

# Financial Statements

For the period 1 April 2019 to 31 March 2020

## The Institute for Statecraft



Registered Charity Number : SC04870

Registered Company Number : SC312442

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## Charity and Company Information

### Trustees

Anthony Cooke

Oliver McTernan

Celia Szusterman

Stephen Dalziel (appointed 12 February 2020)

Sir Charles Hoare (appointed 12 February 2020)

Philip Matthews (resigned 7 May 2019)

Daniel Lafayeedney (resigned 14 February 2020)

Chris Donnelly (resigned 14 February 2020)

Piroska Nagy-Mohacsi (resigned 10 December 2019)

### Registered Office

1 Rutland Court

Edinburgh

Midlothian

EH3 8EY

### Bankers

Lloyds Bank

6 Holborn Circus

London

EC1N 2HP

### Independent Examiner

Bowker Orford Chartered Accountants

15-19 Cavendish Place

London

W1G 0DD

Website: [www.statecraft.org.uk](http://www.statecraft.org.uk)

Registered Charity Number: SC 040870

Registered Company Number: SC312442

# Trustees' Report

For the year ended 31 March 2020

## The Institute for Statecraft

The trustees, who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 March 2020. The financial statements comply with the Charities and Trustee Investment (Scotland) Act and the Charities Accounts (Scotland) Regulations 2006 (as amended), the Companies Act 2006, the Memorandum and Articles of Association, and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)

### Objectives and Activities

Following a hack in November 2018 and the investigation by OSCR which concluded in December 2019, the Institute separated itself completely from the Integrity Initiative programme and discontinued all work on it, in line with the change in the Institute's Statement of Charitable Objectives agreed upon with OSCR. Aside from the projects mentioned below, the Institute has focused its efforts on research into police reform, reform of the Whitehall administrative system, regional devolution, health service reform and monitoring of developments in Russia, the Middle East and China.

### Achievements and Performance

Highlights in the year under review were:

- Continued work on the Latin American prisons triangulation project with new funding from the Foreign Office to widen the scope beyond prison reform to include advice on strengthening democracy and building effective systems of governance in the region and in particular in El Salvador. Two visits were made to El Salvador, in December 2019 and February 2020, before the onset of the Covid-19 pandemic put a stop to all travel.
- Partnership with the Instituto de Politica Internacional and the Instituto Espanol de Estudios Estrategicos, funded by NATO's Public Diplomacy Division, for a series of events and lectures to raise awareness of issues concerning NATO's southern flank. One seminar was held in Madrid in November 2019 for an invited audience of around 40. The subject of discussion was "Reframing the Mediterranean and beyond: What are Russia and China up to on NATO's wider South?" and focused on the changing strategic situation in the region. The seminar was well received but for various reasons (including the pandemic) no further seminars have been held.
- Partnership with the Instituto Elcano, together with the Morocco Center for Strategic Studies and the Centre for Strategic Studies in Jordan, and funded by the Science for Peace and Security Programme of NATO's Emerging Security Challenges Division. Entitled "Responding to Emerging Security Challenges in NATO's Southern Neighbourhood" this two-year project started in late 2018 and involved seminars in Madrid, Amman and Rabat, the purpose of which were to map in detail what is going on in different parts of NATO's southern flank. Two further seminars, in London and in Brussels were originally planned but abandoned due to Covid-19. This project has received excellent feedback from NATO, and a final report with policy recommendations for NATO will be published in 2021.
- Funded by the Dutch MOD, and in partnership with the Dutch military, organisation of a workshop in commemoration of Operation Market Garden (Arnhem), which took place in the Dutch Church in Austin Friars, London. The purpose was to revisit the lessons from the Arnhem campaign and discuss how these might be applicable to international relations and collaboration today.

## Financial Review

The operations in the year gave rise to a total net deficit of £208,468 and as at 31st March 2020 the charity had total funds of £3,711 in deficit. The net deficit for the year for unrestricted funds was £203,332 and at the end of the year unrestricted funds stood at £7,468 in deficit. Activities related to restricted funds produced a net deficit of £5,136 during the year and total restricted funds at 31st March 2020 were £3,757 after taking into account the surplus brought forward of £8,893.

## Plans for future periods

In common with many other organisations, our plans were disrupted by the Covid-19 pandemic starting in February 2020 and continuing to date. All face to face activities were suspended, our base at 2 Temple Place was vacated in favour of remote working as it could not anyway be used, and to the extent possible we transitioned to remote events held over the Zoom or Teams platforms. Although these platforms offer some advantages over face-to-face working, there are also significant disadvantages, and overall our work and also our funding has been negatively affected. Our plans for the future are to some extent contingent on the Covid-19 outlook, which will determine whether a physical base is practicable in the near term, and also whether our outreach and education programmes can be restarted, and if so in what form.

The *Latin America* programme is currently in abeyance following political changes in El Salvador, but also due to the ongoing travel restrictions. We are confident that the programme will resume in 2021, focusing on supporting governance reform in El Salvador and other countries of the region.

The *Societal Engagement* programme will develop its educational activity by widening participation in its events to include the societal mainstream, something insisted upon by minority group participants in earlier years' events. Part of this work may be done under the aegis of the ATA UK association, given the focus on NATO as a central theme.

*Policing* - this project addresses options for reform and explores new ways of tackling the problems of modern policing. As a particular case we are examining the issue of *rural policing*, which has become increasingly ineffective in recent years, with the police tending to focus their resources on urban areas. The problem is not the occasional poaching of the odd pheasant but rather highly organized gangs involved in large-scale equipment theft and livestock capture, often accompanied by the threat of violence if resisted. We are examining how this can be addressed and have a pilot project up and running in Cumbria, to assess on the ground the effectiveness of our ideas.

During the last two years, the *Atlantic Treaty Association* (of which the Institute is the formal UK chapter), experienced increasing organisational difficulties. The ATA was finally restructured in late 2020 and put on a sound financial footing. We plan to develop ATA UK activities significantly going forward, funds permitting.

*Commonwealth Secretariat – Covid-19 Technical Working Group* – this group was set up in March 2020 in conjunction with the Commonwealth Secretariat to address various issues relating to the developing Covid-19 pandemic. The initial intention was to act as a centre for reliable information and advice on the subject, exposing the multiple sources of disinformation, and providing for Commonwealth countries access to expertise and equipment. The Group and its objects and focus have evolved as the pandemic has unfolded. We are currently awaiting funding to be able to proceed at scale.

## Funds held as custodian trustees on behalf of others

The charity held no funds on behalf of others during the year.

## Reserves and Reserves Policy

The net liabilities of the charitable company amounted to £3,711, of which there is deficit of £7,468 of unrestricted reserves and a surplus of £3,757 restricted reserves. The majority of the Institute's income was through funded programmes. The Trustees are currently working to diversify income streams and to build reserves, including unrestricted, over the coming years.

## Organisational Structure

At the Trustees' meetings, the Trustees agree the broad strategy and areas of activity for the Charity and review operational and financial progress. The Trustees take decisions by consensus or, where necessary, by simple majority vote. In the case of specific topics defined in the Articles of Association, the Founder Members of the company have the decisive vote. Day-to-day operational decisions are delegated to the two Founder Members.

### Related Parties

No Trustees are paid for their services as Trustees but were remunerated in the period for out of pocket expenses. In addition, three Trustees were remunerated for other services provided to the organisation as detailed in note 8 of the accounts.

### Responsibilities of Trustees

The Trustees (who are also the directors of The Institute for Statecraft for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

Company law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- 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 proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

Name: Anthony Cooke

Signature:

 Date 28/3/2021

## Examiner's Report to the Trustees of The Institute for Statecraft

I report on the accounts of the charity for the year ended 31st March 2020 which are set out on pages 8 to 16.

### Respective responsibilities of trustees and examiner

The charity's trustees (who are also the directors of the company for the purposes of company law) are responsible for the preparation of the accounts in accordance with the terms of the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended). The charity trustees consider that the audit requirement of Regulation 10(1) (a) to (c) of the 2006 Accounts Regulations does not apply. It is my responsibility to examine the accounts as required under section 44(1) (c) of the Act and to state whether particular matters have come to my attention.

### Basis of independent examiner's statement

My examination is carried out in accordance with Regulation 11 of the 2006 Accounts Regulations. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeks explanations from the trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently I do not express an audit opinion on the view given by the accounts.

### Independent examiner's statement

In the course of my examination, no matter has come to my attention:

1. which gives me reasonable cause to believe that in any material respect the requirements:
  - to keep accounting records in accordance with Section 44(1) (a) of the 2005 Act and Regulation 4 of the 2006 Accounts Regulations;
  - to prepare accounts which accord with the accounting records and comply with Regulation 8 of the 2006 Accounts Regulations

have not been met, or

2. to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.



Rashpal Parmar FCA

For and on behalf of

Bowker Orford

15-19 Cavendish Place

London

W1G 0DD

28<sup>th</sup> March 2021

# Statement of Financial Activities (Incorporating Income and Expenditure Account)

The Institute for Statecraft

For the period 1 April 2019 to 31 March 2020

	Notes	Unrestricted (£)	Restricted (£)	Total 31 Mar 2020 (£)	Unrestricted (£)	Restricted (£)	Total 31 Mar 2019 (£)
<b>Income and endowments</b>							
Donations and legacies	2	55,771	21,514	77,285	535,726	1,599,407	2,135,133
Charitable activities	2	220,100	-	220,100	75,114	-	75,114
<b>Total</b>		<b>275,871</b>	<b>21,514</b>	<b>297,385</b>	<b>610,840</b>	<b>1,599,407</b>	<b>2,210,247</b>
<b>Expenditure on:</b>							
Raising Funds	3	-	-	-	-	2,082	2,082
Charitable Activities	4	479,208	26,645	505,853	474,328	1,784,085	2,258,413
<b>Total</b>		<b>479,208</b>	<b>26,645</b>	<b>505,853</b>	<b>474,328</b>	<b>1,786,167</b>	<b>2,260,495</b>
<b>Net Income/(expenditure)</b>		<b>(203,337)</b>	<b>(5,131)</b>	<b>(208,468)</b>	<b>136,512</b>	<b>(186,760)</b>	<b>(50,248)</b>
Transfers between funds	14	5	(5)	-	2,665	(2,665)	-
<b>Net movement in funds</b>		<b>(203,332)</b>	<b>(5,136)</b>	<b>(208,468)</b>	<b>139,177</b>	<b>(189,425)</b>	<b>(50,248)</b>
<b>Reconciliation of funds</b>							
Funds brought forward		195,864	8,893	204,757	56,687	198,318	255,005
Current year earnings		(203,332)	(5,136)	(208,468)	139,177	(189,425)	(50,248)
<b>Total funds of the charity</b>		<b>(7,468)</b>	<b>3,757</b>	<b>(3,711)</b>	<b>195,864</b>	<b>8,893</b>	<b>204,757</b>

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

The Notes to the Accounts on pages 10 to 16 form part of these financial statements

# Balance Sheet

The Institute for Statecraft

For the period 1 April 2019 to 31 March 2020


Company number SC312442

	Notes	Unrestricted (£)	Restricted (£)	Total 31 Mar 2020 (£)	Unrestricted (£)	Restricted (£)	Total 31 Mar 2019 (£)
<b>Balance Sheet</b>							
<b>Fixed Assets:</b>							
Tangible assets	10	6,642	-	6,642	13,588	-	13,588
<b>Total fixed assets</b>		<b>6,642</b>	<b>-</b>	<b>6,642</b>	<b>13,588</b>	<b>-</b>	<b>13,588</b>
<b>Current assets:</b>							
Debtors	11	8,887	7,469	16,356	104,813	36,255	141,068
Cash at bank and in hand		23,996	1,237	25,233	127,229	6,396	133,625
<b>Total current assets</b>		<b>32,883</b>	<b>8,706</b>	<b>41,589</b>	<b>232,042</b>	<b>42,651</b>	<b>274,693</b>
<b>Liabilities:</b>							
Creditors: Amounts falling due within one year	12	46,993	4,949	51,942	49,766	33,758	83,524
<b>Net current assets</b>		<b>(14,110)</b>	<b>3,757</b>	<b>(10,353)</b>	<b>182,276</b>	<b>8,893</b>	<b>191,169</b>
<b>Total assets less current liabilities</b>		<b>(7,468)</b>	<b>3,757</b>	<b>(3,711)</b>	<b>195,864</b>	<b>8,893</b>	<b>204,757</b>
<b>Total net assets</b>		<b>(7,468)</b>	<b>3,757</b>	<b>(3,711)</b>			
<b>Total funds of the Charity</b>	15	<b>(7,468)</b>	<b>3,757</b>	<b>(3,711)</b>	<b>195,864</b>	<b>8,893</b>	<b>204,757</b>

The financial statements have been prepared in accordance with the provisions of the Companies Act 2006 applicable to companies subject to the small companies regime.

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

Anthony Cooke  
Trustee



Date: \_\_\_\_\_

28/3/2021

# Notes to the Accounts

## The Institute for Statecraft

For the period 1 April 2019 to 31 March 2020

### 1.1 General information and basis of preparation

The Institute for Statecraft is a charitable company registered in Scotland. In the event of the Charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity. The address of the registered office is given in the Charity information on page 3 of these financial statements.

The Charity constitutes a public benefit entity as defined by FRS102. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) issued on 16 July 2014, (SORP (FRS102)), the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland, the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Practice as it applies from 1 January 2015.

The financial statements are prepared on a going concern basis under the historical cost convention. There are no material uncertainties about the charities ability to continue. The financial statements are prepared in sterling which is the functional currency of the Charity and rounded to the nearest pound.

The significant accounting policies applied in the preparation of these accounts are set out below. These policies have been consistently applied to all years unless otherwise stated.

### 1.2 Funds

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

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Charity for particular purposes. The cost of raising and administering such funds are charged against the specific fund.

### 1.3 Income

All income is included in the Statement of Financial Activities when the Charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

For donations and donations to be recognised, the Charity will have been notified of the amounts and the settlement date in writing. If there are conditions attached to the donation and this requires a level of performance before entitlement can be obtained then the income is deferred until those conditions are fully met or the fulfilment of those conditions is within the control of the Charity and it is probable that they will be fulfilled.

Interest on funds held on deposit is included when receivable and when the amount can be measured reliably by the Charity; this is normally upon notification of the interest paid or payable by the bank

### 1.4 Expenditure

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably.

Support costs are those that assist the work of the Charity but do not directly represent charitable activities and include office costs and governance costs. They are incurred directly in support of expenditure on the objects of the charity.

### 1.6 Tangible Fixed Assets

All assets costing more than £500 are capitalised.

Tangible fixed assets are stated at cost less accumulated depreciation. Cost includes costs directly attributable to making the asset capable of operating as intended.

Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost, less their estimated residual value, of each asset on a systematic basis over its useful life as follows:

Office Equipment - 3 years

## Notes to the accounts - continued

### 1.7 Financial Instruments

The Charity enters into basic financial instrument transactions and concessionary loans that result in the recognition of financial assets and liabilities such as investments, cash, debtors and creditors.

Basic financial instruments are initially measured at transaction value. They are assessed at the end of each report period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the SOFA.

Current assets and current liabilities are measured at the cash or other consideration expected to be paid or received and not discounted.

### 1.8 Cash

Cash used for working capital purposes is included on the Balance Sheet as Cash at Bank or in Hand and is included at cash value held.

### 1.9 Debtors and creditors receivable/payable within one year

Debtors are recognised when the Charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

All expenditure is accounted for on an accruals basis. Creditors are recognised when the Charity has present legal or constructive obligation resulting from a past event to make a payment to a third party, it is probable that settlement will be required and the amount due to settle the obligation can be measured or estimated reliably.

### 1.10 Tax

The Charity is an exempt charity within the meaning of schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

### 1.11 Going Concern - Audited Disclosure - COVID-19

Since 31 December 2019, the spread of COVID-19 has severely impacted many local economies around the globe. In many countries, businesses are being forced to cease or limit operations for a long or indefinite periods of time. In the UK this began on 23rd March 2020. Measures taken to control the spread of the virus, including travel bans, quarantines, social distancing and closures of non-essential services have triggered significant disruptions to businesses worldwide, resulting in an economic slowdown. Governments and central banks have responded with monetary and fiscal interventions to stabilise the economic condition. The Institute for Statecraft is likely to be affected in the form of loss of income, however this will not significantly impact the entity's position.

The charity has determined that these events are non-adjusting subsequent events. Accordingly, the financial position and results of operations as of and for the year ended 31 Mar 2020 have not been adjusted to reflect their impact. The duration and impact of the COVID-19 pandemic, as well as the effectiveness of government and central banks responses, remains unclear at this time. It is not possible to reliably estimate the duration and severity of these consequences, as well as their impact on the financial position and results of the charity for future periods.

The trustees, having undertaken various assessments, are of the opinion that the charity is a going concern.

### 1.12 Volunteers

No volunteers worked for the Institute for Statecraft during the year ended 31 March 2020.

Notes to the accounts - continued

2. Income

	Unrestricted (£)	Restricted (£)	Total 31 Mar 2020 (£)	Unrestricted (£)	Restricted (£)	Total 31 Mar 2019 (£)
<b>Income from donations and legacies</b>						
Latin America (Foreign Office grant)	-	7,469	7,469	-	11,595	11,595
The Elcano Institute Research program	-	550	550	-	9,149	9,149
NATO workshop	-	820	820	-	-	-
Arnhem event	-	10,000	10,000	-	-	-
NATO-IPI	-	2,675	2,675	-	-	-
Shared Outcomes program	-	-	-	4,520	(58,626)	(54,106)
Integrity Initiative program phase 1, Foreign Office	-	-	-	23,473	148,459	171,932
Integrity Initiative program phase 2, Foreign Office	-	-	-	490,250	1,470,750	1,961,000
Why Nato Matters program	-	-	-	-	18,080	18,080
Individual donations to general funds	55,771	-	55,771	17,483	-	17,483
<b>Total income from donations and legacies</b>	<b>55,771</b>	<b>21,514</b>	<b>77,285</b>	<b>535,726</b>	<b>1,599,407</b>	<b>2,135,133</b>
<b>Income from charitable activities</b>						
European Services Network monitoring program	220,100	-	220,100	63,834	-	63,834
Seminar and workshop income	-	-	-	11,280	-	11,280
<b>Total income from charitable activities</b>	<b>220,100</b>	<b>-</b>	<b>220,100</b>	<b>75,114</b>	<b>-</b>	<b>75,114</b>
<b>Total income</b>	<b>275,871</b>	<b>21,514</b>	<b>297,385</b>	<b>610,840</b>	<b>1,599,407</b>	<b>2,210,247</b>

3. Expenditure on raising funds

	Unrestricted (£)	Restricted (£)	Total 31 Mar 2020 (£)	Unrestricted (£)	Restricted (£)	Total 31 Mar 2019 (£)
Fundraising consultancy	-	-	-	-	2,082	2,082
<b>Total Expenditure on raising funds</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,082</b>	<b>2,082</b>

4. Expenditure on charitable activities

	Unrestricted (£)	Restricted (£)	Total 31 Mar 2020 (£)	Unrestricted (£)	Restricted (£)	Total 31 Mar 2019 (£)
<b>Direct charitable activity costs</b>						
Salaries, pension and social security costs	64,671	-	64,671	146,375	444,454	590,829
Consultancy and research projects	230,789	9,451	240,240	139,249	1,019,961	1,159,210
Travel and Subsistence	13,818	8,118	21,936	40,542	201,078	241,620
Research materials and information subscriptions	86	-	86	245	2,770	3,015
Venue hire and catering for events and meetings	1,351	8,861	10,212	6,972	8,557	15,529
Publicity and website development	-	-	-	130	16,184	16,314
Courses for young people	-	-	-	-	78,335	78,335
<b>Total Direct charitable activity costs</b>	<b>310,715</b>	<b>26,430</b>	<b>337,145</b>	<b>333,513</b>	<b>1,771,339</b>	<b>2,104,852</b>
<b>Support costs</b>						
Salaries, pension and social security costs	26,486	-	26,486	-	-	-
Office rent and rates	30,014	-	30,014	39,083	-	39,083
IT Support and website maintenance	15,226	-	15,226	31,118	11,562	42,680
Telephone	1,978	-	1,978	3,417	291	3,708
Insurance	317	-	317	275	-	275
Legal and company secretarial	43,300	-	43,300	12,860	-	12,860
Stationery, postage and sundry office costs	1,612	-	1,612	4,069	598	4,667
Depreciation	6,946	-	6,946	6,714	-	6,714
Bank charges	4,059	215	4,274	581	295	876
Bad debts	13,347	-	13,347	-	-	-
Subscriptions, memberships and donations	8,643	-	8,643	290	-	290
Accountancy and bookkeeping	12,365	-	12,365	24,408	-	24,408
<b>Total Support costs</b>	<b>164,293</b>	<b>215</b>	<b>164,508</b>	<b>122,815</b>	<b>12,746</b>	<b>135,561</b>
Governance costs	4,200	-	4,200	18,000	-	18,000
<b>Total Expenditure on charitable activities</b>	<b>479,208</b>	<b>26,645</b>	<b>505,853</b>	<b>474,328</b>	<b>1,784,085</b>	<b>2,258,413</b>

5. Net income/(Expenditure) for the year is stated after charging

Depreciation of tangible fixed assets, £6,946 for 2020 (2019: £6,714)

Auditors/Examiners remuneration - audit/examination services £6,000 for 2020 (2019: £12,000)

**6. Employee costs**

	Unrestricted (£)	Restricted (£)	Total 31 Mar 2020 (£)	Unrestricted (£)	Restricted (£)	Total 31 Mar 2019 (£)
Wages and salaries	80,768	-	80,768	127,368	390,098	517,466
Social security costs	5,368	-	5,368	18,487	40,199	58,686
Pension costs	5,021	-	5,021	520	14,157	14,677
<b>Total Employee costs</b>	<b>91,157</b>	<b>-</b>	<b>91,157</b>	<b>146,375</b>	<b>444,454</b>	<b>590,829</b>

The charity had an average of 3 employees during 2020 (2019: 12)

During 2020, no employee received more than £60,000 in remuneration (2019: 2)

**7. Remuneration of key management personnel**

The charity considers its key management personnel to be comprised of Trustees and the CEO.

The total remuneration received by its key management personnel for services to the charity during 2020 was £19,607 (2019: £299,346). The trustees received £9,944 and the CEO received £9,664.

**8. Trustees' and related parties remuneration and expenses**

During 2020, Daniel Lafayeedney, a trustee, was paid total remuneration of £9,944, consisting of £9,000 salary, £944 Employers National Insurance and no pension benefits. He also received £782 in expenses for stationery/postage/sundry office expenses.

During 2020, Celia Szusterman, a trustee, was paid £5,500 for consultancy services. She also received £8,246 in expenses for travel and subsistence and £152 for stationery/postage/sundry office expenses.

During 2020, Christopher Donnelly, a trustee, was paid £500 in expenses for travel and subsistence.

The charity is able to pay trustees due to a provision in the articles governing the organisation. The directors' remuneration was for work done on specific projects and for the incubation and administration of potential projects.

**9. Trustees' and related parties donations**

No donations were made by trustees in 2020 (2019: £14,996).

**10. Fixed assets**

	Unrestricted (£)	Restricted (£)	Total 31 Mar 2020 (£)	Unrestricted (£)	Restricted (£)	Total 31 Mar 2019 (£)
<b>Computer Equipment</b>						
Cost						
Opening balance	-	-	-	-	-	-
Laptops and computers	20,612	-	20,612	11,318	-	11,318
Additions	-	-	-	9,294	-	9,294
<b>Closing balance</b>	<b>20,612</b>	<b>-</b>	<b>20,612</b>	<b>20,612</b>	<b>-</b>	<b>20,612</b>
Depreciation						
Opening balance	7,024	-	7,024	310	-	310
Charge for the year	6,946	-	6,946	6,714	-	6,714
<b>Closing balance</b>	<b>13,970</b>	<b>-</b>	<b>13,970</b>	<b>7,024</b>	<b>-</b>	<b>7,024</b>
<b>Net book value of Computer Equipment at 31 March</b>	<b>6,642</b>	<b>-</b>	<b>6,642</b>	<b>13,588</b>	<b>-</b>	<b>13,588</b>

**11. Debtors**

	Unrestricted (£)	Restricted (£)	Total 31 Mar 2020 (£)	Unrestricted (£)	Restricted (£)	Total 31 Mar 2019 (£)
Trade debtors	8,887	7,469	16,356	103,579	36,255	139,834
Prepayments	-	-	-	1,234	-	1,234
<b>Total Debtors</b>	<b>8,887</b>	<b>7,469</b>	<b>16,356</b>	<b>104,813</b>	<b>36,255</b>	<b>141,068</b>

**12. Creditors**

	Unrestricted (£)	Restricted (£)	Total 31 Mar 2020 (£)	Unrestricted (£)	Restricted (£)	Total 31 Mar 2019 (£)
<b>Creditors falling due within one year</b>						
Trade creditors	9,760	4,949	14,709	30,548	19,492	50,040
Taxation and social security	693	-	693	4,218	14,266	18,484
Accruals	16,540	-	16,540	15,000	-	15,000
Director's Loan	20,000	-	20,000	-	-	-
<b>Total Creditors falling due within one year</b>	<b>46,993</b>	<b>4,949</b>	<b>51,942</b>	<b>49,766</b>	<b>33,758</b>	<b>83,524</b>

**13. Details of restricted funds**

**Latin America prisons project, funded by Foreign and Commonwealth Office**

A restricted grant of £7,469 was received to be spent on the Triangular Prisons Project which aims to disseminate information and expertise in the management of prisons between the UK, Argentina and El Salvador.

**Elcano Institute**

In March 2019, the first instalment of £9,149 was received as a restricted grant from Instituto Elcano for a project in partnership with NATO-OTAN to enhance awareness of security developments in NATO's southern neighbourhoods. A further instalment of £550 was received in February 2020.

**Arnhem Event**

The Dutch Foreign Office gave a grant of £17,690 for an event held in Arnhem, The Netherlands. £10,000 was restricted income and £7,690 was unrestricted.

**IPI**

A grant of £2,675 was received from NATO for a series of events and lectures in Madrid by Instituto de Política Internacional (IPI).

**NATO workshop**

A grant of £820 was received to co-fund a study day in Paris, France, aimed at exploring trends in military co-operation in Europe, and NATO's role in this respect.

Notes to the Accounts continued

14. Fund reconciliation

2020

	Integrity Initiative 2 (Foreign Office donor) (£)	Latin America (Foreign Office grant) (£)	Elcano Institute (£)	IPI (£)	Arnhem (£)	NATO workshop (£)	Total Restricted (£)	Unrestricted (£)	Total funds (£)
At 1 April 2019	235	-	8,658	-	-	-	8,893	195,864	204,757
Income	-	7,469	550	2,675	10,000	820	21,514	275,871	297,385
Expenditure	(23)	(3,032)	(11,708)	(855)	(10,207)	(820)	(26,645)	(479,208)	(505,853)
Transfers	(212)	-	-	-	207	-	(5)	5	-
Total net movement in funds	-	4,437	(2,500)	1,820	-	-	3,757	(7,468)	(3,711)

2019 comparative

	Shared Outcomes (£)	Integrity Initiative (private donor) (£)	Integrity Initiative 1 (Foreign Office donor) (£)	Integrity Initiative 2 (Foreign Office donor) (£)	Latin America (Foreign Office grant) (£)	Why NATO Matters (£)	Elcano Institute (£)	Total Restricted funds (£)	Unrestricted funds (£)	Total funds (£)
At 24 November 2017	180,158	4,123	14,037	-	-	-	-	198,318	56,687	255,005
Income	(58,626)	-	148,459	1,470,750	11,595	18,080	9,149	1,599,407	610,840	2,210,247
Expenditure	(121,518)	-	(162,387)	(1,471,124)	(11,595)	(19,052)	(491)	(1,786,167)	(474,328)	(2,260,495)
Transfers	(14)	(4,123)	(109)	609	-	972	-	(2,665)	2,665	-
Total net movement in funds	-	-	-	235	-	-	8,658	8,893	195,864	204,757

Notes to the Accounts continued

15. Analysis of Funds

2020

	Integrity Initiative 2 (Foreign Office donor) (£)	Latin America (Foreign Office grant) (£)	Elcano Institute (£)	IPI (£)	Arnhem Event (£)	Total Restricted (£)	Unrestricted (£)	Total funds (£)
Fixed assets	-	-	-	-	-	-	6,642	6,642
Bank and cash in hand	-	-	(1,080)	2,317	-	1,237	23,996	25,233
Debtors	-	7,469	-	-	-	7,469	8,887	16,356
Creditors	-	(3,032)	(1,420)	(497)	-	(4,949)	(46,993)	(51,942)
Total funds	-	4,437	(2,500)	1,820	-	3,757	(7,468)	(3,711)

2019 comparative

	Integrity Initiative 2 (Foreign Office donor) (£)	Why NATO Matters (£)	Elcano Institute (£)	Total Restricted funds (£)	Unrestricted funds (£)	Total funds (£)
Fixed assets	-	-	-	-	13,588	13,588
Bank and cash in hand	6,355	(8,617)	8,658	6,396	127,229	133,625
Debtors	27,638	8,617	-	36,255	104,813	141,068
Creditors	(33,758)	-	-	(33,758)	(49,766)	(83,524)
Total funds	235	-	8,658	8,893	195,864	204,757