not tied to any specific project.

CONCILIATION RESOURCES

NOTES TO THE ACCOUNTS (Cont/d)

FOR THE YEAR ENDED 31ST DECEMBER 2005

12. ANALYSIS OF FUND BALANCES BETWEEN NET ASSETS

	<u>Unrestricted</u> <u>Funds</u> £	<u>Restricted</u> <u>Funds</u> £	<u>Total</u> <u>2005</u> £	<u>Total</u> <u>2004</u> £
Tangible fixed assets	25,060	-	25,060	36,308
Net current assets	178,734	231,294	410,028	706,247
	<u>203,794</u>	<u>231,294</u>	<u>435,088</u>	<u>742,555</u>

13. 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. Amounts are based upon a verbal agreement as new contracts had still not been signed at the date of approval of these accounts.

	<u>2005</u> £	<u>2004</u> £
One year	-	-
Between two and five years	48,277	48,277
	<u>48,277</u>	<u>48,277</u>

14. RELATED PARTY TRANSACTIONS

For the whole of the year, the charity was under the control of the directors and trustees as shown on page 2. The transactions in the year relating to trustees are detailed in note 6.