

Report and accounts

For the year ended 31 March 2014



SAFERWORLD
PREVENTING VIOLENT CONFLICT. BUILDING SAFER LIVES

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Directors' report and financial statements

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Directors' report

The Board of Directors presents its report and audited accounts for the year ended 31 March 2014.

Mission, vision and values

Our objectives

Saferworld believes that everyone should be able to lead peaceful, fulfilling lives, free from insecurity and violent conflict.

At Saferworld, our objective is to prevent and reduce all types of violent conflict, particularly focusing on large scale violent conflicts with important political or societal dimensions. This includes analysing the factors which contribute to such conflicts, as well as developing policies, strategies and capacities to address them effectively.

Insecurity is both a cause and effect of violent conflict, undermining development and participation in society. We work to enhance the security of individuals, communities and states, focusing on promoting co-operative approaches to security building. Effective action requires the involvement and participation of a wide range of individuals, civil society organisations, communities, governments and international agencies. A critical dimension of our work is to help create and facilitate co-operation between these actors. We combine research, innovative policy development and programmatic experience.

**Saferworld believes
that everyone
should be able to
lead peaceful,
fulfilling lives, free
from insecurity and
violent conflict**

Our values

- Saferworld is an independent organisation that strives for accountability, transparency and integrity.
- Saferworld aims to bring about long-term sustainable change by bringing together and working with international, national and local partners.
- Saferworld aims to be a diverse organisation working inclusively and respecting the views of others.

Our strategic priorities

We pursue our priorities at the international, regional, national and sub-national levels. We believe that meaningful progress towards the realisation of our vision requires change in the following ways, through:

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- individuals and communities influencing effective responses to conflict and insecurity and promoting peace
- civil society playing an active role in influencing authorities and building capacities for peace
- authorities being responsive and accountable to people's needs and their actions helping to build peace
- external actors operating in a way that supports peace, including through their engagement on security and justice provision

All of these actors have a pivotal role to play in building sustainable peace. Alongside this, we support the development and implementation of related policies and engage in dialogue with regional and international actors to encourage them to exert their influence in a positive manner.

Saferworld works in close collaboration with our partners in pursuit of progress in four linked thematic and issue-based areas:

- Security and justice
- Arms control
- Aid and conflict
- Governance and peacebuilding

We believe that progress in these areas can be a key determinant in the prevention and reduction of conflict.

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Strategic report

Review of performance

2013-14 marked the final year of Saferworld's 2011-14 strategy. Despite significant changes in the funding environment and challenges in a number of programme contexts, we successfully built on the previous years' achievements with a stronger and more coherent set of programme and policy work, supported by a growing funding base.

Our work focused on four key areas: improving access to security and justice; enhancing controls on conventional weapons; making aid more effective in conflict affected and fragile states; and promoting better governance to support peacebuilding. We worked across 25 countries and territories with over 40 local partners and a wide network of other associates, using evidence and experience from our in-country programmes to make recommendations to international policy makers – leading to real changes on the ground.

Programme priorities

Our Business Plan for 2013-14 identified a number of organisational priorities for programme development during the year. These included strengthening our programmes in the **Horn of Africa** and **Central Asia**; building on **new areas** of work in **Pakistan** and the **Middle East and North Africa**; improving **collaborative learning**; influencing the **post-2015** development agenda; and leveraging the most out of our **advocacy** platforms. In all these areas significant progress was made.

- **Horn of Africa**

In **Kenya** we began a two-year project to reduce the proliferation and misuse of small arms and light weapons (SALW) in West Pokot and Isiolo counties, working to increase trust between security providers and communities around SALW and supporting more accountable and effective stockpile management. We also continued to provide technical support to the National Police Service reform process. Working with local partner Usalama Forum, we supported communities and police in 13 sites across Kenya to work together and address local security concerns and build their trust and confidence in each other. Finally, we completed our work to prevent violence during and after Kenya's March 2013 general elections. Task teams set up to enable community members to engage with authorities and identify potential conflict risks continued to work with the county government beyond the life of the project, focusing on early warning information-sharing.

In **Somalia/Somaliland** we continued to support three non-state actor platforms, undertaking an extensive needs assessment for them and conducting training in context analysis, advocacy and communications to help them feed credible and independent recommendations into national and international policy-making. The platforms conducted advocacy on a range of issues including environmental legislation and voter registration in

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Somaliland, elections in Puntland, and corruption in South-Central Somalia. We supported them to input into key international processes and events, including the London conference on Somalia in May 2013, the Brussels Conference in October 2013, and the development of the Somali New Deal Compact.

- **Central Asia**

In Kyrgyzstan and Tajikistan, **Central Asia**, we supported communities to respond proactively to their security problems and work more closely with local authorities and police. As a result they began working together to respond to community concerns. Community security working groups also started working on more sensitive issues – for example, they acknowledged for the first time problems with religious radicalisation among community members, and brought local people, police and religious leaders together to address the issue. In Kyrgyzstan, local-level work was complemented by successful advocacy with the Ministry of Interior – supporting local civil society organisations (CSOs) to become credible actors on police reform. The Civic Union for Reform and Results, a network of CSOs supported by Saferworld and partners, put forward recommendations for greater civilian oversight of the police which have been incorporated into official documents on police reform.

- **Middle East and North Africa**

As part of our **regional project** supporting the public voice of women in the Middle East and North Africa, Saferworld's report *'It's Dangerous to be the First'* explored violence and insecurity as a barrier to women's public participation in Egypt, Libya and Yemen. The report gained significant coverage and promoted discussion and debate around the relationship between women's security and their participation in public and political life. In February 2014, we brought together women activists from across the region to Tunis to discuss women's role in improving security. We also conducted smaller, national-level events in Yemen and Libya and facilitated a policy tour to present recommendations and findings to UK and EU policymakers. This work sparked significant interest in Egypt, Libya and Yemen, with the Ministry of Human Rights in Yemen asking for support to develop plans for the implementation of UN resolution 1325 on women, peace and security.

In **Yemen** we continued to build the skills of our network of youth activists, holding three week-long training programmes in Aden, Taiz and Sana'a – focusing on advocacy and influencing strategies – in collaboration with our local partners. Members of the network have been actively building the capacity of young people in their communities to feed into local policy and law-

Achievements

- We carried out extensive research on the positions and policies of rising powers and held dialogue events on peace and post-2015 in South Africa, Brazil and China.
- We continued to promote leadership on Arms Trade Treaty implementation – with the UK signing and ratifying the ATT this year
- We expanded our community security work in 11 different conflict contexts with encouraging and diverse results.
- We worked with major Chinese and South Sudanese stakeholders to examine how conflict-sensitive approaches could be used to help Chinese companies manage risk in South Sudan and maximise social, environmental and economic benefits for local communities.

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making, participate in urban social projects, and advocate for positive change. We also held six debates in various locations across Yemen, broadcast live on national TV, focusing on federalism and the role of youth in the National Dialogue. In Taiz our community security project was successfully rolled out across two sites. The community groups have had considerable success raising awareness about key local security concerns including child labour, weapons proliferation and relations with security providers. We are also working with the European Union (EU) and the Yemeni Ministry of Interior to ensure that security sector reform takes a community-focused approach.

In January 2014 we began a two-year project to support Egyptian civil society's efforts to build and maintain momentum on police reform in **Egypt**. This project aims to provide technical expertise to police reform proponents in Egypt, through a series of workshops and advisory support.

- **Pakistan**

In **Pakistan**, despite difficult security conditions, we trained 35 CSOs in Khyber Pakhtunkhwa (KP) with our partner CAMP. Our training of trainers manual *Transforming conflict and building peace* helped to develop local capacity on participatory peacebuilding approaches and increase understanding of negotiation and peacebuilding, advocacy, understanding and measuring change, and community-driven initiatives for peace. We also conducted a needs assessment of CSO capacity in both KP and Federally Administered Tribal Areas, consulting 121 CSOs. The resulting report, *Promoting participatory approaches to peacebuilding*, published in October 2013, built on the recommendations of the Post-Crisis Needs Assessment conducted by the Government of Pakistan.

- **Collaborative learning**

Country programmes often face very similar challenges, and our Community Security Learning and Practice Group (CSLPG) gained momentum over the year helping teams share ideas and experiences. In November 2013 an annual learning event was held in Kenya, and since then the group has started meeting regularly online to discuss and share good practice and common challenges.

- **Post-2015**

We used evidence to feed into the debate on the inclusion of peace and governance in the **post-2015 development framework**. The report of the High Level Panel released in June 2013 reflected Saferworld's recommendations on peace and governance which have subsequently featured in discussions between Member States at the UN General Assembly and through the Open Working Group on Sustainable Development Goals. Civil society coalitions have also adopted Saferworld and its partners' key messaging and proposals for goals and targets that can promote peaceful societies. Saferworld engaged actively with **rising powers**, including Brazil, China, India, South Africa, and Turkey to better understand their perspectives and positions and to raise awareness of the importance of addressing conflict and violence in the post-2015 framework. We carried out extensive research on the positions and policies of rising powers and held dialogue events on peace and post-2015 in South Africa, Brazil and China.

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- **Advocacy**

We actively fed in to UK Government and civil society discussions on the post-2015 agenda and have been encouraged by the UK's prioritisation of peace in this agenda. We continued to promote leadership on ATT implementation – with the UK signing and ratifying the Arms Trade Treaty this year – and maintained scrutiny of the UK's own export controls. Our Washington office opened in March 2013 and has built lasting relationships with the US policy apparatus, including the Department of State, USAID, the Department of Defence, Congress and a range of NGOs and think tanks. The office has built partnerships with key working groups on Saferworld's areas of focus, and has produced panels and publications in order to showcase Saferworld's work and thought.

In Brussels, we informed EU conflict prevention policies and activities by promoting our thinking on conflict analysis and conflict sensitivity, early warning and crisis response, and indicators on security and development. Our Brussels office fed into the EU's position on the post-2015 process, calling for a strong stance supporting sustainable peace. We strengthened our relationships with EU institutions by coordinating and presenting on panels at the European Development Days Forum on post-2015 in November 2013.

The China programme used our unique relationships and in-country experience to engage with Chinese stakeholders on the inclusion of peace in the post-2015 development process, the Arms Trade Treaty, and on conflict sensitivity in conflict affected states such as South Sudan. The Saferworld-supported EU-China-Africa Expert Working Group on conventional arms coordinated joint research on illegal small arms and ammunition in Africa, making recommendations on co-operative actions for African, Chinese, and EU policy makers.

2011-14 Strategic priorities

In 2013-14 we also continued to make significant progress on the eight strategic priorities set out in our 2011-14 Strategic Plan.

- We developed a more nuanced understanding of the different ways we can **work at scale** to maximise our impact, using the partnerships we have with over 40 local, national, regional and international organisations. In 2013-14 we expanded our programming across Central Asia and the Caucasus, and started scaling up our work in South Sudan from two to seven states, despite significant challenges following the violence that erupted in December 2013. In Bangladesh we built on our partnership with BRAC, the world's largest NGO, feeding in key technical assistance and mentoring into their programming on issues of peace and security. In Yemen we engaged with our partners and with members of our youth and gender networks to ensure that advocacy, gender and conflict sensitivity training cascaded down to substantial numbers of beneficiaries.
- We continued to **develop a more global perspective** to maximise our policy relevance and strengthen our programmatic direction. We increased our advocacy

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work in Washington and in Addis Ababa, targeting the African Union, and fed into international policy debates on the post-2015 development framework and the Arms Trade Treaty. We also investigated areas for future programmatic engagement including in Myanmar and Afghanistan and began a new joint project with Conciliation Resources working in 32 conflict-affected contexts with local actors to enhance the effectiveness of early warning and early action. Work to **strengthen our responsiveness to crises and conflict** continued and was identified as an area for specific development under our new strategic plan for 2014-17. A new programme of work in Ukraine is currently under development with partner International Alert.

- We continued to enhance our **organisational structure and capacity** to meet the needs and challenges brought about by significant expansion. This included the creation of a Regional Heads Forum and investment in core capacities such as finance, human resources and monitoring and evaluation. In 2013 we became a member of People in Aid, a code of good practice for the management and support of aid personnel, and started reviewing our policies and practices in preparation for a quality mark audit in 2014-15.
- We significantly strengthened our **impact, learning and accountability** mechanisms rolling out our Programming, Monitoring and Evaluation framework across the organisation. Saferworld's approach to demonstrating outcomes and change is now being used in a number of country programmes and across our policy teams, demonstrating impact and supporting stronger programming through learning. We have also conducted external evaluations in Nepal and Somalia incorporating significant feedback from beneficiaries.
- We **strengthened our funding base** with a 20% year-on-year increase in income to over £11m. This included successful renewal of our strategic funding agreements with the UK and Swedish governments for further two and three year terms. Over the past three years our success in attracting strategic funding has enabled us to take creative and innovative investments approaches to increase the impact of our programmes. We also agreed a new European Commission-funded cross-organisational programme for the development of early warning systems in 25 countries (Capacities for Peace). Three country programmes (South Sudan, Somalia and Kenya) consolidated and diversified their funding base to reach annual turnovers exceeding £1m.
- Preparatory scoping work was also carried out to identify new **financial management** and **human resource** systems. Projects to develop these systems have now started, with roll out scheduled for 2015.

Other regional and policy programme highlights

As well as the developments highlighted above, 2013-14 saw a range of other achievements across our regional, country and policy programmes.

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Bangladesh

In 2013-14 our community security project, established with one of the world's largest development organisation, BRAC, expanded into 16 sites across five districts of South-Western **Bangladesh**. Representative Community Action Committees – as well as specific youth groups – were supported to analyse their safety and security needs and develop actions plans to address them. Many communities are now engaging directly for the first time with police and local authorities. Saferworld developed the skills and understanding of our partner BRAC in context analysis, conflict sensitivity, gender sensitivity, monitoring and evaluation, and advocacy. Our report, *Safety and security in the South-East border area of Bangladesh*, explored security in a region plagued by human insecurity and perceived as a hub for illegal trafficking of arms, drugs and people. We used the research findings to influence national level security processes, including the Police Reform Programme and a proposed national counter-terrorism strategy.

In Bangladesh over 5,000 community members have been engaged in 16 project sites across 5 districts, with 176 community action committee members in place.

Nepal

In **Nepal** the programme has a strong focus on the effects gender relations have on security. We conducted participatory research in two districts in Eastern Nepal on the notions of masculinity among young men and boys and how they relate to violence, including sexual and gender-based violence. In addition to creating new information on the link between masculinity and violence, the research encouraged reflection by young men on attitudes and behaviour related to women and girls. We also supported other stakeholders to make their work more conflict-sensitive, undertaking quarterly assessments of conflict and insecurity trends in six districts in the Mid- and Far-West and providing capacity building on conflict sensitive approaches to partners.

We also successfully completed and evaluated a two-year community security project. Our community security working groups' activities contributed to the inauguration of new police posts and more women police officers being posted in project locations. Community members have also been better able to address conflicts related to caste-based, religious and gender discrimination. Learning from our community security work, we started a new initiative to bring opposing sides of local conflicts together to build constructive solutions and mitigate conflict. An initial conflict assessment has been conducted and local reconciliation and development forums have been established.

Caucasus

In 2013-14 our **Caucasus** programme built on the success of its community security work, establishing new community reference groups covering four districts of South Ossetia as well as border areas of Armenia and Azerbaijan. Facilitated by our partner, Gori Information Centre, the Georgian Minister of Infrastructure and Deputy Minister of Reintegration also met with the groups for the first time, raising the profile of the groups' work and giving them a chance to relay their concerns to high level authority figures. In October 2013, we organised

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a study visit to Scotland for a group of Abkhaz civil society representatives to share best practice in public service delivery and community engagement in decision-making. In early 2014 we began a new project studying and publicising the security concerns of communities living near the Armenian-Azerbaijani frontlines. In an innovative element of the project we are using Google Earth and Google Maps to record and map incidents targeting civilians and their property, based on information obtained from local communities. In March 2014 we organised a ground-breaking meeting between Georgian and South Ossetian community representatives in Istanbul, giving them a chance to share their experiences.

Kosovo

Our work to empower CSOs to contribute to security policy and decision-making processes in **Kosovo** led our local partner AKTIV to establish a Conflict Prevention Forum in Mitrovica North, made up of five CSOs from the four northern municipalities. Saferworld facilitated an unprecedented meeting between this group and a Pristina-based CSO platform (Forum for Security) led by our partner FIQ to explore possible joint working. Despite the continued sensitivities between the capital and the north, they have conducted joint research and advocacy and produced three joint papers. The first paper, which assessed people's views on key peace and security issues in Kosovo, was launched in October 2013 and was the first time that two civil society platforms openly presented views obtained from across Kosovo on peace and security.

Uganda

In **Uganda** we explored land conflict dynamics in Acholi, Lango and West Nile, undertaking comprehensive field research and working to increase awareness of the issues among the government, donors, CSOs, local leaders, and communities. The work also aimed to improve structures and processes for resolving land conflicts and build the capacity of stakeholders to reduce land conflict dynamics in other areas of Uganda. We continued our work to promote conflict-sensitive approaches to development through research and by conducting conflict sensitivity assessments and training for development organisations. We conducted research on conflict analysis in Northern Uganda to support efforts to promote conflict-sensitive approaches to recovery, with many individuals and institutions using the report in policy discussions over the year. It is now expected that the four major conflict issues (land conflicts, youth problems, gender-related conflicts and a lack of a clear transitional justice mechanisms), will inform the successor recovery and development programme for the region currently being developed by the government.

South Sudan

Saferworld's work in **South Sudan** faced significant challenges after large-scale violence broke out in December 2013, with over a million civilians becoming refugees or internally displaced. However, work to improve relationships between police and communities through community security working groups and Police-Community Relations Committees has succeeded in reducing violence in selected communities in Kuajok, Tonj North and Wau. While the locations we work in were less directly affected by the national conflict, we carried out rapid assessments with project partners on the potential impact of the conflict shortly after the crisis. We also held dialogue meetings with existing community security working

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groups, which indicated that they remained committed to the programme. Plans to scale up our work from two to seven states were delayed as a result of the conflict, but began in earnest in March 2014. The conflict and subsequent conflict-sensitive assessments conducted by Saferworld demonstrate that the need for this work is more necessary than ever.

Sudan

In **Sudan** we continued to support local and national conflict transformation efforts, primarily through research, analysis and advocacy. We made significant progress in our advocacy work and were able to inform and stimulate reflection on the nature of the crisis in Sudan and possibilities for more inclusive approaches to conflict transformation with policymakers in the African Union, the US, UK and EU.

Security and justice

Improving people's experiences of **security and justice** remains at the core of Saferworld's work. One way we do this is by instigating, encouraging and supporting efforts to build collaborative relationships between communities and their security providers. In 2013-14 we expanded our community security work in 11 different conflict contexts with encouraging and diverse results. We synthesised this evidence base – drawing on ten years' experience – into a *Community Security Handbook* that, alongside other research papers, has fed into policy recommendations for the UK, Dutch and US governments as well as the European Union, African Union, United Nations Development Programme, and others. 2014-15 will also see us expand our work on justice. To this end, the new strategic plan has laid out exciting measures to develop research, policy and practical programming around the concept of '*justice as prevention*'.

Conflict-sensitive approaches

Over the course of the year we worked with a wide range of international donors, NGOs, government agencies and businesses to promote more **conflict-sensitive approaches**. We were invited to join a consortium providing capacity building support to the UK Department for International Development's programmes, and continued to provide tailored capacity building for Sweden's international development agency (Sida), through the Human Security helpdesk. We also worked with major Chinese and South Sudanese stakeholders to examine how conflict-sensitive approaches could be used to help Chinese companies manage risk in South Sudan and maximise social, environmental and economic benefits for local communities. Meanwhile, as a result of our training in Uganda, development NGO WaterAid redesigned its projects to better account for conflict issues – for example ensuring they responded to the post-conflict water and sanitation needs of returning populations – and we contributed to conflict sensitising the government's National Planning Authority.

Arms transfers

Saferworld remained at the heart of civil society efforts to implement the **international Arms Trade Treaty (ATT)** which was adopted by the UN General Assembly in April 2013. We established an informal Expert Group on ATT implementation to develop common understandings around treaty implementation issues, and developed a programme of

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support for developing countries to help them identify their specific ATT implementation requirements. We were also a key partner in the global Control Arms coalition, working with them to advocate for ATT ratification in the UK and internationally so the treaty enters into force at the earliest possible moment (once it has 50 ratifications). In March 2014 we relaunched our EU arms trade transparency website. The site compares the arms export reporting practices of EU Member States, encouraging them to be more transparent about their arms exports.

Gender, peace and security

In 2013-14 we significantly increased our focus on **gender, peace and security** issues, developing it as a work stream in its own right. We built the capacity of staff across the organisation to embed a gender perspective in their work, and that of our partners, holding trainings with staff in London and from our programmes in Yemen, Kenya and Somalia/land. Internationally we advocated for the inclusion of commitments on gender and peace in the post-2015 development framework. We presented our recommendations at UN Women's Expert Group Meeting in Mexico on achieving the Millennium Development Goals for women and girls, and presented a joint Saferworld / Conciliation Resources briefing at the 58th UN Commission on the Status of Women in New York. Our internal strategic planning process also led to the inclusion of a new objective on gender in our Strategic Plan 2014-17, which will ensure this area of work remains an organisational priority.

Financial review of the year and position at the year-end

Review of the year

Income was £11.1m in 2013-14, 22% higher than in 2012-3 (£9.1m). Funding from the US and Finnish governments, together 10% of the total, have diversified our income in the year. The UK government and EC funding, both at 21% of the total, continue to be our most significant donors.

Expenditure in 2013-14 was 12.5% higher than the previous year at £9.0m (2012-13: £8.0m) as large projects funded by the EC, US government and The Netherlands increased their activities. The modest surplus of unrestricted funds, £80,000, and the inflow of cash of £1.8m were at the budgeted levels. Programme expenditure (excluding allocated support costs) was 87% in both years. Support costs increased 3% in the year and fall as a percentage of the total from 10.6% to 9.7%, in accordance with expectations, as the volume of activity rose.

Risk management

The trustees have identified the main risks that the charity is exposed to and have in place a strategy to minimise exposure to these risks. The main risks facing Saferworld are:

- staff and partner safety and security

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- political instability and conflict in the countries and within communities with whom we work
- resistance from governments and vested interests to objective assessments of causes and drivers of insecurity
- funding challenges, due to short-term horizons and pressure to spend funds on political goals
- staff availability and capacities in challenging environments

The trustees update the risk register each year and have concluded that the charity still has adequate cover for the expected risks.

Investment policy

The Memorandum and Articles of Association provides that the company invests surplus funds in various investments, securities or property as appropriate.

Future plans

2014 is the start of the new three-year strategy period which builds on our strategic development during 2011-14 and strong growth. During early 2014, Trustees, Executive Team and management have been developing and finalising this plan, consulting all staff and stakeholders. We aim to:

- strengthen people's security and access to justice through the development and effective delivery of responsive, accountable and locally-appropriate security and justice
- challenge gender norms that cause and perpetuate conflict and insecurity
- reduce the impact of external drivers of conflict including weapons flows, illicit finance and militarised responses to security threats
- ensure international political, economic, development and security engagement in conflict-affected contexts is sensitive to conflict dynamics and contributes to sustainable peace
- promote peacebuilding processes and governance systems that are inclusive, fair, responsive and accountable and address the root causes of conflict

To achieve this we will:

- build on our current programmes in Africa, Asia, MENA and Europe, expanding our country footprint where appropriate
- continue to devolve management responsibilities to countries, where management skills exist and it is appropriate to do so
- develop our Policy and advocacy skills to address current policy challenges, for example by adding capacity to Gender and Community Security teams
- build government and management capacities to provide effective oversight and guidance to all programmes, for example with new Finance and HR systems

Reserves policy and reserve levels

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Reserves are held to ensure Saferworld can sustain long term commitment to our communities, partners and other stakeholders. Our reserves policy:

- a) ensures funds are sufficient to cover costs that would be incurred in the orderly winding down of the company's activities. This amounts to £600,000 and comprises: three months salaries of non-programme staff; contractual obligations for all staff; payments for rental notice periods; lease obligations and all other liabilities
- b) is reviewed at least annually to reflect the current level of programmes being undertaken, the average longevity of service of relevant employees in service and changes in legal obligations relevant to the company's activities.

Currently, the organisation's free reserves excluding fixed assets of the charity are £1.0m.

Structure, governance and management

The Charity is constituted as a company limited by guarantee governed by a Memorandum and Articles of Association.

Organisation

The trustees govern Saferworld by working through the Executive Director and Executive Management Team (EMT) who report on performance against the strategic and operational plans approved by the trustees. The EMT meets regularly to review operational performance and progress against the Business Plan. Saferworld has a Policy Advocacy and Communications Division; Operations department responsible for human resources, facilities and IT; a Finance department; a Funding team; and a Director's office, with a dedicated Organisational Development Unit. There are also five regional programmes:

- Kenya and Horn of Africa
- Uganda and Great Lakes
- Asia
- Middle East and North Africa
- Europe and Central Asia

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Each area is led by a Head of Programme or Division. This Head is a member of the Organisational Management Team (OMT), which is chaired by the Executive Director, and meets three to four times a year. The OMT plays a central part in the leadership of the organisation, with Heads responsible for day-to-day activities of the organisation as well as defining and implementing strategic priorities.

We have a regional office in Nairobi, and staff based in Bangladesh, Georgia, Kenya, Kosovo, Kyrgyzstan, Nepal, Pakistan, South Sudan, Uganda, and Yemen – as well as Austria (Vienna), Belgium (Brussels), and the United States (Washington).

- The Africa Programme is split into two regions, which prioritise engagements in Kenya and Somalia, and South Sudan, Sudan, and Uganda, and as well as sub-regional work.
- The Asia Programme focuses particularly on South Asia, with country programmes in Bangladesh, Nepal and Pakistan. In addition, Saferworld maintains a close interest in China, specifically with regards to conflict sensitive approaches and arms control policy.
- The Middle East and North Africa Programme focuses on Egypt, Libya and Yemen, as well as wider regional work.
- The Europe and Central Asia Programme focuses on the Western Balkans, particularly Kosovo, parts of the Caucasus, as well as work in Central Asia, particularly Kyrgyzstan and Tajikistan.
- The Policy Advocacy and Communications Division leads the development of our thematic strategies and the implementation of work that is either conceptual or international in nature. In addition, the Division leads our internal and external communications and advocacy work, and supports strategy development, M&E, research and capacity building with partners.

Trustees

The Board meets four times a year. Trustees also provide expertise to staff on their particular skill areas, which include finance, policy research, advocacy and communications, charitable law and governance, on an on-going basis. Trustees are eligible for reappointment every three years at the Annual General Meeting.

Trustees

Haki Abazi
(retired January 2014)

Godfrey Allen

Alan Barlow

Malcolm Chalmers

Anne Fitz-Gerald
(retired January 2014)

Owen Greene (Chair)

Alice Hills

Sally Joss

Lord Judd of Portsea

Jeremy Lester
(appointed October 2013)

Charles Marshall
(Treasurer)

David Norman

Secretary

Sue Maskell

Executive Director

Paul Murphy

Registered office

The Grayston Centre
28 Charles Square
London, N1 6HT

Company Number

03015948

Charity number

1043843

Advisers

The Cooperative Bank
Plc

Bates, Wells and
Braithwaite (Solicitors)

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Trustees undertake a skills audit with the aim of attracting members with relevant experience and skills to the Board. In appointing new trustees consideration is given to the gender balance and the international nature of our work. Nominees meet with the Chair and Executive Director who recommend appointments to the Board.

On appointment, trustees agree to adhere by our code of conduct and sign a declaration of eligibility form. Each trustee receives a handbook which includes the Memorandum and Articles of Association, policies and procedures, including conflict of interest, and other guidance. Trustees are required to complete a declaration of interests each year. One trustee is charged with the responsibility of ensuring any potential conflict of interest is dealt with according to the policy. Any collaborative work between a trustee and Saferworld has to be approved by the Board of Trustees prior to the project, with the interested trustee not present for the discussion and decision.

Public benefit

We have referred to the Charity Commissions Guidance on Public Benefit when planning our work. We believe our activities, to reduce and prevent violent conflict and working with individuals, communities and states, are focused to achieve the aims and objectives of the Charity. The trustees are therefore confident that we meet the public benefit requirement.

Statement of trustees' responsibilities

The trustees (who are also directors of Saferworld for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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 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 proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are

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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.

In so far as we are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information

Staff

Our success depends on the quality and commitment of our staff. We would like to thank them for their on-going work and commitment. We are committed to equality in recruitment, training, promotion and career development. Staff are consulted on a range of issues throughout each year and each office is encouraged to bring staff together on a regular basis, to discuss current work and future plans.

Auditors

The auditors, haysmacintyre, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

In approving this report of the Directors, the Directors are also approving the Strategic Report included here in their capacity as Company Directors.

This report was approved by the Board of Trustees on 6 October 2014 and signed on its behalf by:

A handwritten signature in black ink, appearing to read 'Owen Greene'. The signature is written in a cursive style with a large initial 'O' and 'G'.

Owen Greene – Director and Trustee (Chair)

Report and accounts

For the year ended 31 March 2014

Independent auditor's report to the members of Saferworld

We have audited the financial statements of Saferworld for the year ended 31 March 2014, which comprise the Statement of Financial Activities (incorporating an income and expenditure account), the balance sheet, cash flow statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

Respective responsibilities of trustees and auditors

As explained more fully in the Trustees' Responsibilities Statement set out on page 16, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate .

Opinion

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2014 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice
- have been prepared in accordance with the requirements of the Companies Act 2006

Report and accounts

For the year ended 31 March 2014

Opinion on other matter prescribed by the Companies Act 2006

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

Matters on which we are required to report by exception

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

- the information given in the Directors' Report is inconsistent in any material respect with the financial statements; or
- the charitable company has not kept adequate accounting records; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit



Murtaza Jessa
Senior Statutory Auditor

haysmacintyre
Statutory Auditors
26 Red Lion Square
London
WC1R 4AG
Date: 6/10/2014

Report and accounts

For the year ended 31 March 2014

Statement of financial activities

	Notes	Unrestricted funds £ '000	Restricted funds £ '000	Total 2014 £ '000	Total 2013 £ '000
INCOMING RESOURCES					
Incoming resources from generated funds					
Voluntary income	2	155	-	155	120
Investment income	2	3	-	3	10
Incoming resources from charitable activities					
	2	2,312	8,599	10,911	8,931
Total incoming resources		<u>2,470</u>	<u>8,599</u>	<u>11,069</u>	<u>9,061</u>
RESOURCES EXPENDED					
Costs of generating funds					
Fundraising costs	3	204	-	204	201
Charitable activities	4	2,099	6,619	8,718	7,719
Governance costs	6	87	-	87	88
Total resources expended		<u>2,390</u>	<u>6,619</u>	<u>9,009</u>	<u>8,008</u>
Net incoming resources	7	80	1,980	2,060	1,053
Fund balances brought forward at 1 April 2013		1,118	1,640	2,758	1,705
Fund balances at 31 March 2014	13	<u>1,198</u>	<u>3,620</u>	<u>4,818</u>	<u>2,758</u>

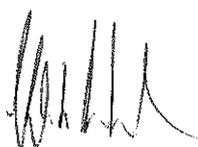
There were no recognised gains or losses in 2014 or 2013 other than those included above. The notes on pages 23 to 35 form part of these accounts.

Report and accounts

For the year ended 31 March 2014

Balance sheet as at 31 March 2014		2014	2013
	Notes	£ '000	£ '000
FIXED ASSETS			
Tangible assets	10	71	1
CURRENT ASSETS			
Debtors and prepayments	11	1,816	1,497
Cash at bank and in hand		3,494	1,703
		<hr/>	<hr/>
		5,310	3,200
CREDITORS: Amounts falling due within one year	12	(563)	(443)
		<hr/>	<hr/>
NET CURRENT ASSETS		4,747	2,757
		<hr/>	<hr/>
TOTAL ASSETS LESS CURRENT LIABILITIES		4,818	2,758
		<hr/> <hr/>	<hr/> <hr/>
FUNDS			
Restricted funds	13	3,620	1,640
Unrestricted funds – designated funds	13	182	-
Unrestricted funds – other funds	13	1,016	1,118
		<hr/>	<hr/>
		4,818	2,758
		<hr/> <hr/>	<hr/> <hr/>

The financial statements were approved by the Trustees and authorised for issue on 6 October and signed on their behalf by:



.....
Charles Marshall
Director and Trustee (Treasurer)



.....
O Greene
Director and Trustee (Chair)

The notes on pages 23 to 35 form part of these accounts.

Report and accounts

For the year ended 31 March 2014

Cash flow statement

	2014	2013
	£ '000	£ '000
Reconciliation of net surplus to net operating cash flow		
Net incoming resources	2,060	1,053
Depreciation	44	-
(Increase)/decrease in debtors	(319)	(54)
Increase/(decrease) in creditors	120	(78)
Investment income	(3)	(10)
Loss on disposal of fixed assets	-	-
	<hr/>	<hr/>
Total incoming resources	1,902	911
	<hr/>	<hr/>
Returns on investments and servicing of finance		
Interest received	3	10
Capital expenditure and financial investments		
Purchase of tangible fixed assets	(114)	(1)
	<hr/>	<hr/>
Net increase/(decrease) in cash in the year	1,791	920
	<hr/>	<hr/>
Reconciliation of net cash inflow to movement in net cash funds		
Cash as at 1 April	1,703	783
Increase/(decrease) in cash in the year	1,791	920
	<hr/>	<hr/>
Cash as at 31 March	3,494	1,703
	<hr/> <hr/>	<hr/> <hr/>

The notes on pages 23 to 35 form part of these financial statements.

Report and accounts

For the year ended 31 March 2014

1. ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008). The financial statements have been prepared in accordance with the Statement of Recommended Practice (SORP), "Accounting and Reporting by Charities" published in 2005, applicable accounting standards and the Companies Act 2006.

Fund accounting

Restricted funds arise from grants and donations given to the charity for specific areas and activities of the charity's work in furthering its objectives. Unrestricted funds provide the general funds of the charity and arise from unrestricted funds granted or donated to the charity, which may be used at the discretion of the trustees. Unrestricted funds can be designated to be applied to a project of strategic importance by the trustees.

Incoming resources and resources expended

Donations and gifts are accounted for as received by the charity. Income from grants is recorded on a receivable basis. Deferred income represents amounts received for future periods and is released in the incoming resources in the period for which it has been received. Where applicable, interest on cash deposits is attributable to restricted funds held.

All expenditure is included on an accruals basis. Cost of generating funds comprises costs of appealing for contributions to the charity's work. Charitable activities expenditure comprises of those costs directly attributable to projects undertaken. Governance costs include all costs attributable to compliance with constitutional and statutory requirements. Support costs are directly attributable to these categories or apportioned based on staff time spent.

Pensions

All permanent UK staff employed by the charity are eligible to join the defined contribution pension scheme. Saferworld contributes 8% of salary provided the staff member contributes 2% of salary. The UK-based permanent staff pension fund is operated by Friends Provident.

Tangible fixed assets

Tangible fixed assets are stated at cost less depreciation and capitalised where the cost exceeds £500. Depreciation rates write off fixed assets over their expected useful lives as follows:

Office furniture and equipment	25% straight line
Computer equipment	33% straight line
Motor vehicles	33% straight line

Report and accounts

For the year ended 31 March 2014

Value added tax

Value added tax is recoverable by the charity on a limited amount of contracts. Where appropriate the tax is shown as a creditor in the balance sheet. All other VAT is included in the relevant costs in the statement of Financial Activities.

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling using the exchange rate at the balance sheet date. Transactions in foreign currencies are translated into sterling at the exchange rate on the transaction date.

Report and accounts

For the year ended 31 March 2014

2. INCOMING RESOURCES – restricted funds	2014	2013
	£ '000	£ '000
European Commission	2,306	1,455
Ministry of Foreign Affairs, The Netherlands	1,548	1,532
The State of the Netherlands (Netherlands Embassy, Juba)	795	-
UK Foreign and Commonwealth Office	719	1,038
US Department of State	596	50
UK Department for International Development (DFID)	363	1,151
Ministry for Foreign Affairs of Finland	293	-
Swedish Ministry of Foreign Affairs	278	-
Refugee Law Project, Uganda (DFID funds)	272	185
Swedish International Development Agency	187	234
Anonymous donor	185	-
Ministry of Foreign Affairs, Denmark	161	65
Oxfam Novib	124	-
Institute for Foreign Cultural Relations, Germany - ZIVIK	101	64
International Development Research Centre	101	-
Other smaller grants < £100,000	570	1,016
	<u>8,599</u>	<u>6,790</u>

The restricted income from the DFID comprises the following grants:

Advocacy With Emerging Powers	195	-
Towards Peaceful and Secure 2012 Presidential Election in Kenya	97	776
Conflict, Crime and Violence Results Initiative	71	-
Somaliland Election Programme	-	290
Non State Actors Programme, Somalia	-	85
	<u>363</u>	<u>1,151</u>

Report and accounts

For the year ended 31 March 2014

INCOMING RESOURCES - unrestricted funds	2014	2013
	£ '000	£ '000
UK DFID - Programme Partnership Arrangement	1,739	1,739
Swedish International Development Agency	391	402
Other income (consultancy, other donations)	337	120
Investment income	3	10
	<hr/>	<hr/>
	2,470	2,271
	<hr/> <hr/>	<hr/> <hr/>

3. COST OF GENERATING FUNDS	2014	2013
	£ '000	£ '000
Staff costs	155	139
Direct costs	10	18
Support costs	39	44
	<hr/>	<hr/>
	204	201
	<hr/> <hr/>	<hr/> <hr/>

The cost of generating funds includes staff taking part in fundraising activities in the form of contacts with potential grantors including governments, European Commission, charitable trusts and foundations.

4. COSTS OF CHARITABLE ACTIVITIES	2014	2013
	£ '000	£ '000
Staff costs	3,244	2,499
Direct costs	4,655	4,432
Support costs	819	788
	<hr/>	<hr/>
	8,718	7,719
	<hr/> <hr/>	<hr/> <hr/>

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For the year ended 31 March 2014

5. SUPPORT COSTS	2014 £ '000	2013 £ '000
ALLOCATED TO:		
Charitable activities	819	788
Cost of generating funds	39	44
Governance costs	12	14
	<u>870</u>	<u>846</u>
	<u><u>870</u></u>	<u><u>846</u></u>
Support costs consist of:		
Staff costs	289	298
Office costs	324	397
Other charitable expenses	257	151
	<u>870</u>	<u>846</u>
	<u><u>870</u></u>	<u><u>846</u></u>

Support costs have been allocated on the basis of staff costs relating to each activity.

6. GOVERNANCE COSTS	2014 £ '000	2013 £ '000
Staff costs	48	46
Audit and accountancy fees	14	13
Other expenditure	13	15
Support costs	12	14
	<u>87</u>	<u>88</u>
	<u><u>87</u></u>	<u><u>88</u></u>

Report and accounts

For the year ended 31 March 2014

7. NET INCOMING RESOURCES IN THE YEAR	2014	2013
	£ '000	£ '000
The net incoming resources in the year is stated after charging:		
Operating lease rental	3	-
Auditors' remuneration - as statutory auditors	12	11
Auditors' remuneration – other fees	33	23
	<u> </u>	<u> </u>

8. STAFF COSTS	2014	2013
	£ '000	£ '000
Wages and salaries	3,329	2,651
Social security	219	208
Pension costs	189	123
Life assurance	46	51
	<u> </u>	<u> </u>
	<u>3,783</u>	<u>3,033</u>

The average number of full-time equivalent staff employed by the charity during the year was as follows:

	Number	Number
Programmes	104	79
Fundraising	7	6
Governance and support	8	8
	<u> </u>	<u> </u>
	<u>119</u>	<u>93</u>

Four employees earned between £60,000 and £69,999 in the year: (2013: two employees) and one employee earner between £70,000 and £79,999 (2013: none). Pension costs amounted to £19,000 (2013: £18,000).

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For the year ended 31 March 2014

9. TRUSTEES' REMUNERATION AND REIMBURSED EXPENSES

The trustees received no remuneration for their services during the year (2013: Nil). During the year three trustees received reimbursement of the following expenses:

	2014 £ '000	2013 £'000
Expenses, comprising of travel, related accommodation and communications costs	3	2
	<u>3</u>	<u>2</u>

10 TANGIBLE FIXED ASSETS

	Fixtures, equipment & computers £'000
At 1 April 2013	16
Additions	114
Disposals	-
	<u>130</u>
At 31 March 2014	130
Depreciation	
At 1 April 2013	15
Charge for the year	44
Disposals	-
	<u>59</u>
At 31 March 2014	59
Net book value	
At 31 March 2014	71
	<u>71</u>
At 31 March 2013	1
	<u>1</u>

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For the year ended 31 March 2014

11	DEBTORS	2014	2013
		£ '000	£ '000
	Due within one year		
	Prepayments	449	325
	Amounts due from donors	1,258	1,095
	Other debtors	109	77
		<hr/>	<hr/>
		1,816	1,497
		<hr/> <hr/>	<hr/> <hr/>
12	CREDITORS: amounts falling due within one year	2014	2013
		£ '000	£ '000
	Creditors	300	165
	Other taxes and social security	55	64
	Accruals	208	214
		<hr/>	<hr/>
		563	443
		<hr/> <hr/>	<hr/> <hr/>

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For the year ended 31 March 2014

13 SUMMARY OF FUND BALANCES

	1 April 2014 £ '000	Incoming resources £ '000	Outgoing resources £ '000	31 March 2014 £ '000
<u>Restricted funds</u>				
Cross regional, South Sudan, Yemen, Bangladesh: The Netherlands government, Improving conditions for reconstruction and development	546	1,023	(1,168)	401
Cross regional, EC Capacities for Peace	-	612	(172)	440
Somalia: EC non-state actor development	161	846	(882)	125
Kenya: DFID, Peaceful 2012 presidential election	120	97	(217)	-
Kenya: The Netherlands, Comprehensive police reforms	174	489	(518)	145
Uganda: DFID Refugee Law Project	3	272	(255)	20
South Sudan: Sida, Public Safety and Security	198	187	(193)	192
Sudan: US State Department, Supporting Peace and Stability	-	406	(365)	41
Middle East North Africa: FCO MENA region	-	220	(220)	-
Europe: FCO Caucasus (Eastern Abkhazia & South Ossetia)	-	249	(249)	-
Kyrgyzstan: US State Dept, Community Security Effectiveness	-	190	(190)	-
China EC Dialogue Project, China, Europe, Africa	114	444	(373)	185
Nepal: Danida, Security and Gender-responsive safety	-	161	(161)	-
Policy, Advocacy: DFID Rising Powers	-	195	(191)	4
Other smaller projects	324	3,208	(1,465)	2,067
	<hr/>	<hr/>	<hr/>	<hr/>
Total restricted funds	1,640	8,599	(6,619)	3,620
All unrestricted funds (Note 14)	1,118	2,470	(2,390)	1,198
	<hr/>	<hr/>	<hr/>	<hr/>
Total reserves	2,758	11,069	(9,009)	4,818
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

Cross regional work

Saferworld's largest project is funded by the government of The Netherlands and works in South Sudan, Yemen and Bangladesh. The aim of the project is to contribute to an improved environment for reconstruction and development in Bangladesh, South Sudan and Yemen. It sets out to do this by creating more active, informed and inclusive societies, and more effective and accountable institutions – in turn increasing public safety and security.

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For the year ended 31 March 2014

The Capacities for Peace project funded by the EC and partnered by Conciliation Resources works to build in-country and regional engagement between civil society and other relevant stakeholders to assess opportunities to build peace. The project works in a range of countries in MENA, Central Asia, South Asia, Africa and South America. The work will include identifying key gaps in existing analysis, seeking out under-represented perspectives and innovative approaches at local, national and regional levels and tailoring the actions to take advantage of opportunities to engage in the most strategic way.

Africa

Saferworld has been working since 2004 to strengthen the participation and influence of Somali NSAs in key decision-making processes on peace, security, and development. This forth phase of the project aims to support the platforms to independently engage in policy dialogue with Somali authorities and the international community on a range of issues, and also to influence key policy and decision-making processes.

Ahead of the March 2013 elections in Kenya, DFID provided funds for Saferworld to work with key peace, security and election management actors across Kenya to strengthen preparedness and coordination in support of peaceful, free and fair national polls. We are also continuing to work with grassroots peace actors in six potential hotspots to build resilience to conflict, promote peacebuilding and strengthen the capacity of community members to hold their leaders to account, including on issues of governance, security and service delivery.

The government of The Netherlands provides funds for our work with the Kenyan Police on governance, broad reform issues and reforms within the National Police Service in particular. This project aims to facilitate broader reforms within the security sector in general, lead to improved service delivery; professionalism; accountability; and ability to address the security needs of Kenyans. We are working in and among 13 communities in Kenya across seven counties at national and local level. We are working to ensure that the National Police Service Standing Orders and Regulations, currently being developed by the Inspector General's Office, include key guidelines on accountability and professionalism among police officers. This includes the use of force and firearms, community policing implementation, and human rights – feeding in key technical expertise to those drafting the regulations.

In Uganda, Saferworld is a member of the Advisory Consortium on Conflict Sensitivity, a consortium supported by DFID funding to ensure that development interventions in northern Uganda effectively address the drivers of conflict and contribute to building peace. Our role in the consortium is to deliver evidence-based advocacy and provide conflict sensitivity advice and training to stakeholders involved in development initiatives in northern Uganda.

In South Sudan, SIDA is funding work to contribute to an improved environment for reconstruction and development by increasing public safety and security through more active, informed and inclusive societies and more effective and accountable state institutions, and by ensuring that

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For the year ended 31 March 2014

national and international development actors working in these contexts incorporate conflict-sensitive approaches into their policy and practice.

Europe and Central Asia

In Central Asia, we have been working for many years and the FCO provided funds for our projects preventing conflict through participatory approaches to community safety in the Ferghana Valley. Work in the Caucasus continued with the FCO increasing our regional capacity for community-based approaches to security.

In Kyrgyzstan, the US State Department funds work, together with our local partner the Foundation for Tolerance International (FTI), to bring together communities from different ethnicities and encouraging constructive co-operation on local security issues between residents, authorities and law enforcement agencies. From this experience we are developing practical, evidence-based policy recommendations to feed into wider debates on community security effectiveness, linking our community work with national policy changes.

China

Saferworld has worked on issues relating to China for some years. The primary aim of the current EC funded project is to facilitate dialogue that contributes to meaningful EU-China-Africa co-operative actions that address the threats associated with the proliferation of conventional arms, focusing on SALW controls and the UN ATT process. Working with China Arms Control and Disarmament Association (CACDA), China Institutes of Contemporary China Studies (CICIR), Chinese People's Association on Peace and Disarmament (CPAPD), Tsinghua University (Beijing), Tongji University (Shanghai), and Africa Peace Forum (APFO – Nairobi), the project is creating sustainable networks and forums, increasing awareness and engagement by the policy community, and supporting joint research.

Other regional work

Saferworld also works across South Asia as well as the Middle East and North Africa. In Nepal, DANIDA is funding work to support local people to engage with the police and local authorities so they tackle their security concerns together; and funding work with civil society to advocate for more gender-responsive safety provision. We use the findings from these projects to influence district and national level policy and practice.

Policy and advocacy work

The FCO funded Saferworld's longstanding work and commitment to the Arms Trade Treaty. Work included active participation at the UN PrepComs in July 2012 and continuing negotiations which culminated in the successful UN Arms Trade Treaty.

DFID has funded our 'Rising Powers' work, to conduct research and support dialogue on the inclusion of conflict and violence issues in the post-2015 development framework, engaging a range of policy communities and actors, including rising powers and traditional donor countries,

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For the year ended 31 March 2014

multilateral actors and other global stakeholders both at the country level and among decision makers in New York.

14. UNRESTRICTED FUNDS

Unrestricted income is comprised of funds which the trustees are free to use in the furtherance of the organisations charitable objectives.

	At 1 April 2014 £ '000	Incoming resources £ '000	Outgoing resources £ '000	At 31 March 2014 £ '000
UK DFID - Programme Partnership Arrangement		1,739	(1,739)	-
Swedish International Development Agency		391	(391)	-
Other unrestricted income	1,118	340	(260)	1,198
	<u>1,118</u>	<u>2,470</u>	<u>(2,390)</u>	<u>1,198</u>
Reserve analysis	£ '000	£ '000	£ '000	£ '000
Designated reserves	-	182	-	182
Other unrestricted reserves	1,118	2,288	(2,390)	1,016
	<u>1,118</u>	<u>2,470</u>	<u>(2,390)</u>	<u>1,198</u>

The UK Department for International Development (DFID) provided £1,739,000 under a Programme Partnership Arrangement and the Swedish International Development Agency provided £391,000 for our programme of work to address small arms and light weapons, security sector reform, international transfer controls, and impact assessment. Other income is from individuals and small grants from foundations and governments for a range of work.

During the year, the Directors designated £182,000 for work on priority projects in the Uganda and Great Lakes region.

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For the year ended 31 March 2014

15. ANALYSIS OF NET ASSETS BETWEEN FUNDS	Restricted	Unrestricted and designated	Total
	£ '000	£ '000	£ '000
Tangible fixed assets	68	3	71
Net current assets	1,130	3,617	4,747
	<hr/>	<hr/>	<hr/>
Total net assets	1,198	3,620	4,818
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

16. OPERATING LEASE COMMITMENTS

At the year end the charity had annual commitments under operating lease on buildings as follows:

	2014	2013
	£ '000	£ '000
Expiry date:		
Under one year	69	66
	<hr/> <hr/>	<hr/> <hr/>

17. SHARE CAPITAL

Saferworld is a company limited by guarantee and has no share capital. Each member is liable to contribute a sum not exceeding £1 in the event of the charity being wound up.