

**CONCILIATION RESOURCES**

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

**FOR THE YEAR ENDED 31 DECEMBER 2010**

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

## **CONCILIATION RESOURCES**

### **CONTENTS**

	<b>Page</b>
<b>Legal and Administrative Details</b>	<b>2</b>
<b>Directors' and Trustees' Report</b>	<b>3 – 10</b>
<b>Auditor's Report</b>	<b>11</b>
<b>Statement of Financial Activities</b>	<b>12</b>
<b>Balance Sheet</b>	<b>13</b>
<b>Notes to the Accounts</b>	<b>14 – 22</b>

## 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 (appointed June 2010) Ms C Sriram Ms T Whitfield
<b>Secretary</b>	Ms S Sinanan
<b>Executive Management Team</b>	Mr A Carl – Executive Director Mr J Cohen – Director of Programmes Mr C Petrigh – Director of Policy & Comparative Learning <i>(to October 2010)</i> Ms S Sinanan – Director of Operations <i>(from March 2010)</i>
<b>Company Number</b>	03196482
<b>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 2010**

The Directors and Trustees present their report and audited accounts for the year ended 31 December 2010.

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 who meet 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 advisory Executive Management Team made up of our Director of Programmes, Director of Operations and our Director of Policy and Comparative Learning, 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 in 2010 are set out on page one. The Trustees are also the legal directors and members of the company with their financial responsibilities limited by guarantee.

### **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 initiative funded by the British government's Conflict Pool in support of the conflict resolution process in Nagorny Karabakh with International Alert and LINKS.

## CONCILIATION RESOURCES

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

#### FOR THE YEAR ENDED 31 DECEMBER 2010

##### Risk management

Major risks to which the charity are exposed, as identified by the Trustees (governance, operational, financial and external), are compiled in a 'risk register' and are reviewed 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 4 of the Charities Act 2006 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** working at local, national and international levels to develop effective solutions to social, economic and political problems related to violent conflicts;
- 2) **Provide opportunities for dialogue** and improved relationships within communities and across conflict divides at all social and political levels;
- 3) **Influence governments** and other decision makers to employ conflict transformation policies that promote alternatives to violence;
- 4) **Improve peacemaking** practice by promoting learning from peace processes around the world;
- 5) **Challenge stereotypes** and increase public awareness of human rights, conflict and peace issues in divided societies.

## CONCILIATION RESOURCES

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

#### FOR THE YEAR ENDED 31 DECEMBER 2010

#### SELECTED ACHIEVEMENTS IN 2010

In 2010, a selection of highlights includes:

##### Supporting people to find solutions to the problems that drive violent conflict

- CR organised workshops on the impact of the Lord's Resistance Army (LRA) conflict on women in Zemio (Central African Republic) and Yambio (Southern Sudan). This was the first time that women affected by the LRA in Southern Sudan and CAR came together to talk about what they can do to contribute to its resolution.
- CR provided advocacy training to religious and cultural leaders from the LRA-affected region which led to facilitated meetings with the European Union (EU) Delegation to Uganda, the World Bank and other donor agencies based in Kampala.
- Community screenings of **Talking Borders** in Bumpe and Bo, Sierra Leone were held. This was the first time the communities were able to see their concerns about petty corruption, harassment and the lack of good governance articulated in a film. Each screening was followed by community debates on the issues raised in the film.
- A delegation of 10 peace practitioners from non-governmental organisations (NGOs), academia, government and the military in the Philippines visited Colombia for one week as part of a South-to-South comparative learning exercise. One of the delegates went on to sit on the new Peace Panel set up by President Benigno Aquino in the Philippines.
- In collaboration with local partners, CR facilitated workshops on both the Pakistan and Indian sides of Jammu and Kashmir for over 100 community activists, professionals, journalists and academics to examine what conflict transformation can look like in the Kashmir context.

##### Providing opportunities for dialogue across divides

- CR brought together young people from across the Georgian-Abkhaz conflict divide in Brussels to exchange views on developments in the region, the state of the negotiations process and the perceptions of the EU and NATO in their respective societies. Participants also met with international experts and EU and NATO representatives.
- In Fiji CR's partner, the Pacific Centre for Peacebuilding, facilitated a three-day workshop for senior members of the Fiji government to improve their understanding of how dialogue can be used as a tool for conflict prevention and resolution.
- CR held a joint-analysis workshop for economists, journalists, traders and academics from both sides of the Line of Control in Jammu and Kashmir to explore how trade can support peacebuilding. The meeting was held in Sri Lanka.
- CR coordinated a meeting in Istanbul of a dozen educationalists from either side of the Line of Control in Jammu and Kashmir to discuss the scope for cooperation between colleges and universities across the line of divide.

##### Influencing governments to employ conflict transformation policies

- CR facilitated two sessions on engaging armed groups and civil society in peacemaking at the Commonwealth Parliamentary Association conference on Peacebuilding and Tackling State Fragility. MPs in attendance included 20 from the Commonwealth and 60 from other conflict-affected countries like Georgia, Kosovo and El Salvador.
- CR organised a seminar "Democratising peacemaking" at the United Nations (UN) with the Norwegian Mission and the Quaker UN Office. 45 participants gathered to discuss how civil society has to be included at each step from peacemaking to peacebuilding.
- In Uganda, CR facilitated a workshop between traditional leaders in LRA-affected communities and staff from the Ugandan Amnesty Commission to explore the mechanisms of collaboration and engagement on reconciliation.
- CR commissioned the Justice and Peace Commission in northern Uganda to assess the challenges and obstacles to the implementation of the **Ugandan Peace, Recovery and Development Plan** by the government.
- CR advocated for alternative approaches to military solutions in dealing with the LRA conflict. CR and our partners met with representatives from the US Department of Defence, State Department, Senate House of Foreign Affairs Sub-Committee and Senator Russ Feingold, who sponsored the anti-LRA Bill, passed by US President Barack Obama.

## CONCILIATION RESOURCES

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

#### FOR THE YEAR ENDED 31 DECEMBER 2010

##### Improving peacebuilding practice through learning from peace processes

- CR continued our participation in the International Contact Group of the peace talks in Kuala Lumpur between the Government of the Philippines and the Moro Islamic Liberation Front (MILF). Up to the point the talks ended, following the election of a new Philippines President, CR's contributions included supporting the development of an interim agreement, and bringing civil society voices to the table.
- For **Accord 21: Whose Peace is it anyway? Connecting Somali and International peacemaking** CR held launch events in New York with meetings with UN officials, mission groupings and other NGOS and academics; in Washington DC at the Woodrow Wilson Centre followed by a meeting at the State Department; and Brussels that included meetings with EC desk officers to share the lessons highlighted in the publication. CR presented the publication and policy brief to Baroness Glenys Kinnock and His Excellency Sharif Sheikh Ahmad, President of the Transitional Federal Government of the Somali Republic. The Somali language edition was launched in Nairobi.
- CR held a two-day workshop with experts from the peacebuilding field to develop content for Accord 22 on cross-border peacebuilding. **Accord 22: Paix sans Frontieres** was published in January 2011.
- The **Learning from the Juba peace process** research project was initiated to obtain lessons for future peacebuilding processes around the world.
- The **Northern Uganda Accord Update** was published and disseminated via launch events in Nairobi and Brussels. This update explores the Juba peace process, what went wrong, and lessons for future peacemaking.

##### Challenging stereotypes, raising awareness

- In Fiji, CR supported the Citizens' Constitutional Forum's production of **Enduring Hope**, a short film that promoted racial harmony and multiculturalism in Fiji.
- CR produced a docudrama **Talking Borders** that gives a voice to communities in the border areas of Sierra Leone, Liberia and Guinea on community security issues that affect their daily lives. The film premiered at the British High Commission in Freetown, Sierra Leone in March.
- 20 screenings of a series of films charting the hopes, fears, sadness and humour of people living with the day-to-day consequences of conflict in Nagorny Karabakh were organised. The films were screened Nagorny Karabakh, Yerevan, Tbilisi and Baku, reaching over 640 people. Moderated discussions followed the screenings.
- CR supported the Georgian and Abkhaz media to widen public dialogue and challenge the myths concerning the Georgian/Abkhaz conflict, including the People and Times newsletter (Eastern Abkhazia and Sukhum/i), Civil Society journal (Abkhazia), Eyewitness project (part of Go Group Media, Georgia), and the **Let's Talk** programme produced by Atinati, an NGO based in Zugdidi in western Georgia.
- CR partner Mamuka Kuparadze (Studio Re) screened his film **Absence of Will** to numerous audiences in Georgia and internationally in New York and Washington. CR also facilitated Kuparadze to travel to Abkhazia for a showing of the film on television.
- Five Georgian short films, produced by CR partner Eyewitness Studios, were premiered. Made by professional and citizen journalists, the films tell intimate and personal stories about daily life, dreams and conflict in Georgia.

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

- Our Memorandum and Articles of Association were updated.
- The organisation was restructured into three main departments: Core and Operations, Policy, Practice and Communications, and Programmes and meeting structures were reorganised to introduce of the Executive Management Committee (EMC), CR's senior management team.
- Joined the European Peacebuilding Liaison Office (EPLO). CR's Policy Analyst was elected to EPLO's Steering Committee.
- In 2010 The Stockholm Policy Group undertook a comprehensive evaluation of CR's work over the past ten years on behalf of the Swedish government. In their report **An evaluation of Conciliation Resources, a decennial review 2000-2010** they said: *"CR is widely understood as distinctive in its deep analysis both about and with the communities most affected by violence, the bridging of the gap from analysis to programme design, its capacity to create momentum for change both within and on behalf of marginalised communities, and its linkages of those efforts to discussions at national and international levels. Informed observers agree that both CR's focus and its approach support meaningful steps towards greater human security and development."*
- CR held an in-house communications and identity workshop and initiated an organisational identity review and rebrand process.

## CONCILIATION RESOURCES

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

#### FOR THE YEAR ENDED 31 DECEMBER 2010

##### Publications and other resources produced

- Accord (update): **Initiatives to end the violence in northern Uganda - 2002-09 and the Juba peace process**, CR (2010)
- **The path to peace**, Kristian Herbolzheimer (9 January 2010), ABS-CBNnews.com: <http://www.abs-cbnnews.com/views-and-analysis/01/08/10/path-peace-kristian-herbolzheimer>
- **The Citizens Path to Peace - how to end the war? Beyond victory and negotiations**, Camolio González Posso, Kristian Herbolzheimer, Tathiana Montaña Mestizo (2010)
- **The myths that surround the military's power to do good**, Jonathan Cohen and Vanessa Alexander (19 March 2010), Open Democracy: <http://www.opendemocracy.net/jonathan-cohen-vanessa-alexander/myths-that-surround-militarys-power-to-do-good>
- **Increasing Government Accountability in Zones of Conflict Through Public Participation in Policy Making** (Workshop Report), CR (March 2010)
- Georgian/Abkhaz Youth Dialogue and Study Trip - a roller coaster ride through Brussels, CR (April 2010), Brussels
- **Opening Borders, Preserving Walls: Opportunities to Support the Karabakh Peace Process**, by Laurence Broers (1 June 2010) Journal of Conflict Transformation - Caucasus Edition
- Viewpoint: **Ending wars peacefully just got harder**, Andy Carl (29 June 2010), BBC Online: <http://www.bbc.co.uk/news/10432265>
- **Why criminalise dialogue with terrorists?** Andy Carl and Sophie Haspeslagh (22 July 2010), Open Democracy: <http://www.opendemocracy.net/5050/sophie-haspelagh-andy-carl/how-can-we-promote-peace-with-one-hand-tied-behind-our-back>
- Submission to the UK Strategic Defence and Security Review: **Peaceful and resilient societies abroad are at the heart of UK security and defence**, CR (August 2010)
- **Colombia: Can the military bring peace?**, Kristian Herbolzheimer (11 October 2010), BBC Online: <http://www.bbc.co.uk/news/world-latin-america-11493507>
- **Choosing to return - Challenges faced by the Lord's Resistance Army's middle-ranking commanders**, CR (October 2010), *available in English and French*
- **An Evaluation of Conciliation Resources - Decennial Review 2000-2010** (Executive Summary), STHLM Policy Group (October 2010)
- BBC Interview: Conciliation Resources critiques US strategy on LRA conflict: <http://www.c-r.org/resources/audio-video/us-lra-strategy.php>
- **Talking Borders**, produced by CR: [http://www.youtube.com/user/conciliation\\_resource#p/u/5/RvM84axOkUA](http://www.youtube.com/user/conciliation_resource#p/u/5/RvM84axOkUA)

Further information on CR's other achievements in 2010 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 surplus of £290,546 (2009 – surplus £171,733) for the year and total funds available stand at £1,431,008 (2009 - £1,140,462).

CR's grant income for this year has increased by 38 per cent on the previous year, supported by our institutional donors and a number of new donors, the increase includes our £1.6 million, EC funded, collaborative eighteen month project with the international NGO Saferworld. 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 2010**

##### **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 £290,878 in 2010 and £264,307 in 2009). 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 2010.

The operating costs for CR are estimated at £314,747 for 2011. It has been deemed prudent by the Board to make the following additional designation of reserves - £31,368 for Staff Contingency, in 2011 staff contingency reserves are 2% of CR's total staff salary costs; and £10,000 for Building Maintenance and Refurbishment to reflect our new 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**

In 2011 we have entered the third year of a three-year strategic plan with the same objectives as those outlined above. This year we will develop our new strategic plan to take us forward to 2015. We will be looking at issues of sustainability for the organisation from a strong position of having secured Programme Partnership Agreement (PPA) funding for the next three years from the UK Department for International Development and a renewed partnership with the Swedish International Development Cooperation Agency, recognising that we should use this opportunity to diversify funding streams and ensure the organisation's viability into the future to continue our vital work in the field of peacebuilding.

CR pays great attention to its annual programme planning processes. 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.

## CONCILIATION RESOURCES

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

#### FOR THE YEAR ENDED 31 DECEMBER 2010

##### **South Caucasus**

In the Georgian/Abkhaz conflict context, our work includes developing new opportunities for dialogue between youth; nurturing fragile cross-conflict relations; an IDP network engaging in public debate and influencing policy; better understanding of the past through research and dialogue; 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.

##### **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, peaceful elections, community mediation and community security, in the Mano River Union region. In the wider West African region will promote participative conflict analysis processes whose outcomes will include a sustained policy dialogue on conflict and peacebuilding between civil society and governments.

##### **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; and increased engagement by women in peacebuilding.

##### **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 also work to sustain a dialogue process involving regional civil society networks in the government-MILF peace talks.

##### **Colombia**

This is more modest engagement where our aims are to 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.

##### **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.
- Peacebuilding at the heart of development and governance work in fragile states.
- Cross-border peacebuilding.

## **CONCILIATION RESOURCES**

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

#### **FOR THE YEAR ENDED 31 DECEMBER 2010**

#### **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 13<sup>th</sup> June 2011 and signed on its behalf.

**S SINANAN**  
**SECRETARY**

# **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 December 2010 set out on pages 12 to 22 which comprise: the Statement of Financial Activities (Summary Income and Expenditure Account), Balance Sheet and related notes. These financial statements have been prepared in accordance with the accounting policies set out therein.

This auditor's 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 audit work, for this report, or for the opinions we have formed.

## **RESPECTIVE RESPONSIBILITIES OF TRUSTEES AND AUDITORS**

The Trustees' (who are also the directors of Conciliation Resources for the purposes of company law) responsibilities for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and for being satisfied that the financial statements give a true and fair view are set out in the Statement of Trustees' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view, have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and have been prepared in accordance with the Companies Act 2006. We also report to you whether in our opinion the information given in the Trustees' Annual Report is consistent with those financial statements.

In addition we report to you if, in our opinion, the charity has not kept adequate accounting records, if the charity's financial statements are not in agreement with the accounting records and returns, if we have not received all the information and explanations we require for our audit, or if certain disclosures of trustees' remuneration specified by law are not made.

We read the Trustees' Annual Report 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 International Standards on Auditing (UK and Ireland) 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 trustees in the preparation of the financial statements, and of whether the accounting policies are appropriate to the charity'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, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the charity's affairs as at 31<sup>st</sup> December 2010 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- the financial statements have been properly prepared in accordance with the Companies Act 2006; and
- the information given in the Trustees' Annual Report is consistent with the financial statements.

**D 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**

**13<sup>TH</sup> JUNE 2011**

# CONCILIATION RESOURCES

## STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 DECEMBER 2010

### SUMMARY INCOME AND EXPENDITURE ACCOUNT

	<u>Notes</u>	<u>Unrestricted Funds</u> £	<u>Restricted Funds</u> £	<u>Total 2010</u> £	<u>Total 2009</u> £
<b>INCOMING RESOURCES</b>					
<i>Incoming resources from generating funds:</i>					
<i>Voluntary income:</i>					
Grants & donations receivable	2	418,584	63,350	481,934	463,705
<i>Activities for generating funds:</i>					
Fees receivable		2,991	-	2,991	10,183
Other income		4,591	-	4,591	11,270
Interest receivable		3,573	-	3,573	3,032
<i>Incoming resources from charitable activities:</i>					
Grants & donations receivable	3	-	3,504,468	3,504,468	2,411,686
Manuscript sales and other income		-	10,557	10,557	912
<b>Total incoming resources</b>		<u>429,739</u>	<u>3,578,375</u>	<u>4,008,114</u>	<u>2,900,788</u>
<b>RESOURCES EXPENDED</b>					
Cost of generating voluntary income		125,487	-	125,487	123,174
Charitable activities		250,806	3,229,054	3,479,860	2,556,650
Governance costs		48,871	63,350	112,221	49,231
<b>Total resources expended</b>	4	<u>425,164</u>	<u>3,292,404</u>	<u>3,717,568</u>	<u>2,729,055</u>
Net movement in funds		4,575	285,971	290,546	171,733
<i>Reconciliation of funds</i>					
Total funds, brought forward		479,332	661,130	1,140,462	968,729
<b>Total funds, carried forward</b>	10	<u>483,907</u>	<u>947,101</u>	<u>1,431,008</u>	<u>1,140,462</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 2010

	<u>Notes</u>	<u>2010</u>	<u>2009</u>
		£	£
<b>FIXED ASSETS</b>			
Tangible assets	7	28,899	49,003
<b>CURRENT ASSETS</b>			
Debtors	8	483,266	407,757
Cash at bank and in hand		1,102,137	809,695
		<u>1,585,403</u>	<u>1,217,452</u>
<b>CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR</b>	9	<u>183,294</u>	<u>125,993</u>
<b>NET CURRENT ASSETS</b>		1,402,109	1,091,459
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>1,431,008</u>	<u>1,140,462</u>
<b>INCOME FUNDS</b>			
Unrestricted income funds:	10	483,907	479,332
Restricted income funds	10	947,101	661,130
		<u>1,431,008</u>	<u>1,140,462</u>

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 13<sup>th</sup> June 2011 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 2010

#### 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 2010

##### 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>Restricted Funds</u> £	<u>Total 2010</u> £	<u>Total 2009</u> £
European Commission, Belgium	23,730	-	23,730	-
Department for International Development, UK	121,054	-	121,054	252,511
Federal Department of Foreign Affairs, Switzerland	71,379	8,000	79,379	67,508
Ministry of Foreign Affairs, Norway	55,127	-	55,127	-
Swedish International Development Co-operation Agency	143,533	55,350	198,883	139,736
Rowan Charitable Trust, UK	3,000	-	3,000	-
Donations	761	-	761	3,950
	<u>418,584</u>	<u>63,350</u>	<u>481,934</u>	<u>463,705</u>



# CONCILIATION RESOURCES

## NOTES TO THE ACCOUNTS (Cont/d)

### FOR THE YEAR ENDED 31 DECEMBER 2010

#### 3. INCOME FROM CHARITABLE ACTIVITIES

	<b>Restricted Funds £</b>	<b>Total 2010 £</b>	<b>Total 2009 £</b>
<b><i>Policy and Comparative Learning (inc. Accord)</i></b>			
Department for International Development, UK	277,988	277,988	184,492
European Commission, Belgium	177,516	177,516	-
Joseph Rowntree Charitable Trust, UK	20,000	20,000	20,000
Ministry of Foreign Affairs, Norway	88,196	88,196	63,816
Swedish International Development Co-operation Agency	53,852	53,852	47,620
<b><i>Caucasus</i></b>			
Department for International Development, UK	368,924	368,924	680,697
European Commission, Belgium	343,879	343,879	172,940
Federal Department of Foreign Affairs, Switzerland	25,806	25,806	73,159
Ministry of Foreign Affairs, Netherlands	64,205	64,205	-
Swedish International Development Co-operation Agency	53,852	53,852	47,620
<b><i>West Africa</i></b>			
Commonwealth Foundation	10,000	10,000	-
European Commission, Belgium	38,619	38,619	-
Department for International Development, UK	114,100	114,100	204,947
Swedish International Development Co-operation Agency	53,852	53,852	47,620
<b><i>East and Central Africa</i></b>			
Berghof Foundation, Germany	20,460	20,460	21,230
Department for International Development, UK	84,806	84,806	129,799
European Commission, Belgium	46,169	46,169	-
Eva Reckitt Trust Fund, UK	1,000	1,000	-
Ministry of Foreign Affairs, Norway	427,943	427,943	256,146
Swedish International Development Co-operation Agency	53,852	53,852	47,620
Ministry of Foreign Affairs, Belgium	169,492	169,492	178,024
The World Bank Group	29,284	29,284	-
<b><i>India &amp; Pakistan</i></b>			
Foreign and Commonwealth Office, UK	213,655	213,655	118,830
<b><i>Fiji</i></b>			
Department for International Development, UK	203,306	203,306	117,126
<b><i>Collaborations (consortia partner funds)</i></b>			
European Commission, Belgium	563,712	563,712	-
	<b>3,504,468</b>	<b>3,504,468</b>	<b>2,411,686</b>

**CONCILIATION RESOURCES**

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

**FOR THE YEAR ENDED 31 DECEMBER 2010**

**4. RESOURCES EXPENDED**

	<u>Basis of allocation</u>	<u>Voluntary Income</u>	<u>Policy &amp; Comparative Learning</u>	<u>Caucasus</u>	<u>West Africa</u>	<u>East &amp; Central Africa</u>	<u>India &amp; Pakistan</u>	<u>Fiji</u>	<u>Program Development</u>	<u>Collaborations</u>	<u>Governance</u>	<u>2010</u>	<u>2009</u>
		£	£	£	£	£	£	£	£	£	£	£	£
<i>Costs directly allocated to activities:</i>													
Salaries and staff costs	Direct	77,041	257,974	240,452	51,284	120,248	36,489	7,645	12,658	-	12,751	816,542	719,419
Direct project costs	Direct	-	160,129	559,582	138,490	482,613	140,330	178,428	21,605	-	-	1,681,177	1,399,355
Collaboration project direct costs	Direct	-	-	-	-	-	-	-	-	563,713	-	563,713	-
Travel and accommodation	Direct	-	39,850	17,110	12,306	20,315	15,380	9,399	-	-	-	114,360	193,921
Communication costs	Direct	-	24,858	3,536	408	2,559	2,152	431	-	-	-	33,944	26,146
Monitoring and evaluation	Direct	-	-	1,266	1,266	1,266	-	1,266	-	-	63,350	68,414	-
Audit fees	Direct	-	-	-	-	-	-	-	-	-	7,800	7,800	7,285
<i>Support costs allocated to activities:</i>													
Management and administration costs	Staff time	21,001	34,177	35,065	26,030	26,394	11,001	3,597	12,565	-	10,935	180,765	109,066
Finance costs	Staff time	7,351	14,046	16,415	15,584	14,754	3,199	1,856	3,127	-	6,715	83,047	74,012
Premises costs	Work stations	8,965	23,005	25,383	7,139	9,519	-	-	7,463	-	4,320	85,794	98,898
Communication costs	Work stations	1,245	6,024	6,645	1,869	2,491	-	-	1,869	-	626	20,769	18,813
Information Technology	Work stations	1,700	6,746	7,318	2,551	3,214	470	94	2,081	-	1,038	25,212	44,307
Legal & professional fees	Staff time	2,296	4,415	4,946	1,590	2,296	-	-	1,060	-	2,000	18,603	14,617
Travel and accommodation	Work stations	4,505	346	472	309	363	91	36	390	-	2,040	8,552	14,351
Other expenses	Work stations	1,383	1,729	1,882	793	966	333	334	810	-	646	8,876	8,865
		<u>125,487</u>	<u>573,299</u>	<u>920,072</u>	<u>259,619</u>	<u>686,998</u>	<u>209,445</u>	<u>203,086</u>	<u>63,628</u>	<u>563,713</u>	<u>112,221</u>	<u>3,717,568</u>	<u>2,729,055</u>

## CONCILIATION RESOURCES

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

#### FOR THE YEAR ENDED 31 DECEMBER 2010

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

The net movement in funds is stated after charging:

	<u>2010</u> £	<u>2009</u> £
Depreciation of tangible fixed assets	26,352	24,379
Directors remuneration	69,067	64,766
Audit fees	<u>7,800</u>	<u>7,285</u>

#### 6. STAFF COSTS

Staff costs were as follows:

	<u>2010</u> £	<u>2009</u> £
UK Employee salaries	870,504	735,247
Social security costs	94,222	79,269
Pension costs	80,822	71,089
	<u>1,045,548</u>	<u>885,605</u>

Employees earning in excess of £60,000:

	<u>Number of employees</u>	
	<u>2010</u>	<u>2009</u>
£60,000 to £70,000	1	-
	<u>1</u>	<u>-</u>

During the year the Charity paid £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>2010</u>	<u>2009</u>
Executive Management Committee	3.0	2.0
Policy & Comparative Learning	4.5	4.0
Caucasus	5.5	4.5
East and Central Africa	2.0	2.0
West Africa	0.5	1.0
India & Pakistan	0.5	-
Administrative, financial management and fundraising support	6.0	5.0
	<u>22.0</u>	<u>18.5</u>

# CONCILIATION RESOURCES

## NOTES TO THE ACCOUNTS (Cont/d)

### FOR THE YEAR ENDED 31 DECEMBER 2010

#### 7. TANGIBLE FIXED ASSETS

	<u>Office Equipment</u>	<u>Furniture &amp; Fittings</u>	<u>Motor Vehicle</u>	<u>Total</u>
<b>COST</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
As at 1st January 2010	81,448	32,895	50,013	164,356
Additions	7,167	518	-	7,685
Disposals	(8,935)	-	-	(8,935)
As at 31st December 2010	<u>79,680</u>	<u>33,413</u>	<u>50,013</u>	<u>163,106</u>
<b>DEPRECIATION</b>				
As at 1st January 2010	54,634	30,044	30,675	115,353
Charge for the year	15,571	1,112	9,669	26,352
Disposals	(7,498)	-	-	(7,498)
As at 31st December 2010	<u>62,707</u>	<u>31,156</u>	<u>40,344</u>	<u>134,207</u>
<b>NET BOOK VALUES</b>				
As at 31st December 2010	<u>16,973</u>	<u>2,257</u>	<u>9,669</u>	<u>28,899</u>
As at 1st January 2010	<u>26,814</u>	<u>2,851</u>	<u>19,338</u>	<u>49,003</u>

#### 8. DEBTORS

	<u>2010</u> <u>£</u>	<u>2009</u> <u>£</u>
Grants awarded yet to be received	400,609	323,498
Fees, manuscript sales and other income receivable	-	3,100
Other debtors & prepayments	82,657	81,159
	<u>483,266</u>	<u>407,757</u>

Other debtors and prepayments includes a rent deposit of £12,750 (2009 - £12,750), which is receivable after more than one year.

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

	<u>2010</u> <u>£</u>	<u>2009</u> <u>£</u>
Deferred income ( Note 13 )	25,750	43,478
Trade creditors	92,462	32,979
Social security & other taxes	29,754	23,148
Other creditors & accruals	35,328	26,388
	<u>183,294</u>	<u>125,993</u>

# CONCILIATION RESOURCES

## NOTES TO THE ACCOUNTS (Cont/d)

### FOR THE YEAR ENDED 31 DECEMBER 2010

#### 10. MOVEMENT IN FUNDS

	Balance as at 01.01.10 £	Income £	Expenditure £	Balance as at 31.12.10 £
<b>Restricted Funds:</b>				
<b>Voluntary income:</b>				
Department for International Development	3,000	-	3,000	-
Federal Department of Foreign Affairs	-	8,000	8,000	-
Swedish International Development Co-operation Agency	-	55,350	55,350	-
<b>Charitable activities:</b>				
Policy and Comparative Learning	79,689	623,153	532,874	169,968
Caucasus	146,239	856,666	919,423	83,482
West Africa	17,725	216,571	187,506	46,790
East and Central Africa	392,859	837,961	641,288	589,532
India & Pakistan	7,362	213,655	192,991	28,026
Fiji	14,256	203,306	188,259	29,303
Collaborations	-	563,713	563,713	-
	<u>661,130</u>	<u>3,578,375</u>	<u>3,292,404</u>	<u>947,101</u>
<b>Unrestricted Funds:</b>				
General funds	479,332	429,740	425,165	483,907
Total funds	<u>1,140,462</u>	<u>4,008,115</u>	<u>3,717,569</u>	<u>1,431,008</u>

#### Purposes of Restricted Funds:

##### Policy & Comparative Learning (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 Comparative Learning Project in Colombia and Philippines funded by the Norwegian Ministry of Foreign Affairs, and the European Commission funded People's Peacemaking Perspectives project.

##### 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 UK Conflict Prevention Pool to March 2011 and the European Commission Instrument for Stability funds for Nagorny Karabakh.

##### East & Central Africa

- The programme's goal is to create an environment conducive to ending war in northern Uganda, assisting partner organisations to make more strategic and effective interventions.
- The balance of funds relates to programme and project activities, funding received in 2010 for spend in 2011, for cross-border peace building in LRA affected areas funded by the Norwegian Ministry of Foreign Affairs; Civil Society led peace building in LRA affected areas funded by the Belgian Ministry of Foreign Affairs and the European Commission funded People's Peacemaking Perspectives project.

##### 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.
- The balance of funds relates to ongoing Governance related project activities funded by the UK Department for International Development and the European Commission funded People's Peacemaking Perspectives project.

## CONCILIATION RESOURCES

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

#### FOR THE YEAR ENDED 31 DECEMBER 2010

##### India / 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.
- The balance of funds relates to ongoing project funds from the UK Department for International Development to March 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 ongoing Governance related project activities funded by the UK Department for International Development to March 2011.

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

	<u>Unrestricted Funds</u> £	<u>Restricted Funds</u> £	<u>Total 2010</u> £	<u>Total 2009</u> £
Tangible fixed assets	28,899	-	28,899	49,003
Net current assets	455,008	947,101	1,402,109	1,091,459
	<u>483,907</u>	<u>947,101</u>	<u>1,431,008</u>	<u>1,140,462</u>

#### 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>2010</u> £	<u>2009</u> £
One year	-	-
Between two and five years	51,000	51,000
	<u>51,000</u>	<u>51,000</u>

#### 13. DEFERRED INCOME

	<u>2010</u> £	<u>2009</u> £
Balance as at 1st January	43,478	-
Amount released to income in the year	(43,478)	-
Amount deferred in the year	25,750	43,478
Balance as at 31st December	<u>25,750</u>	<u>43,478</u>

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 2010**

#### **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 £63,364 (2009 – £59,418) and pension contributions to a defined benefit scheme of £5,703 (2009 – £5,348). 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 £6,126 (2009 – £6,334) were paid on behalf of seven (2009 – five) Trustees.

Mr M Bradbury, a trustee, is a specialist in the field of conflict in Somalia, received £1,500 (2009 – £7,835) in fees and expenses for his work as Issue Editor on the Accord Issue 21 - Whose peace is it anyway? Connecting Somali and international peacemaking.

Ms L Philipson, a trustee, is a specialist in the field of conflict in Sri Lanka, received £5,000 in fees and expenses for her work promoting international lesson learning from the military defeat of the LTTE in Sri Lanka.

Mr B Afako, a trustee, is a specialist in the field of conflict in Northern Uganda and received £300 for his work on the Accord Northern Uganda Update and Juba Review Process.